SUMMARY
ESMC is seeking development of a white paper that will identify policy opportunities and obstacles to a fully optimized ecosystem services market program. ESMC’s market seeks to scale impacts of regenerative and sustainable agricultural production systems that improve soil carbon sequestration and retention, reduce other greenhouse gases (GHG), and improve water quality and water use conservation. ESMC’s desired outcomes are to support resilient biological agroecosystems, which ultimately protect our nation’s supply of food, feed, and fiber by reducing the economic risks of farmers, ranchers, and their communities brought about by harsh climatic conditions. Our theory of change is that private, voluntary environmental markets that pay farmers and ranchers for the ecological outcomes demanded by buyers and by society can help to scale impacts. Our science-based program will quantify, verify, and certify outcomes in a transparent manner to meet consumer and market demand.

BACKGROUND
The Ecosystem Services Market Consortium (ESMC) is a public-private partnership of farmers and ranchers and agriculture commodity organizations, food and beverage companies, agribusinesses, and non-profit organizations across the agricultural value chain to provide a science-based, standards-based program and full-service operation designed to scale beneficial environmental outcomes from agriculture by paying farmers and ranchers for their outcomes. ESMC’s primary operating principle is that a market-based approach must work first and foremost for farmers and ranchers to achieve sustained ecosystem service impacts at scale. Additional principles guiding the Consortium are that: ecosystem services markets must consider regional differences in environment, culture, and production practices; focus on producer Return on Investment (ROI); be science-based, credible, and meet market standards; show measurable impacts and outcomes; and be transparent to build trust in the full agricultural and food value chain.

The ESMC program incentivizes and rewards producers for their efforts in a national scale program conceived and designed to overcome past and current ecosystem market challenges. ESMC’s strategy is to systematically de-risk the program and lower the cost of providing robust, science-based, credible outcomes. ESMC’s investments in technologically sophisticated tools and infrastructure allows producers and corporations alike to meet goals for greenhouse gas (GHG) emissions reductions, improved water quality, and water use conservation collectively so that they need not make these investments themselves. Set to launch in 2022, ESMC offers a transparent accounting of outcomes to give producers an opportunity and capacity to improve environmental and economic outcomes while meeting corporate and societal demands. The program meets farm-gate needs and rewards producer ambition to combat climate change while improving corporate resolve to meet their own sustainability goals. Most importantly, ESMC provides the scientifically sound foundation necessary to establish this market.
The strength of the Consortium is its 50+ members and their commitment to work collaboratively in a pre-competitive manner to fine-tune the market through enhanced technological investments and by pilot-testing the entire operation prior to full launch. ESMC LLC is a not-for-profit organization.

STATEMENT OF WORK

**Development of White Paper:** ESMC seeks development of a white paper on policies relevant to private, voluntary ecosystem services markets, to include carbon/GHG, water quality, and water quantity credits. The white paper should assess the policy landscape to further inform the refinement of ESMC’s protocols, business plan, pilot projects – including projects launched, soon to launch, and in planning stages, across the continental US – and ultimately the full market.

**Scope:** For this assessment, *grazing on public lands* encompasses the management of livestock on range, pasture, and silvopasture owned by state or federal government under a valid permit or lease with the appropriate agency. Since soil health is one important component of ecosystem services from agricultural working lands, we include the USDA NRCS definition of soil health as “the continued capacity of soil to function as a vital living ecosystem that sustains plants, animals, and humans.” The geographic scope of the assessment is limited to the agricultural working lands of the lower 48 states.

The Policy white paper should assess the following:
State or federal policies that support or inhibit the generation of soil carbon, net GHG, water quality, and/or water use conservation credits through the implementation of regenerative livestock grazing practices on public lands. The assessment should also include an overview of past efforts to generate ecosystem service credits from public lands, as well as an evaluation of related federal policies or involvement in agricultural working lands (e.g. federally-financed permanent easements) that support or inhibit the development and scaling of agriculture-based ecosystem service markets in the U.S.

Potential themes to consider include:

- Implications for public land eligibility in ecosystem services markets; the process of establishing asset ownership between the private rancher and the public agency; issues associated with permit or lease length and related contractual stipulations; opportunities or recommendations for modifications to producer/agency agreements
- Opportunity costs to state or federal governments when ecosystem services credit generation through public land grazing permits are prohibited in terms of lost environmental co-benefits to public land resources, lost ability for public agencies to purchase or claim increases in their GHG inventories, etc.
- Implications of public land eligibility in carbon offset markets (e.g. permanence, additionality)

The assessment should conclude with recommendations for future action – based on the opportunities and challenges discussed – that can be taken through both legislative and administrative processes. This roadmap should include the specific steps, mechanisms, resources, and actors needed for advancing policies that support ecosystem service asset generation through grazing on public lands.

**DELIVERABLES**

1. White paper as described
2. A powerpoint deck summarizing and presenting content
ITEMIZED and TOTAL BUDGET
Applicants should include an itemized and a total budget as part of the proposal. The budget should be broken down by work stages, should include additional line items as appropriate, and should specify whether items are fixed-cost expenses or time-and-expense items. A budget narrative should accompany the itemized budget to describe how the budget covers each element of work contemplated and any additional costs associated with the proposal and the proposed budget.

Because some elements of this RFP are less definitive and thus may be difficult to budget, we expect applicants to use their best judgment and best offers and to describe how they will approach the work overall, how they will approach and carry out each element proposed in the work, and expound as appropriate on overall budgeting and budgeting for individual elements and work stages.

STATEMENT OF QUALIFICATIONS
Applicants should include in the proposal a statement of organizational and staff or partner qualifications to develop the Policy Assessment, to include:

- Past and current activities or expertise in reviewing or assessing policies and regulations at the state or regional level, including assessing the policy implications of agricultural ecosystem services or work done in general in the agricultural ecosystem impacts and/or carbon/water markets sector.
- Relevant qualifications, experience and expertise of staff that will complete and/or contribute to the white papers, including relevant expertise in soil carbon, water quality, and water quantity, including with regards to market development or participation or other activities as relevant.

Consultant should identify in the proposal a designated Point of Contact (POC) and phone and email coordinates where the POC and all project leads can be reached.

PROPOSAL DEADLINE
The proposal submission deadline is Monday October 19, 2020. Proposals should be submitted via email to dreed@ecosystemservicesmarket.org in one contiguous PDF format.

PROPOSAL SUBMISSION INFORMATION
The proposal should not exceed 6 pages in length (total) as indicated below. Page margins for the proposal must be no smaller than 1” on all sides and font should be no smaller than 12 points.

Total page limitations by section are as follows:
- Cover page – not to exceed 1 page
- Scope of work – not to exceed 2 pages
- Timeline of activities – not to exceed 1 page
- Budget – not to exceed 1 page
- Statement of Qualifications – not to exceed 1 page

Proposals exceeding stated page limitations will not be considered.