

# Terms of Reference

## Scoping European National Level Deforestation Free Initiatives

January 23, 2019

### 1. Introduction: IDH soy, palm oil and tropical timber programs

The IDH soy, palm oil and tropical timber programs focus on reducing deforestation in the countries of production through a Production-Protection-Inclusion approach. An essential driver is increased demand for sustainably produced commodities, which is what the market side of the programs aims to achieve. The high-level strategy for increasing uptake of sustainable commodities in Europe includes:

1. Improved data on uptake of sustainably produced commodities;
2. Developing a strong connection between market and producing countries via the Verified Sourcing Area model;
3. Strengthening National Initiatives that support sustainable and deforestation free commodity sourcing

Concerning **market data**, annual monitoring reports on uptake of sustainably produced commodities are being published. The palm oil report will be published for the third time this January in cooperation with the European Sustainable Palm Oil (ESPO) project, and the soy and tropical timber reports are due in June this year.

The **Verified Sourcing Area** model aims to create an efficient sourcing mechanism to accelerate production and uptake of sustainable commodities globally. It helps companies to source large volumes of commodities in line with their sustainability commitments at a competitive scale and price. Through VSAs, entire production areas can be connected to global markets. In these areas, local actors drive sustainable development and receive direct support and incentives by global markets for doing so. VSAs reward the sustainability of whole regions and have impact on multiple sustainability targets at once.

This term of reference relates to the third tier, namely that of the **National Initiatives** to increase market share and overall uptake of sustainably produced commodities. Over recent years, IDH has supported national-level industry associations by engaging primarily with their European federations through a single-commodity lens: working with animal feed associations on responsible soy through European Feed Manufacturers' Federation (FEFAC), working with national palm oil initiatives through the ESPO project and working on tropical timber through the Sustainable Tropical Timber Coalition. Going forward, recognizing the need for tailored approaches in each of the European market countries and to bring together key actors at national level, IDH will further strengthen these national initiatives. Furthermore, where feasible, IDH will aim to facilitate transition from single commodity-based platforms into national (multi-commodity) deforestation free imports initiatives.

### 2. Objectives of the assignment

The French National Initiative is a precursor to this envisaged transition. In 2018, the French Alliance for Sustainable Palm Oil became the Alliance for the Preservation of Forests – a platform focusing on curbing (imported) deforestation from (initially) soy, palm oil, tropical timber, rubber and beef. The French government presented the National Strategy on No Deforestation (SNDI) last year, designed by the National Group on Tropical Forests (GNFT). The Alliance for the Preservation of Forests has been involved

in the elaboration of the SNDI by chairing one of the main working groups of the GNFT, namely that of the private sector. While still in the phase of being set up, the Alliance starts to prove to be an effective platform on both a national and a European level.

There are several actual and potential benefits to this ‘French model’ that may also be effective in other European countries. A general ‘Deforestation Free Imports Alliance’ would foremost provide a platform for the private sector, civil society and the government to strategize on reducing imported deforestation and increasing sustainable uptake for all commodities collectively. Furthermore, it would allow for (i) joint or coordinated monitoring of progress and identification of high-impact areas; (ii) more comprehensive, less fragmented setting of policies and actions plans towards deforestation; and (iii) learning and sharing of experiences between commodities where the market-side sustainability transition is more mature (e.g. palm oil) and those that are still lagging behind (e.g. soy). In production areas, this multi-commodity ‘landscape approach’ has already gained a lot of traction; however on the market side the work is still very much seen in commodity specific silos.

Within the deforestation alliance model, each commodity would still require a specific approach. However by creating a high-level enabling environment, there will be a more level playing field in which each commodity can also learn from other approaches. In short, such a platform should save resources while enabling more efficient lobbying and awareness raising.

**IDH is interested in understanding the opportunities to scale the ‘French model’ of an overarching sustainable commodity production platform to other European countries as well as explore the need for the commodity specific platforms in those same countries and is therefore seeking a consultancy to scope opportunities for such overarching platforms.**

### 3. Scope of the report & deliverables

The report should summarize the situation and opportunities in the following six Amsterdam Declarations Signatories countries –Denmark, Germany, Italy, the Netherlands, Norway and the UK – as well as in Switzerland, Spain and Portugal. While the final scope may differ per country, depending on imports, the initial commodity focus should at least be on soy, palm oil, tropical timber, rubber and cocoa.

The scoping report should at least include the following:

1. An evaluation of the ‘French Model’ through a SWOT analysis of the experience of the French Alliance. This evaluation should look at:
  - a. Enabling conditions (market, government, civil society / NGOs) prior to transition
  - b. Challenges experienced in setting up the Alliance
  - c. Current strengths, weaknesses and threats for the French Alliance
  - d. Opportunities for the Alliance going forward
2. A stakeholder mapping in each of the above countries, including:
  - a. Current deforestation free/sustainable commodity initiatives and their engagement level per commodity; identifying agents of change within each stakeholder group/per commodity, analysis of trends (import volumes, sourcing countries, sustainability concerns), existing blockers for increased sourcing of sustainable commodities, stakeholder analysis (government, NGOs, industry – whom are already involved, which sectors are lacking, etc.).

- b. Enabling environment:
  - i. Government policies and the state of implementation (e.g. of public procurement) and current political situation with regards to imported deforestation in particular, and sustainability of imported commodities in general;
  - ii. End-buyer (manufacturers, retailers, brands) priorities in terms of sustainability and their state of implementation
  - iii. Civil society attention and initiatives
- 3. If conversations concerning such a general deforestation platform are already taking place, who is engaged in these, and what the conclusions are so far;
- 4. A synthesis analysis per country on the 'readiness' and identified pros and cons of setting up such a platform, and which commodities and stakeholders to include in the early stage.

#### 4. Method of work

The selected consultant is expected to carry out the assignment through interviews with relevant stakeholders and desk research. Initial contacts and an information package will be provided by IDH. The delivered report will be an IDH internal document.

#### 5. Consultant/consultancy profile

For this assignment, IDH is looking for an independent and credible consultant or research team.

Experience/knowledge	<ul style="list-style-type: none"> <li>• Relevant network &amp; experience with deforestation risk commodity supply chains</li> <li>• Experience with implementing an innovative and analytical agenda</li> <li>• Experience with engaging different types of stakeholders in both public and private sectors</li> </ul>
People	<ul style="list-style-type: none"> <li>• Working knowledge of English language</li> <li>• Strong analytical skills to quickly assess opportunities and understanding of different dynamics</li> <li>• A track record of similar work and previous working experience</li> </ul>

#### 6. Proposal submission & contact details

Please send a proposal, including a proposed initial approach, timeline and budget, before **February 15, 2019** to Nienke Sleurink via [sleurink@idhtrade.org](mailto:sleurink@idhtrade.org). Any inquiries can also be directed to this email address. Maximum budget including VAT is EUR 49.000. Report should be finalized before April 2019.

For more background information please see [IDH Palm Oil](#), [IDH Soy](#) and [IDH Tropical Timber](#).