

# *Request for proposals:* EU Sustainable Tropical Timber market data partner

*IDH, June 2018*

## 1. Background

IDH as a public private partnership organization has been promoting sustainable forest management through the IDH Tropical Timber program ever since its establishment 10 years ago. Aim of the IDH Tropical Timber program has throughout been to contribute to reducing deforestation. To this end, in the period 2010 to 2016, IDH contributed to the certification of 8.5 million hectares of tropical forests for sustainable forest management. Equal to 80% of all tropical forest certification at the time. The Tropical Timber program to date continues to support innovation in business models and 'flagship' certification initiatives of forestry companies and cooperatives in tropical countries.

Lagging demand for verified sustainable tropical timber on the European market end, however, was increasingly undermining the business case for forestry operators for certification of sustainable forest management (SFM). The financial crisis in this period in that period also led to stagnation of the building industry, and related drop in demand for timber.

In 2014, responding to this lagging demand, IDH with a number of key partners including the European Timber Trade Federation, ATIBT, FSC and PEFC therefor established the European Sustainable Tropical Timber Coalition, with the aim to accelerate European market demand for SFM timber products. The objective of the STTC is to have 50% of all European tropical timber imports come from sustainably managed forests by 2020.

The European STTC currently counts about 80 members, mainly private sector companies and municipal governments. Core members of the European STTC continue to be PEFC, FSC, ATIBT and ETTF.

During the fifth European STTC meeting (September 2017- Aarhus, Denmark), there was strong alignment that, to achieve the 2020 objectives, the European STTC would need to continue as a platform and focus on five main points to improve the market share of verified sustainable tropical timber further:

1. Ambition in the sector to share information and collaborate to promote the use of verified sustainable tropical timber;
2. Improved data on European market uptake of Sustainable Tropical Timber;
3. Alignment on where FLEGT timber stands, in relation to promoting verified sustainable tropical timber;
4. Shared lobby and advocacy for better policies, including on procurement (and seeing them being implemented)
5. Greater sharing of information, tools and technical research on tropical timber between European STTC partners

## 2. Scope of work

This Request for Proposals relates to point 2 of the STTC roadmap, improved data on the market share and traded volume of verified sustainable tropical timber on the European market. The aim is to publish three bi-annual reports, making data available on the market share of Verified Sustainable Tropical Timber, covering the years 2016, 2018, and 2020.

The 2016 STTC report [‘How Sustainable are Europe’s Tropical Timber Imports?’](#) was recently launched, and identifies trends in the trade of tropical timber on the EU market, and explores how an EU commitment to 100% verified sustainable tropical timber can contribute to deforestation-free supply chains and help meet climate change mitigation targets.

During the development of the report, several data gaps were identified, and the aim was set to for the 2018 report to:

- Improve the methodology and seek to mobilize or where needed gather more primary data to improve reliability;
- Develop and test the methodology for gathering data on secondary or processed tropical timber flow to the European market, mainly from Asia;
- Mobilize additional partnerships and collaboration of key tropical timber stakeholders to further strengthen the report’s quality and impact;
- Include disaggregated data per scheme, including but not necessarily limited to verified legal, FLEGT, controlled wood, certified FSC and certified PEFC.

On basis of this Request for Proposals, IDH, on behalf of the STTC, aims to select a party that will develop the research methodology, support and strengthen partnerships for mobilization of data, lead data gathering and produce the 2018 report.

The report needs to provide an estimation of the market share of verified sustainable tropical timber in the EU over the year 2018, including:

- the market share of certified sustainable, verified legal and FLEGT-licensed tropical timber on the European market.
- For primary and secondary (processed) timber products

Data should be disaggregated, to the extent possible, per:

- European market level, and per country, focusing on important European importing countries – at least France, the UK, the Netherlands, Belgium, Italy, Spain and Germany;
- Product group (primary: roundwood, sawn wood, veneer, plywood) and processed (*at least including furniture, furniture parts and builder’s woodwork: joinery and carpentry*);
- Sector (*construction, waterworks etc*);
- Principal buyer (*government procurement vs. private procurement*)
- Scheme (*verified legal/FLEGT/controlled wood /certified FSC or PEFC*)
- Producing country / region of origin (*hectares certified, volumes & products exported*) (*while ensuring data cannot be traced back to individual companies*)

The report should further include:

- Estimated impact on number of hectares of forests that are under sustainable management thanks to sourcing policies in Europe, and estimated carbon impact;

- Concluding analysis on the current market situation;
- Recommendations for next steps and policy actions to increase uptake of sustainable tropical timber in Europe to the European timber trade sector, including specific recommendations towards:
  - the national timber trade federations of the seven main importing countries;
  - the European Commission;
  - National governments of the EU member states and the UKI
  - the STTC.
- An internal analysis on how to improve methodology and collaboration for the next reporting year.

The partner organization / consultant will make use of existing data as much as possible. The STTC Technical Committee, existing of representatives from IDH, PEFC, FSC, ATIBT and ETTF will support in mobilization of data and contacts, and the consultant is to explore further collaboration options. IDH will be the consultant’s main point of contact, and all major methodology decisions are to be discussed within the STTC Technical Committee.

The final draft report is to be finalized and submitted to IDH by April 30<sup>th</sup>, 2019.

### 3. Key deliverables

Key deliverables and their due dates are summarized in the below table. The final draft report is to be finalized and submitted to IDH by May, 2019. IDH will be responsible for final editing and design of the report.

<b>Deliverable</b>	<b>Due date</b>
Signing of the contract	August 30 <sup>th</sup> 2018
Kick off workshop in Brussels with key stakeholders, presentation of inception report, including draft methodology and connotated outline of the report.	September 2018
Hosting table session at annual STTC event	October 2018
Monthly submitting progress updates to STTC technical committee, and joining STTC TC calls where relevant (estimated maximum of 6 calls)	Monthly
Mobilize and analyze data	October 2018 – March 2019
Report writing	January – April 2019
Submission of draft report	15 April 2019
Submission of recommendations for the next data gathering cycle	21 April 2019
Final report	15 May 2019

### 4. Proposal guidelines

In the response to this Request for Proposals, the consultant / partner is requested to include an overview of its demonstrated experience in the following fields:

- Knowledge of the tropical timber supply chain, including of secondary products;
- Experience in mobilizing and analysing market monitoring data;

- A solid understanding of the current (sustainability) issues in the tropical timber sector, and how data can support an increased market share of verified sustainable tropical timber;
- A strong network in the sustainable trade sector, including with private sector stakeholders, as well as public stakeholders and NGOs;
- Experience in translating data and findings into impactful conclusions and recommendations, that speak to policy makers and other key sector stakeholders;

The proposal needs to include the following:

- Methodology and approach to the data collection, for primary as well as for secondary tropical timber products;
- Discussion on challenges and limitations of data collection through the various methods, suggestions on how to improve data reliability, and approach towards potential issues related to disclosing of sensitive data (data privacy);
- Overview of possible additional partnerships, data, and co-financing mobilized by the consultant / partner, and how this will improve the overall quality and impact of the report;
- Draft annotated outline of the report;
- A project timeline, including an indication of the feasibility of the above timeline;
- A detailed budget, including breakdown of budget allocated to:
  - o Data collection for primary products;
  - o Data collection for secondary products;
  - o Data analysis and report writing;
  - o Communications, project management;
  - o Other (pls specify)

The final proposal will be selected based on the alignment to above requirements, collaboration opportunities and price.

IDH reserves the right to update, change, extend, postpone, withdraw or suspend the Request for Proposals, this tender, or any decision with regard to the selection or contract award. IDH is not obliged in this tender procedure to make a contract award decision or to conclude a contract with a participant. IDH reserves the right to suspend or annul the Tender Procedure at any moment in time.

Participants cannot claim compensation from IDH, any affiliated persons or entities, in any way, in case any of the afore-mentioned situations occur.

By handing in a proposal, participants accept all terms and reservations made in these Terms of Reference, and subsequent information and documentation in this tender procedure.

## 5. Procurement procedure and timeline

Please send a proposal, including a proposed initial approach, timeline and budget, to [mooij@idhtrade.org](mailto:mooij@idhtrade.org). Any inquiries can also be directed to this email address. Maximum budget including VAT is EUR 75.000.

Due date for confirming interest: 12 July 2018

Due date for proposal submission: August 13, 2018

Internal review and question round: until August 27, 2018

Awarding of contract: in the week of August 27, 2018.