

## **Terms of Reference: Baseline Study for Volume of Palm Oil Imports into India**

**Deadline for Submission: 4<sup>th</sup> September 2020 (11:59 PM IST)**

### **1. Introduction**

IDH Sustainable Trade Initiative (“IDH”) accelerates and up-scales sustainable trade by building impactful coalitions of front running companies, civil society, governments, knowledge institutions and other stakeholders in several commodity sectors. We convene the interests, strengths and knowledge of public and private partners in sustainability commodity programs that aim to mainstream international and domestic commodity markets. We jointly formulate strategic intervention plans with public and private partners, and we co-invest with partners in activities that generate public goods.

On basis of these Terms of Reference IDH aims to select a party to conduct **a Baseline Study for Volume of Palm Oil Imports into India.**

### **2. Context**

India is the largest importer of palm oil globally and India’s palm oil consumption grew at a CAGR of 2.28% over the past five years (2015–2019). Consumption significantly exceeds domestic production, as India produces around 260,000 MT of palm oil annually, continuing to import around 10 MMT, primarily from Indonesia and Malaysia.

This places India in a unique position to influence efforts to halt deforestation globally through its imports.

The proposed baseline report will be an essential tool to understand and improve sector governance through verifiable import data in India for palm oil, triangulated from credible data sources: triangulated across data points as reported to the Government of India, port level import volumes and as reported to voluntary standards and certification agencies.

### **3. Program Background**

With support from the Government of the Netherlands, four National Initiatives for Sustainable Climate Smart Oil Palm Smallholders (NI-SCOPS) have been set-up in cooperation with the governments of Indonesia, Malaysia, Nigeria and Ghana.

IDH, along with our global partner Solidaridad, is actively seeking new partnerships with states, companies and other value chain actors with an interest in developing sustainable palm oil supply

chains. The NI-SCOPS program provides a way out of the increasingly polarized debate on palm oil, both for producer and consumers countries.

IDH's Palm Oil program aims to make sustainable production of palm oil mainstream and thereby reduce tropical deforestation. We do this by working on governance at the field in Indonesia and Malaysia, and on the market side in consumer geographies of India, EU and China, to increase uptake of responsibly produced palm oil.

More information about IDH's work on the Indian Market for palm oil is available [here](#).

#### **4. Objectives**

The objectives of the study are as follows.

Analyze import data from reliable sources triangulated across following data points

- i. Reported to the government by public agencies and industry associations
- ii. Reported by private agencies with access to granular port level and company wise import volumes
- iii. Reported to certification agency data (such as ACOP, PalmTrace etc)

This data should have details on the following

- i. Volumes imported and total tax/duty collected on the imported volume
- ii. Supply chain actors present in the process of import
- iii. Top 20 importers by volume
- iv. Top 20 buyers by volume

In addition, the data will need to be cross-referenced against information available through

- i. CNF agents working with HS Code 1511
- ii. Annual communication from downstream actors operating in India
- iii. Discussions with relevant trade bodies

#### **5. Deliverables**

The final results of this study should include

- i. Access to the raw data (data points as reported to the Government of India, port level import volumes and as reported to and by voluntary standards and certification agencies gathered during this assignment in a consolidated resource for 2019 – 2020
- ii. A written analysis report (word and pdf) which will include an elaboration on method, project, background, results and conclusion in written format supported by clear visuals and graphs. This will detail the total palm oil volumes, volume per certification schemes, credits, critically

analyze data available on traceability platforms for India and recommendations for increased uptake in responsibly sourced/sustainable/certified palm oil. A draft table of contents may be discussed at the inception of the project

- iii. A summary presentation with the main results that should be able to be read independent from the complete report

This will remain a confidential report and any individual company's data will not be published or shared externally. This report will serve as the reference point for future studies. All right, title and interest in the report and all deliverables including any work in progress shall vest with and be owned by IDH.

The consultant would be expected to spend approx. 500 person hours on the assignment, as per the draft timeline below.

| <b>Deliverables</b>                                    | <b>Timeline</b>            |
|--|----------------------------|
| Kick-off meeting                                       | 28 <sup>th</sup> September |
| Data collection and writing of the methodology         | 19 <sup>th</sup> October   |
| Baseline Report First Draft (with placeholder content) | 12 <sup>th</sup> November  |
| First Report review Meeting                            | 27 <sup>th</sup> November  |
| Final Report review Meeting                            | 14 <sup>th</sup> December  |
| Baseline Report Final Draft                            | 28 <sup>th</sup> December  |

*\*Bi-weekly calls with the team to be scheduled*

## **6. Method of work**

While drafting the methodology report, the consultant will work and co-ordinate closely with IDH. The consultant may be in frequent contact with current and potential IDH partners, therefore due care in stakeholder management is required. Regular (bi-weekly) calls, as detailed below, will be held between IDH and the consultant to provide regular feedback. The Consultant will be an independent contractor and the consultant shall not be an agent or employee or joint venture of IDH.

During the period of the project, the consultant will need to

- i. Research available databases on Indian imports and consumption
- ii. Interview relevant stakeholders. IDH will provide support wherever possible, but the consultant is expected to carry out the research independently and use their network and connections
- iii. Reach out to all certifications and standards associated with palm oil present in India and government endorsed standards from producing geographies to collect relevant figures

## **7. Ideal Consultant Profile**

For this assignment, IDH is looking for a consultant (individual or team) with

- i. Conceptual clarity about the global and Indian palm oil trade and industry
- ii. Understanding on sustainable sourcing and deforestation risk in palm oil production and trade
- iii. Relevant palm oil network in India (and preferably producing geographies)
- iv. Expertise in international trade with prior experience in similar areas
- v. Prior work on edible oil industry or palm oil will be preferred

## **8. Submission of Proposals**

Please send a proposal in word format (maximum 4 pages, excluding annexures) before 4<sup>th</sup> September 2020, 11:59 PM IST to the contact details mentioned at the end of this document. The tenderer/party submitting a proposal shall bear all and any other costs associated with or relating to the preparation and submission of the proposal and IDH shall not be liable to reimburse any such expenses, regardless of the conduct or outcome of the proposal.

In the proposal, please provide the following

- i. A succinct, well-documented approach
- ii. Inclusion of a budget with a break-down of man days/rate per consultant
- iii. Clear description of the project team, relevant experience of team members and time allocation per team member
- iv. Statement of experience (only experience from the suggested team members is relevant)
- v. Description of contractors

## **9. Call for proposals/Invitation to offer**

This Terms of Reference is not and does not amount to an offer by IDH to any person. No binding contractual obligation will form between IDH and any person submitting a proposal, unless a proposal is accepted in writing by IDH and a detailed contract is entered into between the IDH and the relevant tenderer, after acceptance of a proposal by IDH.

## **10. Tender Procedure and Selection Criteria**

### ***Procedure and timeline of tender***

The procedure will be as follows

- Inviting consultancy companies for presenting a full proposal based on the TOR
- Pitching of the proposal for the IDH program teams
- Evaluation of the proposals by an internal evaluation committee. The evaluation committee will evaluate the proposals on the basis of the exclusion, selection and award criteria as published in these Terms of Reference.
- Decision on selection of consultancy
- Inception meeting with the selected consultancy company

| <b>Tender process</b>                  | <b>Timeline</b>            |
|--|----------------------------|
| Terms of Reference published           | 21 <sup>st</sup> August    |
| Deadline for submission of proposals   | 4 <sup>th</sup> September  |
| Pitching of proposal for program teams | 11 <sup>th</sup> September |
| Selection of consultancy               | 21 <sup>st</sup> September |

IDH will reject offers if any illegal or corrupt practices have taken place in connection with the award or the tender procedure.

### ***Selection criteria***

The evaluation of proposals will be made based on overall proposal quality, feasibility of proposed approach for data collection, expertise in the palm oil sector, demonstrated advanced experiences and skills and budget allocation.

IDH is not bound to accept any proposal or to assign any reason for non – acceptance of a proposal.

### ***Grounds for exclusion***

Tenderers shall be excluded from participation in a procurement procedure if

- they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations
- they or persons having powers of representation, decision-making or control over them have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata

- iii. they have been guilty of grave professional misconduct proven by any means which the IDH can justify
- iv. they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established, or with those of the Netherlands or those of the country where the contract is to be performed
- v. they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organization, money laundering or any other illegal activity, where such illegal activity is detrimental to the MFA's financial interests

Tenderers must confirm in writing that they are not in one of the situations as listed above.

Tenderers shall not make use of child labor or forced labor and/or practice discrimination and they shall respect the right to freedom of association and the right to organize and engage in collective bargaining, in accordance with the core conventions of the International Labor Organization (ILO).

## **11. Jurisdiction**

Any dispute between any party and IDH arising out of or in connection with this document shall be subject to the exclusive jurisdiction of courts in New Delhi.

## **12. COVID-19 Safeguarding and Contingency Planning**

At IDH we have a strongly advocate a duty of care to minimize the risk of all infectious diseases spreading in the course of carrying out our work. We continue to monitor the guidance being released from globally recognized authorities such as the WHO and the Government of India to ensure that they are incorporated into our responses and policies. It is our hope that the COVID-19 pandemic will be brought under control soon.

There is likelihood however that this research assignment or part of it, would have to be carried out within a period of risk of exposure and spread of COVID-19.

It is likely that in-person data collection and meetings might not be feasible in most interview situations, and some channels of online meetings are also being discouraged by certain sets of stakeholders. It is expected that the consultant will be able to provide alternatives in such scenarios, depending on the country's response to the pandemic, the level of comfort of stakeholders, the operational demands of companies, and IDH's organizational policies.

### **13. Confidentiality**

The tenderer will ensure that all its communication with IDH, with regards to the tender, during the tender procedure take place exclusively in writing by e-mail to the contact details mentioned at the end of this document.

Any information provided (whether in writing or oral) and all the documents provided by or on behalf of IDH must be handled with confidentiality and the same shall not be disclosed by the tenderer to any third parties or used by the tenderer for any other purposes unrelated to the submission of a proposal. Further, the tenderer will also impose a duty of confidentiality on any parties that it engages. Any breach of the duty of confidentiality by the tenderer or its engaged third parties will give IDH grounds for exclusion of the tenderer, without requiring any prior written or verbal warning.

All information, documents and other requested or provided data submitted by the tenderers will be handled with due reasonable care and confidentiality by IDH. The provided information will after evaluation by IDH be filed as confidential. The provided information will not be returned to the tenderer regardless of whether such tenderer's proposal has been accepted or not.

### **14. Important Notice / Disclaimer**

IDH reserves the right to update, change, extend, postpone, withdraw or suspend the Terms of Reference, this tender, or any decision regarding the selection or contract award. Extra intermediary deadlines or changes can be discussed during the assignment phase and decided upon in agreement with the chosen consultant.

Under and as a result of this Tender Procedure, IDH is not obliged to make a contract award decision or to conclude a contract with any tenderer.

IDH reserves the right to suspend or annul the Tender Procedure at any moment in time. Tenderers cannot claim compensation from IDH, any affiliated persons or entities, in any way, in case any of the aforementioned situations occur.

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

### **15. Contact Information**

Any inquiries can be directed to the following

- Neha Simlai, Program Manager - [simlai@idhtrade.org](mailto:simlai@idhtrade.org)
- Sneha Maheshwari, Program Officer - [maheshwari@idhtrade.org](mailto:maheshwari@idhtrade.org)