

Development of Palm oil strategy for Asia

About IDH and landscape program

IDH brings companies, CSOs, governments and others in public-private partnerships together to realize green & inclusive growth at scale in commodity sectors and sourcing areas. Our approaches are designed to drive sustainability from niche to norm in mainstream markets, delivering impact on Sustainable Development Goals. We focus on creating positive impact on deforestation, living incomes and living wages, working conditions, toxic loading and gender. IDH is a foundation that works together with over 600 companies, CSOs, financial institutions, producer organizations and governments in 12 sectors and 21 landscapes in over 40 countries worldwide.

IDH landscapes program is one IDH's interventions to drive transformative systemic change towards sustainable trade. In the 21 landscapes in 12 countries currently part of the program, agricultural and forestry commodities are being produced at an increasing rate while problems like deforestation, water stress, biodiversity loss and soil erosion are becoming increasingly acute. IDH landscapes program brings together groups of producers, governments, large multinational companies, SMEs local businesses, farmers, international organizations, NGOs, and civil society organizations and help them cooperate towards a common goal in which agricultural products are grown sustainably, forest and natural resources are safeguarded and restored, and communities prosper.

Sustainable palm oil landscapes are part of this landscape program that IDH is focusing on, especially to combat against deforestation trend happening in those landscapes. In Asia, from production side, IDH focuses in 2 major palm oil countries which are Indonesia and Malaysia. For regional markets, IDH concentrates first and foremost in Indian, Chinese and Indonesian.

More information can be found in this link:

For production: <https://www.idhsustainabletrade.com/landscapes/>

For demand and markets (EU and India):

<https://www.idhsustainabletrade.com/sectors/palm-oil/>

As an important part of global palm oil sector, we plan to develop that part for Asia in which Indonesia and Malaysia are the two major global producers and exporters and India, China and Indonesia remain the largest (volume and price) importing markets for palm oil we would like to focus our convening efforts to create demand and policy incentives for sustainable products from those landscapes.

In order to develop such Asia Palm oil strategy, IDH is looking for a consultant team who will be able to undertake the tasks detailed below:

Description of required tasks:

1. Objective:

The objective of this assignment is to support IDH landscape team in Asia to develop the Palm oil strategy applying jurisdictional approach (incorporated with other approaches), from there, to identify what proposition of IDH should be in promoting sustainable palm oil market and investment/financing schemes as push factors to promote sustainability palm oil sector in Asia region.

2. Research questions

The strategy should be designed to help IDH answer the following critical (but not limited to) guiding questions:

2.1. *From market end*

- Is there **demand for sustainable palm within the region** (India, China, South East Asia), and if so **what would be the drivers and key measures to make it grow?** (Who are key regional/global related market players? What are their existing and future commitments towards sustainability?)
- What are the existing international trade treaties and negotiations that influence the Asian discussions on palm oil markets?
 - o What is the influence of government standards like ISPO or MSPO in these treaties and negotiations?
 - o Has global deforestation risk been discussed bilaterally by China, Indonesia, India and Malaysia? What is progress, agreement, and commitment so far?
- What is the role of existing international coalitions (like the Consumer Goods Forum) and industry led associations in driving the demand for responsibly sourced commodities and have they seen any success in demand markets in Asia?
- Is there any role for SourceUp platform to drive the market end of sustainable palm oil and how can this be achieved?
- Have we **reached the limits of influence of European and North America-based companies requirements on Asian producers**, or is there **more that could be done to influence Asian markets by European companies?**
- **What are the other routes to supply side influence?** In restricting the growth of coal fired power the climate sector has found that influencing finance is a strong route to change: If the climate commitments of major international financial institutions meant that they would not fund infrastructure or investments for unsustainable palm could that change the attitude of Asian palm companies? Are there any Asian palm companies that have a drive to sustainable palm even though their Asian buyers don't demand it? If so what is driving this commitment?

2.2. From production end

- What is the **sustainability gap** between market requirements (global and if any at regional level) and production capacity? By companies (concessions) and small holders
- What are the **challenges** from production end in terms of legal framework and enforcement, poor productivity, land legality, access to finance, farmers business models, and others? How can we overcome those challenges?
- What are existing **sustainability innovations** for scaling sustainability across landscape and sector level? How are the national and international certification schemes contributing towards nationwide conservation landscapes? Are there any available data that monitors and shows the impact of these certification schemes in the 2 landscapes?
- What are and will the required investment and structure of finance be to support sustainable palm oil production including for replanting and conservation?

Specific tasks of the consultant group

In order to answer the above questions, an internal IDH expert team has been formed to guide the strategy development, provide relevant data, connects with key IDH players and review final deliverables.

The specific tasks of the consultant group are to support the IDH expert team to:

- Consolidate secondary data and information, based on available data and information provided by IDH team and its partners, especially for Indonesian and Malaysian landscapes and Indonesian and Indian markets.
- For Chinese market, the expert group will propose smart and quick way of getting palm oil market information in China, based on that collect and consolidate data/information, to make it aligned with other market information to have full picture of key Asian palm oil markets.
- Key task of the team is to **prepare and facilitate a series of dialogues** among IDH and its private partners to answer the questions mentioned above
- Produce draft PPT report under the close guidance of IDH team
- Organize consultation sessions for draft report
- Collate feedbacks, and prepare a concise PPT report to answer the above-mentioned key research questions.

Expected deliverables and timelines

#	Deliverables	Timelines
1	Data set collected and verified with IDH expert team and key partners	August 2021
2	Brainstorming sessions	Early October 2021
3	1 st draft of report and consult with IDH and key partners identified by IDH	End of October 2021
4	Final PPT report on Asian palm oil strategy, covering IDH proposition, strategic interventions for promoting regional sustainable market and production	End of November 2021

Selection criteria & procedure

Knowledge/Expertise and experiences required profile:

The consultant team must consist of at least the followings:

- The team leader must have at least Master's degree with at least 10-year experiences in working with the relevant topics, preferably a foreign expert with strong methodology and strategic thinking
- Market expertise with strong knowledge and proven experiences of (but not limited to) market demands, market trend and requirements, driving commitments of the sector
- Production expertise with strong knowledge and proven experiences of (but not limited to) productions issues such as: capacity, legal framework and enforcement, access to finance as well as sustainability innovations of the sector
- Deep understanding of palm oil sector, its sustainability matters, gaps and challenges.
- Excellent command in English

Proposal guidelines

In the submitted proposal, please provide at least the followings:

- A succinct, well-documented approach and methodology demonstrating how the consultant(s) intends to conduct the assignment, along with likely sources of data. This part of the proposal shall not be longer than 5 pages in Word or 10 slides in Power Point.
- The workplan that outlines detailed activities and deliverables with clear timelines.
- Inclusion of a budget with a break-down of man days/rate per consultant with list of consultants who will jointly work on the assignment
- Statement of experience (only experience from the suggested team members is relevant). The consultant is requested to list the most relevant references, to maximum of 10 in total (for all team members together). The reference text shall not be longer than 0.5 page in Word or 1 slide in Power Point.
- Clear description of the project team relevant experience of team members and time allocation, day rate, home base and person working days for each team member.

Procedure

The procedure will be as follows:

- TOR has been advertised and circulated to potential consultant consortium.
- Interested parties submit a proposal to IDH.
- Evaluation of the proposals by an evaluation committee including representatives of IDH. The evaluation committee will shortlist the proposals based on the selection, criteria and exclusion as stated in this Terms of Reference.
- Potential candidates will be invited for interview within 2 weeks after the submission deadline.
- The potential candidate might be required to revise the Proposal before decision on selection of consultancy is made.
- Inception meeting with the selected consultant consortium to discuss and finalize the proposal before the contract signed.

Tender process	Timeline
Terms of Reference published	21 May 2021
Deadline for submission of proposals*	11 June 2021
Interview if needed	Within 2 weeks after the deadline for submission
Awarding of contract to successful consultant	Maximum 2 weeks after the interview (if needed)

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.
- they have been guilty of grave professional misconduct proven by any means which the IDH can justify;
- 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;

- 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).

Evaluation Method

All the applications received will be reviewed by IDH. The short-listed candidates will be invited for interview and after that the potential candidates might be requested to submit the revised proposal. A final decision will be made after maximum 2 weeks to award the contract to the tenderer who best meets all the criteria specified.

Confidentiality

The Tenderer will ensure that all its contacts with IDH, with regards to the Tender, during the tender procedure take place exclusively in writing by e-mail to Huyen Do via huyendo@idhtrade.org. The Tenderer is thus explicitly prohibited, to prevent discrimination of the other Tenderers and to ensure the diligence of the procedure, to have any contact whatsoever regarding the tender with any other persons of IDH than the person stated in the first sentence of this paragraph.

The documents provided by or on behalf of IDH will be handled with confidentiality. 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 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.

Contact information

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