

Information Notice
IDH Sustainable Trade Initiative

**Development of Production, Protection, Inclusion (PPI)
Compacts in 2 landscapes in Sabah, Malaysia**

August 30, 2021

Responses to queries on the Terms of Reference published on 18 August 2021.

About IDH Malaysia

1. *When did IDH enter the Malaysian market? How large is the team?*

IDH established its presence in Malaysia in early 2020 following the signing of the NI-SCOPs agreement between the Dutch and Malaysian governments at the end of 2019. The team currently consists of a country lead supported by an officer in Kuala Lumpur, and will likely grow to include a program manager in Sabah in Q4 2021.

About Production-Protection-Inclusion Compacts

2. *Why were these two districts chosen?*

These two districts were chosen in consultation with various stakeholders at both federal and state levels, as they offered a wide range of opportunities to develop projects in areas such as sustainable production, regenerative agriculture, smallholder inclusion, agroforestry, protection, and protection finance.

3. *Will the Compacts only focus on oil palm? Can other commodities be included?*

One of the tenets of IDH's landscapes approach is the sustainable production of commodities within the defined area. We expect to anchor the PPI Compacts around oil palm production since it is the dominant commodity in the two districts. However, it is also vital that we address the production of any other commodities or agricultural products that may have significant environmental impact, or have the potential to improve livelihoods within the two landscapes.

4. How do the Compacts fit in with existing projects and activities by other organisations?

A landscape approach is a framework for inclusive and multi-sectoral land use management, where local and state government, private companies, civil society, producers, smallholders, NGO's and any relevant stakeholders are integrated into the inclusive governance structure for that area.

IDH's role is to convene these stakeholders, and assist in the development of the vision and goals for the landscapes. In that process, we hope to empower stakeholders so that their projects and initiatives can be embedded into the Compact roadmap, and potentially scaled up so that it can be replicated throughout the district. Working together with the public sector, Compact activities and governance will be aligned with relevant policies and initiatives.

5. How is the JCSC involved? How will RSPO JA be incorporated?

In addition to the two Compacts functioning as NI-SCOPs project site locations, IDH intends to work closely with the JCSC and the JCSPo Secretariat to help develop and pilot models and mechanisms for future scaling efforts by the JCSPo Secretariat. All Compact activities focused on sustainable palm production should be aligned with both MSPO and RSPO JA.

6. How involved will IDH be in the process?

IDH intends to work closely with the consultants selected in any engagements with key stakeholders to ensure that there is a smooth transition once the Compacts are developed and the project is completed.

7. What is IDH's exit strategy?

Ownership of the Compact and the post-Compact agenda by local stakeholders is key to its success. The final phase of the Compact development will include developing a comprehensive management and governance mechanism for the Compact such as the Center of Agricultural Excellence set up in Aceh Tamiang, Indonesia (more information [here](#)). Working together with IDH and local stakeholders, the selected consultants will develop the funding model for this mechanism (e.g. through a business case to support operations, investments from supply chain actors, etc), as well as formulate the long-term exit strategy (e.g. AndGreen fund investment, preferential sourcing, etc).

Other questions

8. Are the timelines negotiable?

Since there is a high risk of delays in delivering project milestones due to COVID related restrictions, there is a possibility of some flexibility in the timelines. Successful proposals should include ways in which these delays can be mitigated.

9. Is there a fixed budget?

There is no set budget for this project, however proposals will be evaluated on both quality (60%) and price (40%). Full details on proposal scoring and weighting have been published in the TOR.

10. How long will contracting take?

Contracting is expected to be completed within 2 weeks of the selection of the Consultant.