

Terms of Reference

Advisory service for a design and feasibility study for a supply chain climate project through regenerative agriculture and agroforestry

Title	Advisory service for a design and feasibility study for a supply chain climate project through regenerative agriculture and agroforestry
Purpose	The purpose of this work is to provide Verstegen Spices & Sauces with a design & feasibility study for a supply chain climate project with the targeted outcome of reducing emissions and increasing carbon stocks through regenerative agriculture and agroforestry within the larger context of the aGROWforests project. This shall result in claimable climate benefits for Verstegen in either scope 3 GHG inventory or carbon credit offsets. This work includes a comparison and participative target definition on most beneficial climate claims for Verstegen and that have benefit for the farmers.
Location	Indonesia
Duration	5 months
Start date	June 2024
End date	November 2024
Reporting to	Fairfood and Verstegen Spices & Sauces B.V.

Company background:

Verstegen Spices & Sauces B.V. (<https://verstegen.nl/en/>) is a family-owned business, and the 4th generation are at the helm today. To us, herbs and spices are crucial to the taste of meals. That is why Verstegen only supplies the very best quality herbs and spices. Sustainability is one of the key aspects of our business operations. To us, as a family-owned business, this goes without saying as we work for our children's children. Verstegen believes it is important to learn from other companies and to encourage them to do business in a more sustainable way. After all, doing things together will create real impact. The mission of Verstegen is to make the herbs and spices market more sustainable. The chain from farmer to consumer must be transparent, fair and sustainable for people, the environment and society. That is why we are constantly looking for ways to make a positive impact on the world.

Fairfood is an NGO working to better our food system. Because, wouldn't it be wonderful, if everyone around the world got to enjoy truly good food? Good to Fairfood means that the value of that food is distributed along the supply chain evenly – that everyone gets their fair share, including farmers, fishermen, pickers and factory workers. Good also means that the food is produced responsibly, with respect for the planet, people and animals. Ultimately, we strive toward food chains that bring

prosperity to all. Fairfood offers innovative solutions that enable agri-food businesses to improve their responsible business practices. Open and attainable solutions that are designed to democratise the world of food. We actively engage all supply chain actors – from farmer to retailer and consumer – aiming to contribute to the socio-economic prosperity of farmers and food workers. Fairfood believes in establishing partnerships to jointly accelerate the change towards a sustainable food system.

Project background:

aGROWforests is a partnership project supported by the Federal Ministry of Economic Cooperation and Development Germany through the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The project is made of a public-private consortium including Verstegen Spices & Sauces B.V, PT Cinquer Agro Nusantara, Fairfood, Hanns R. Neumann Stiftung, and Klumbayan Gold Farm, aims to create a green and fair pepper supply chain by implementing regenerative agriculture and agroforestry with 2,300 farmers, as well as removing GHG emissions associated with pepper farming.

Verstegen as pepper off-taker joined the Leadership on Climate Transition and the Science Based Target initiative (SBTi), and has the ambition to become net zero positive in 2050. Verstegen aims to receive recommendation on climate action pathways as well as project plan for claimable GHG removal through regenerative agriculture and agroforestry within the Verstegen pepper supply chain within the aGROWforests project in Bangka Belitung and Lampung provinces.

Scope of work:

The TOR aims to provide Verstegen with a design & feasibility study for a supply chain climate project with the targeted outcome of reducing emissions and increasing carbon stocks through regenerative agriculture and agroforestry within the larger context of the aGROWforests project. This shall result in a design that when implemented leads to claimable climate benefits for Verstegen in either scope 3 GHG inventory or carbon credit offsets. This work includes a comparison and participative target definition on most beneficial climate claims for Verstegen.

Consultants must deliver one or both work phases as the following:

Work phase 1: Recommendation on the design of possible climate claims and regulations

- Conducting interview with Verstegen management team to review company documentation on climate claims that the company wants to achieve.
- Provide an overview on different climate action claims (SBTi, carbon neutral, voluntary carbon market integrity, etc) according to Verstegen's climate action goals.
- Provide recommendations for monitoring, reporting, and verification (MRV) of project respective to different climate claims and their frameworks.
- Provide recommendations about climate claims possible to be made by Verstegen from a pepper supply chain through regenerative agriculture and agroforestry.
- Provide recommendations for Verstegen what is possible with insetting for GHG reductions and removals
- Provide an overview of updated Indonesia carbon market regulations and best practice/requirements that allow Verstegen to reduce and remove the GHG from their operations by implementing regenerative agriculture and agroforestry in their supply chain.
- Provide an overview on how farmers can be incentivised and compensated for their work. Examples would be: carbon credits, insetting premium etc.

Work phase 2: Feasibility study to increase carbon stock in the farm to achieve permanent, claimable carbon removals and reductions within pepper supply chain

Deliverable 2A. Identification of Scope 3 emissions and development of baseline scenario

- Conduct scope 3 GHG emissions profile to identify emissions hotspots within the white and black pepper supply chain operations, where emissions reductions and GHG removal can be targeted.
- Understanding stakeholder framework and how it suits the carbon project.
- Establish baseline scenario carbon model.

Deliverable 2B. Development of project design carbon removals within pepper supply chain

- Establish project scenario carbon model and additionality assessment.
- Agroforestry planting model including livelihood benefits for farmers from selected tree species, species mix and planting distance, and required inputs.
- Recommendations for management actions for permanence and mitigation leakage.
- Recommendations for project partnership (actors and roles).
- Recommendations for project benefit sharing mechanism.
- Assessment on project budgeting.
- Development of cost-benefit analysis.
- Roadmap to pilot, full implementation, MRV and climate claims.

Required profile:

- Detailed knowledge of climate change, greenhouse gas emissions accounting, and sustainability.
- Expertise in developing greenhouse gas (GHG) inventories for science-based targets and other related GHG accounting efforts for businesses.
- Experience in evaluating Scope 1, Scope 2 and Scope 3 GHG emissions or similar project is preferred.
- Working knowledge of life cycle assessment standards, including ISO 14040/44 and ISO 14067, and impact assessment methodologies.
- Working knowledge of carbon accounting standards (e.g., SBTi, GHG Protocol).
- Experience with corporate business processes including product design, manufacturing, sourcing and supply chain management, marketing, and business strategy.
- Experience leading and/or supporting life cycle assessments for the corporate environment. This includes data collection, modeling, interpretation, reporting, and presenting results.
- Experience with nature-based solutions, including regenerative agriculture.
- Experience in agriculture, food and beverage industries is a plus.
- Excellent in writing and communicating in English.
- Experience with working in Indonesia and proficiency in Bahasa Indonesia is preferred.
- Able to work from home or your own office.

Proposals submission:

- In the Proposal Submission, Consultants shall submit Proposals (technical and financial) for each Work Phase in clearly marked separate (marked as Technical and Financial Proposal Work Phase 1 and/or Technical and Financial Proposal Work Phase 2).
- Proposals:
 - Description of organization of consultant firm.

- o Details of recent experience of similar assignments/projects and experience in Indonesia, demonstrating knowledge of the requirements and understanding of tasks outlined in Work Phase 1 and Work Phase 2.
- o Curriculum Vitae of Consultants' team members.
- o Comments or suggestions from the Consultants on the Terms of Reference (TOR), if any data should be provided.
- o A description in which Consultants would plan to execute the work, including timeframes of proposed start and completion date, approach and methodology for carrying out the work, personnel to be assigned.
- o A detailed and complete Financial proposal for the proposed work, including fees (number of days and rate per day), local insurances, taxes and VAT.
- o Please include project travel costs.

The application could be submitted by an individual consultant, but also an organization which has the required capacity in-house. And can be sent in for phase 1 only, or phase 1 and 2.

Selection Criteria

Verstegen Spices & Sauces B.V and Fairfood will select the consultant based on a combination of criteria including Value for Money principles, competitive cost packages, strategies and planning, and required time to complete the assignment.

How to apply:

If you have any questions about this ToR please contact dian@fairfood.org.

Process	Timeline
Inviting consultants to hand in their proposal based on this Terms of Reference	31 May 2024 – 17h00 CEST
Selection of consultant	3 - 14 June 2024
Start date / Kick-off meeting	17 June 2024

Send your proposals before 31 May 2024 addressed to Josje Spierings at Josje@fairfood.org and Dian Kurniawati at dian@fairfood.org.