

Terms of Reference
IDH Sustainable Trade Initiative
Baseline scenario for greenhouse gas emission in coffee-based districts in
Central Highlands

October 13, 2021

1. Introduction

IDH Sustainable Trade Initiative (“IDH”) accelerates and up-scales sustainable trade by building impact-oriented 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.

In our landscapes (ISLA) program, we help shape new governance models, and support sustainable production and sourcing of commodities, while changing business models and attracting new sources of finance to the landscape. Given political, environmental, and socio-economic differences between the landscapes, we adapt our approach to each local context. IDH’s landscape approach starts with creation of coalition that bring together key stakeholders in a landscape, including governments, businesses, farmers, communities, and civil society organizations. Together, the coalitions develop sustainable land-use plans, regulatory frameworks, and business models to achieve three interlinked goals: creating areas where commercial and food crops are grown sustainably (Production); forests and other natural resources are sustainably used and protected (Protection); and farmers’ and communities’ livelihoods are enhanced (INCLUSION)- thereby contributing to the UN Sustainable Development Goals (SDGs) towards 2030.

Since 2018, IDH, Ministry of Agricultural and Rural development (MARD), Lam Dong Provincial People Committee, Daklak Provincial People Committee and other partners have convened for the establishment of multi-stakeholder coalitions (MSC) that work towards a sustainable low-emission coffee landscape based on green growth and sustainability in Lam Dong and Daklak. Up to 2021, four MSCs have been set up in Di Linh, Lac Duong, Krong Nang and Cu M’gar, covering more than 100,000 ha coffee and 200,000 ha forest area.

On basis of these Terms of Reference (“ToR”) IDH and Department of Crop Plantation (DCP) aim to select a party **to develop baseline scenario of GHG emission in coffee-based districts in Lam Dong (Di Linh and Lac Duong) and Daklak (Krong Nang and Cu M’gar)**. This baseline scenario is expected to contribute directly to the baseline scenario of coffee sector in Vietnam, led by Ministry of Agriculture and Rural development.

2. Background

IDH convenes public and private stakeholders in four districts in the two provinces to create neutral and inclusive platforms for improved governance, sustainable commodity supply chains, and enhanced environmental sustainability. These platforms involve government representatives from the provincial, district, and commune levels; international and national coffee-sourcing companies; and farmers and community organizations. The platforms we convene also enable investment from coffee-sourcing companies into field-level projects that can eventually be upscaled to cover 100,000 ha coffee and 200,000 ha forest area.

During the first phase of the ISLA program from 2015-2020, according to AgriLogic's analysis, all the monitored farms participating in the program have transformed from carbon sources with a net emission of 0.44 MtCO₂e/ha in 2016 to carbon sinks with net sequestration of 0.76 MtCO₂e/ha¹ in 2019. Recent analysis of 15,000 farmers participating in sustainability projects supported by IDH and coffee roaster JDE in the Central Highlands region has estimated a potential carbon emission reduction of 2 MtCO₂e/MT GBE (green bean equivalent), 83% contributed by fertilizer optimization². ICRAF's study also emphasized that carbon sequestration by establishing agroforestry systems in Central Highlands can contribute annually roughly 13 to 30 mil MtCO₂e/year and has the most favourable conditions to increase compared with other regions in Vietnam³. South Pole's high level analysis also shows as significant potential for the development of carbon asset through both carbon credit and SBT footprint reduction pathways in Di Linh district. With support from supply chain actors and public sector, we have been collected key data points in the key production area:

- Land use planning and current land use situation
- Forest : Total planning area, total area, forest coverage, Forest harvesting and replantation planning, forest law violation situation
- Agriculture land: (i) Land classification by crops, by purpose; (ii) Crop cultivation information:
 - Coffee cultivation information: average age, density, yield, replantation, intercropping density, tree age, yield
 - Other key crops

(* Noted that for this assignment, the secondary data will be encouraged to utilize and very limited budget shall be developed to collect primary data)

As part of these efforts, to explore the opportunities of carbon emission reduction and carbon removals in key coffee production area and to increase our learning on how to support the transition toward low-carbon agriculture, IDH and Department of Crop Plantation is commissioning a consultancy to develop baseline scenarios of Greenhouse gas emission (GHG) in Lam Dong districts (Di Linh and Lac Duong), and in Daklak districts (Cu M'gar and Krong Nang).

¹ According to Agri-logic report: "[Scaling up sustainable Robusta coffee production in Vietnam: Reducing Carbon footprints while improving farm profitability](#)" which analysed data from the Farmers Field Book.

² Scaling up Sustainable Robusta Coffee Production in Vietnam: Reducing Carbon Footprints while improving farm profitability, M.Kuit, 2020

³ Enhancing Vietnam's Nationally Determined Contribution with Mitigation Targets for Agroforestry: A Technical and Economic Estimate, M.Rachmat, 2020

3. Assignment

Objectives

The overall objective of this assignment is to generate the baseline scenario of GHG emission in coffee-based compact and identify the intention to use the carbon in the future or programs in place for this end.

The assignment consists of two main parts:

- (i) Based on existing data, literature review and possibly additional primary data collection (subject to be discussed and agreed with IDH after reviewing existing database) conducting the baseline scenario for the greenhouse gas emissions in coffee supply chain in key districts (Di Linh, Lac Duong, Cu M'gar and Krong Nang), covering (1) total emissions in the farm-level (covering every activities inside the coffee farms direct or indirect related to coffee production); (2) the footprint of each ton of coffee produced under the compacts (covering farm-level, logistics, benefiting, roasters, etc.); (3) the identification of other uses of such carbon emission reduction and removals
- (ii) Conducting the baseline scenario of greenhouse gas emission from Agriculture and LULUCF in coffee-based compacts (Di Linh, and potentially: Lac Duong, Cu M'gar and Krong Nang*) including but not limited to: GHG sources, GHG sinks, (current and/or potential) uses of carbon emission reduction and removals, proposed GHG accounting mechanism and confidentiality, data gaps, and map out how the data collections, milestones.

(*Please develop the proposal and budget for Assignment (ii) into two options: Option 1 is for Di Linh only and Option 2 is for the whole 04 districts)

Deliverables

The deliverables of this assignment will be:

Deliverables of assignment	Deadline
Review existing database/survey, applied methodology and survey tools,	December 15 th 2021
Develop and collect primary data (subject to be discussed and agreed with IDH)	December 15 th 2021
Interim results	January 20 th 2022
A brief summary report of baseline scenario emissions for the emissions in coffee supply chain in key districts covering the key findings and recommendation (max 5 pages) (in English and Vietnamese)	February 15 th 2022
A PPT-style report of baseline scenario for the emissions for the emissions in coffee supply chain in key districts (Di Linh, Lac Duong, Cu M'gar and Krong Nang) covering all the mentioned points above (in English and Vietnamese)	February 15 th 2022
A brief summary report of baseline scenario of emission from Agriculture and LULUCF in coffee-based compacts covering the key findings and recommendations (max 5 pages) (in English and Vietnamese)	February 28 th 2022
A PPT-style Baseline scenario of emission from Agriculture and LULUCF in coffee-based compacts covering all the mentioned points above (in English and Vietnamese) (WORD and PDF format) (in English and Vietnamese)	February 28 th 2022

4. Selection Procedure

The procedure will be as follows:

1. Publishing the tender and inviting services providers to submit a proposal based on this ToR.
2. Evaluation of the proposals by the evaluation committee (including IDH, DCP). The evaluation committee will evaluate the proposals based on the selection criteria as published in this ToR.
3. Decision on selection of the service provider.
4. Inception meeting with the selected service provider.

The schedule below indicates the timelines for the tender procedure:

Tender process	Timeline
ToR published	Oct 13 th 2021
Closing date questions*	Oct 20 th 2021
Publication of information notice	Oct 25 th 2021
Deadline for submission of proposals**	Oct 30 th 2021
Selection of Service provider	Nov 15 th 2021
Start of assignment	Nov 30 th 2021

* Questions received by IDH after this date will not be answered.

** Proposals submitted after the deadline will be returned and will not be considered in the tender procedure.

After the deadline to submit a proposal has passed, the evaluation committee will evaluate the proposals.

The proposals will first be tested for completeness:

- The absence of the documents referred to in Section 6 of this document can lead to exclusion from further participation in the tender procedure. This is also the case when minimum requirements listed in this ToR are not met.
- If the proposal is complete, the selection committee will evaluate the proposal based on the criterion as mentioned in section 6.

The assignment will be awarded to the service provider with the most economically advantageous tender. This is determined based on the evaluation criteria price and quality.

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

Questions

Questions regarding the assignment or the ToR can be submitted until Oct 20th 2021 GMT+7, by e-mail to duongpham@idhtrade.org, with the express mention: "Baseline scenario for greenhouse gas (GHG) emission in selected districts in Central Highlands". Questions must be submitted in the English language and using the Template Question Form, attached to this ToR as annex 1.

The submitted questions will be grouped, anonymized, and combined in an information notice. This notice will be sent to all consultants in a reply to the e-mail in which the questions were submitted.

The responsibility for the timely and accurate submission of the questions lies with the service provider. When IDH indicates that questions have not been received by IDH before the indicated deadline, the service provider must demonstrate that the questions were sent timely.

5. Proposal requirements

IDH is requesting the service providers to hand in a proposal of maximum 10 pages (excluding company biographies, CVs, sample work and references). The proposal must be handed in a MS Word or PowerPoint version next to a PDF submission to facilitate any copy-and-pasting of content that we may need during evaluation.

The proposal must at least include:

Content:

- a. A succinct, well-documented approach addressing the requirements set out this ToR. We request that the proposal structure match the selection criteria as closely as possible
- b. An overview of the project team, including the CVs of the project team members; copy of nationality for project team members; information about the legal form and ownership structure (extract chamber of commerce)
- c. Budget presented in Euros (ex VAT) with a break-down of days/rate per project team member
- d. Statement on Ground for exclusion (see section 7 below)

Administrative:

- e. Copy of most recent (audited) financial accounts

The proposal must be submitted to Ms Duong Pham, Senior Program Officer at duongpham@idhtrade.org before Oct 30th 2021 at 08.00 (GMT+7)

6. Testing and weighing

The assignment will be awarded to the service provider with the most economically advantageous tender. The most economically advantageous tender is determined on the basis of the evaluation criteria of price and quality.

Grounds for exclusion

1. Service providers shall be excluded from participation in this tender procedure if:
 - a) 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;
 - b) 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;
 - c) they have been guilty of grave professional misconduct proven by any means which the IDH can justify;
 - d) 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;
 - e) 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.

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

2. Service providers 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).

[Scoring and weighing](#)

The evaluation criteria are compared and weighed according to the procedure below. This concerns a general outline of the scoring methodology and an explanation how the service provider can demonstrate compliance with the requirements.

Step 1 - Criterion Quality

Evaluation scores will be awarded for each of the components. The evaluation committee will score each component unanimously.

The proposal will be assessed based on the following selection criteria:

Component		Criteria	Max. Grading
1	Proposal overall	The extent to which the proposal meets the requirements set out in Section 3 above and throughout this document. Can the Service provider deliver the requirement deliverables? Will the Service provider be able to deliver a comprehensive solution?	5
2	Design and Development process	The extent to which the Service provider demonstrates that a clear design and development process will be followed and IDH and DCP is adequately consulted for input during the design and development. The extent to which it is clear what is required of IDH and DCP in terms of human resources, digital assets and other input to deliver the project without being too onerous on our staff.	5
3	Track record	The extent to which the Service provider presents the required level of expertise and knowledge to fulfil the requirements both at team member and company level. To extent to which the Service providers gives a clear description of the project team, relevant (delivering similar projects) experience of team members and time allocation per team member. [Relevant experience in non-profit sector is advantageous.]	5

The evaluation committee will unanimously score each component by assigning scores from 1 to the maximum grading, with the maximum grading representing optimal performance on the component and 1 representing extremely poor performance on the respective component.

Step 2 - Criterion price

A combined price in Euros (ex VAT) is to be presented. This is to be broken down by team member rate and hours.

The criterion of assessment is “the best price for the proposed level of quality” with a maximum grading of 5.

Step 3 - Weighting

The final score will be weighted 70% on Quality and 30% on Price.

If scores of service providers are equal, priority will be based on the total scores that were given for the Criterion Quality. The assignment will be awarded to the service provider that has received the highest score for the Criterion Quality. If the evaluation of the Criterion Quality does not lead to a distinction, the score for the component “Proposal overall” will be decisive. If this does not lead to a distinction, the ranking will be determined by the drawing of lots.

7. Communication and Confidentiality

The Service provider 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 Ms Duong Pham via duongpham@idhtrade.org . The Service provider is thus explicitly prohibited, to prevent discrimination of the other Service providers 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 confidentiality. The Service provider will also impose a duty of confidentiality on any parties that it engages. Any breach of the duty of confidentiality by the Service provider or its engaged third parties will give IDH grounds for exclusion of the Service provider, without requiring any prior written or verbal warning.

All information, documents and other requested or provided data submitted by the Service providers 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 Service provider.

8. Disclaimer

IDH reserves the right to update, change, extend, postpone, withdraw, or suspend the ToR, this tender procedure, or any decision regarding 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.

Participants in the tender procedure 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 this ToR, and subsequent information and documentation in this tender procedure.

9. Annexes

Annex 1: General Terms and Conditions

Annex 2: Template Question Form