

# Terms of Reference for a Palm Oil Markets Report 2022

## 1. Introduction

**IDH, the Sustainable Trade Initiative (IDH)** accelerates and up-scales sustainable trade by building impact-oriented coalitions of front running companies, civil societies, governments, knowledge institutions and other stakeholders in several commodity sectors. It strives for flourishing markets with better jobs, better income and a better environment. When IDH is successful, companies rebalance the relationships between the workers they employ, the customers they serve and the planet that serves all of us. IDH's work is made possible because of the funding and trust of multiple European governments and private foundations.

**The European Palm Oil Alliance (EPOA)** is a business initiative of palm oil refiners and producers. We believe that sustainably produced palm oil is a key food ingredient that fits in a nutritionally balanced diet and helps feed the world, protect biodiversity, and improve socio-economic development. We support sustainable palm oil market transformation and support initiatives committed to sustainable palm oil across Europe.

**The Roundtable on Sustainable Palm Oil (RSPO)** is a global, multi-stakeholder initiative which promotes the production and sourcing of sustainable palm oil. The members of RSPO includes oil palm producers, processors and traders, consumer goods manufacturers, retailers, financial institutions, environmental NGOs and social NGOs. The RSPO's vision is to "transform the markets by making sustainable palm oil the norm". The RSPO has developed a set of environmental and social criteria which companies must comply with in order to produce Certified Sustainable Palm Oil (CSPO). When they are properly applied, these criteria can help to minimize the negative impact of palm oil cultivation on the environment and communities in palm oil-producing regions.

**On the basis of these Terms of Reference ('ToR'), IDH and EPOA, in partnership with RSPO (hereafter referred to as parties) aim to select a consultant to carry out a short-term service. The service is to develop a comprehensive market report for the European palm oil sector. For a detailed description of the assignment, please refer to section 2 and 3 below.**

## 2. Background

Since 2017, IDH and EPOA have been working together on the monitoring of sustainable palm oil in Europe. Over the past years, the quality of the monitoring has improved, providing consistency in the EU data and insights into the market trends in sustainable palm oil. The monitoring report has also been developed in the framework of our cooperation with the national initiatives for sustainable palm oil Europe, which play a key role in increasing awareness of the actions that companies can take in their respective countries.

The market monitoring report is an essential part to improve sector governance and to convene public, private, and civil society stakeholders. The report stimulates a discourse around sustainable production and use of palm oil and ensuring a European market for sustainable palm oil. This report also aims at providing an overview and understanding of the state of the sustainable palm oil sourcing coming into the European market. Based on this state overview, solutions can be derived to help companies based in Europe to improve their sustainable palm oil sourcing.

## 3. Objectives

The overall objective of this assignment is to support the IDH, EPOA and RSPO teams with the development of an in-depth analysis of the current trends and developments of the European palm oil market and the palm oil supply chain. The report aims to be focused primarily on the trends of the sector, the social and environmental aspects linked to palm oil production and palm oil sourcing from the European market (i.e. sustainable palm oil uptake).

## 4. Scope of the assignment

The specific objectives below describe the overall scope of work on which future assignments will be based on.

The strategy should be designed to help IDH, EPOA and RSPO address the following (but not limited to) critical guiding questions:

### **On the palm oil market:**

1. Provide an overview of the global palm oil market trends and the position of Europe in it.
2. Provide an analysis of relevant trends for sustainable palm oil: what are the implications for those market trends for advancing sustainable palm oil?

3. Provide an analysis on the effects of the recent supply chain disruptions and shortages on the vegetable oils markets and the position of palm oil in it

**On the monitoring of sustainably certified palm oil:**

- I. In accordance with methodology used for the 2020 report: What is the uptake of RSPO certified sustainable palm oil (CSPO, CSPKO & CSPKE) for food, feed and oleochemical in Europe for 2021?
- II. What are the certified production areas for RSPO, MSPO and ISPO in the global market for 2021?
- III. Besides the certified production areas: are there any relevant outcomes achieved from the regions where Europe is sourcing its palm oil from?

**State of the art of the European sustainable palm oil ecosystem**

1. Provide overview of relevant tools and initiatives (like National Initiatives) for European companies to advance in their palm oil sustainability journey

**On the monitoring of palm oil supply chains:**

1. What is the role of traceability in the palm oil supply chains for the European market? (Provide an overview of the different traceability tools and relevant developments/advancements when compared to previous [report](#))
2. Provide data on NDPE, Traceability to Mills (TTM) and Traceability to Plantations (TTP) for the European market and the global market

**On upcoming EU legislation:**

On the EC proposal for a directive for Social Corporate Due Diligence:

- I. What are the main effects which can be foreseen for the European palm oil value chain as a result of the proposed directive?
- II. To what extent can the proposed directive help European palm oil companies improve their sourcing of sustainable palm oil?
- III. What are the associated risks of the proposed directive that the European companies should be aware of?
- IV. What role can certification schemes play to support European companies to be compliant with the proposed directive?
- V. Provide an overview of relevant tools (both European and global) for European companies to support them with the implementation of the proposed directive.

On the EC proposal for a regulation on the making available on the Union market as well as export from the Union of certain commodities and products associated with deforestation and forest degradation:

- VI. What are the main effects which can be foreseen for the European palm oil value chain as a result of the proposed regulation?
- VII. What will be the effects of the proposed regulation in particular on the RSPO's Mass Balance and Credit supply chain models?
- VIII. To what extent can the deforestation due diligence legislation help companies based in Europe to improve their sourcing of sustainable palm oil?
- IX. Provide overview of relevant tools of current state of play for companies based in Europe to mitigate deforestation risks

### **On landscape and jurisdictional approaches**

1. How is it done? Who is involved? Where is it taking place? Are there relevant new developments?
2. Provide 3 relevant examples of landscape or jurisdictional approaches.
3. What is the percentage of European companies in the palm oil supply chain involved in landscape and jurisdictional approaches for the European and global markets?

### **On social inclusion**

1. What are the current social issues in the commodity sourcing to the European market?
2. What are the impacts of these social issues for the commodity sourcing to the European market?
3. What is the current state of play of a gender transformative approach in the commodity sourcing to the European market?
4. What steps can and should be taken to ensure a gender transformative approach for the palm oil market in Europe?

### **Data source**

The consultant will receive access to relevant data sources such as Oil Trade and Eurostat. RSPO will provide the consultant with updated data related to EU imports and EU consumption. Additional data on Supply Chain Certification and Trademark use could be also provided. But other sources could be also used and integrated. The consultant will work closely with the RSPO, IDH and EPOA teams to maximize the use of all available data to ensure that a specific part of the monitoring report is developed with accurate market analysis.

## 5. Assignments and deliverables

Assignments and deliverables could include the following (the list below describes the overall scope of work that is inclusive of all future assignments):

Assignments	Deliverables
Work with the IDH Markets team, EPOA team and RSPO team to consolidate secondary data and information for the European and global markets based on data and information provided by RSPO, IDH and EPOA team	<ol style="list-style-type: none"> <li>1. Data collection strategy</li> <li>2. Data files</li> </ol>
Organize consultation sessions for the draft report	<ol style="list-style-type: none"> <li>1. Consultation sessions with the parties and other stakeholders on a draft report</li> </ol>
Develop a final report under close guidance of IDH, EPOA and RSPO	<ol style="list-style-type: none"> <li>1. Final report based on feedback from IDH, EPOA and RSPO</li> </ol>
Develop a short PPT presentation to present key findings of the report in a series of dialogues	<ol style="list-style-type: none"> <li>1. PPT presentation on key findings</li> <li>2. Attend dialogues to present findings</li> </ol>
Deliver key selected data in digital formats optimized for infographics for website and social media dissemination.	<ol style="list-style-type: none"> <li>1. Key data in digital formats</li> </ol>

## 6. Consultant profile

The consultant(s) need(s) to have the following experience / knowledge:

1. Demonstrated experience supported by portfolio developing deliverables described in section 3.
2. Demonstrated experience in collaborating with an international organization.
3. Demonstrated experience in producing public-facing reports for an international organization.
4. Understanding of IDH, EPOA and RSPO mission and international context.
5. Understanding and experience in quantitative and qualitative in-depth analysis on supply chains.
6. Demonstrable understanding of the language of sustainability, especially regarding Agri-commodity supply chains, especially for palm oil.
7. Demonstrable and quantifiable experience in data collection on sustainability research and more specifically in the Agri-commodity sector.

The consultant(s) need(s) to have the following skills:

1. Good interpersonal and quantitative and qualitative analytic skills
2. Solid technical skills in the production of the assigned analysis.

3. Advanced skill in producing an in-depth report on Agri-commodity supply chains for palm oil.
4. Excellent command of English.

The consultant(s) need(s) to have the following characteristics:

1. Be able to understand and follow briefings in English and revise products according to feedback
2. Be able to adhere to the parties writing style.
3. Have the capacity and equipment needed to carry out the assignment.
4. Be able to adapt to changing needs as the assignment evolves.
5. Knowledgeable about current trends in styles and genres related to the writing of reports in the sustainability sector.
6. Ability to guide the creative process to ensure an optimal standard while remaining open to feedback.

## 0. Procedure

The assignment will be awarded to the consultants with the most economically advantageous proposal, this is determined based on the evaluation criteria of price and quality (see Section 9 of the ToR).

The procedure will be as follows:

1. Open call for proposals publicized on IDH, EPOA and RSPO websites and via IDH, EPOA and RSPO communication channels. Evaluation of proposals and portfolio based on criteria described in section “consultant profile” by an evaluation committee consisting of program managers and program staff. Invitation of candidates for a short pitch to evaluate how the candidate would develop the communication and marketing strategy. Selection of consultants to carry out the Services. Inception meeting with the selected consultant for the signing of a letter of assignment.
2. Potential candidates will be invited for an interview within 2 weeks after the submission deadline.
3. The potential candidate might be required to revise the Proposal before a decision on selection of consultancy is made.
4. Inception meeting with the selected consultant consortium to discuss and finalize the proposal before the contract is signed.
5. The potential candidate might be required to provide a timeline for each of the deliverables and costs breakdown for the different activities.

Tender process	Timeline
Terms of Reference published	14 April 2022
Deadline for submission of proposals*	29 April 2022
Pitch for evaluators (via Zoom)	3,4 and 5 May 2022
Selection of consultancy/ consultancy company	6 May 2022
Awarding of contract to selected consultant/ consultancy company	To be agreed following selection of consultant/ consultancy company

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

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

## 8. Proposal guidelines

The Parties are requesting the consultants to hand in a proposal of a maximum of 4 pages (excluding CVs, sample work and references). The proposal must be handed in PDF-format to Margaux Duchâtel at [duchatel@idhtrade.org](mailto:duchatel@idhtrade.org) before 29 April 2022 with the subject line "IDH, EPOA and RSPO Palm Oil Report 2022".

In the proposal, please provide the following:

1. A succinct, well-documented approach detailing your way of working in relation to the underlying project; A rate in Euros (exclusive VAT and inclusive VAT) with a break-down of man days/rate per team member; Clear description of the project team, relevant experience of team member(s) and time allocation per team member; CV of the team member(s) and 3 examples from prior work for assessment of capability, based on the profile in section 4
2. Statement on Ground for exclusion (see Annex 1).

## 9. Evaluation Method

### 9.1. 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

Service providers shall be excluded from participation in this tender procedure if:

1. 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;
2. 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;
3. they have been guilty of grave professional misconduct proven by any means which the IDH can justify;
4. 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;
5. 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.**

1. 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).

## **9.2. 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.



Component		Criteria	Max. Grading
1	<b>Proposal overall</b>	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	<b>Design and Development process</b>	<p>The extent to which the Service provider demonstrates that a clear design and development process will be followed and the Parties adequately consulted for input during the design and development.</p> <p>The extent to which it is clear what is required of the Parties in terms of human resources, digital assets and other input to deliver the project without being too onerous on our staff.</p>	5
3	<b>Track record</b>	<p>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.</p> <p>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.</p> <p>[Relevant experience in non-profit sector is advantageous.]</p>	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.

#### Award

Once the Parties has decided to which Service provider it intends to award the assignment, a written notification thereof is sent to all Service providers participating in the tender procedure.

The Service provider is contracted by the Parties via a letter of assignment, following the Parties’ template (Annex 2).

## **10. 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 Margaux Duchatel via [duchatel@idhtrade.org](mailto:duchatel@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 the Parties than the person stated in the first sentence of this paragraph.

The documents provided by or on behalf of the Parties 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 the Parties 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 the Parties. The provided information will after evaluation by the Parties be filed as confidential. The provided information will not be returned to the Service provider.

## **11. Disclaimer**

The Parties reserve the right to update, change, extend, postpone, withdraw, or suspend the ToR, this tender procedure, or any decision regarding the selection or contract award. The Parties are 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 the Parties, 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.

For more information, go to [www.idhsustainabletrade.com](http://www.idhsustainabletrade.com) or follow [@IDHTrade](https://twitter.com/IDHTrade) on Twitter and [LinkedIn](#).

To know more about EPOA, visit the [website](#) or follow on [Twitter](#) and [LinkedIn](#).

To know more about RSPO please visit the [website](#) and follow on [Twitter](#) and [LinkedIn](#).

## ANNEXES

### Annex 1. Grounds for exclusion

Consultants shall be excluded from participation in a procurement procedure if:

12. 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;
13. they or persons having powers of representation, decision-making or control over them have been convicted of an offense concerning their professional conduct by a judgment which has the force of res judicata;
14. they have been guilty of grave professional misconduct proven by any means which the Parties can justify;
15. 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;
16. 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.

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

Consultants 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).

## Annex 2. Letter of Assignment IDH Template and IDH General Terms and Conditions for Services

### Letter of Assignment, IDH Template

#### LETTER OF ASSIGNMENT ("AGREEMENT")

THE PARTIES:

**IDH Sustainable Trade Initiative**, a foundation under the laws of the Netherlands, registered with the Dutch Chamber of Commerce under number 53521129, having its registered office and its place of business at Arthur van Schendelstraat 500, (3511 MH) Utrecht, the Netherlands, in this matter duly represented by Mr. Daan Wensing/ Ms. Lizet Friesen Leibbrandt, hereinafter referred to as "**IDH**", and;

**[Name Partner]**, a [form of legal incorporation] under the laws of [name country], registered with the [name National Registration Authority] under number [registration number], having its registered office and its place of business at [address], [name country], in this matter duly represented by Mr./Mrs. [name representative], hereinafter referred to as the "**Consultant**".

IDH and the Consultant also together referred to as the "**Parties**" and individually as "**Party**".

HEREBY AGREE AS FOLLOWS:

4. The IDH General Terms and Conditions for Services (attached hereto as Annex 1) (hereinafter referred to as the "**IDH General Terms and Conditions**") apply to this Agreement between IDH and the Consultant.
5. Unless otherwise specifically agreed to by the Parties, in the event of any conflict between the terms of this Agreement and its annexes, the following order or precedence will be applied: i) the terms of this Agreement; ii) the IDH General Terms and Conditions; iii) the Proposal; iv) other annexed documents, if relevant.

#### Scope of Services

6. The Consultant will provide services to IDH with regard to insert generic type of services (the "**Services**"), in accordance with the proposal enclosed to this letter as Annex 2 (the "**Proposal**"), which includes the approved budget and planning, all of which are integral part of this Agreement. The Services shall consist of the following:

- X. example
- XI. example
- XII. example

This will result in the following deliverables:

- IV. example
- V. example
- VI. example

- 7. The Services by the Consultant will be completed before date.
- 8. The Consultant hereby agrees that the Services under this Agreement shall actually be performed by the following project team: insert name(s). Notwithstanding the individual(s) assigned to the Services, the Consultant remains responsible and liable for the Services under this Agreement.

#### **Payment**

- 9. For the satisfactory completion of the Services in compliance with the Proposal, the Consultant is entitled to a payment of EUR [amount] (including VAT and all applicable other taxes), based on consultancy fees calculated in the budget.
- 10. If IDH and the Consultant agree that additional time is needed to complete the Services, Parties will confirm their agreement to the amount of additional time needed in an addendum to this Agreement. The Parties agree that the rates used in calculating the cost of such agreed additional time spent by the Consultant on the Services will be in accordance with the rates set out in the Proposal.
- 11. The Consultant will invoice the amount due in two equal parts: the first invoice (which includes an advance payment for any expenses included in the Proposal) may be sent after signing of this Agreement, the second invoice can be sent after IDH's written approval of satisfactory completion of Services. The second invoice should include a settlement of the actual expenses made: in the event the Consultant spends less than the expenses budgeted in the Proposal, the actual costs shall be settled accordingly with the final invoice. The invoices shall make specific reference to the contract number [Salesforce number] and be sent by email to: '[invoice@idhtrade.org](mailto:invoice@idhtrade.org)'.
- 12. Any expenses made within the scope of this assignment shall only be reimbursed against original receipts, to be provided to IDH by the Consultant together with the final invoice. Any additional expenses not contained in the Proposal must be approved by IDH in writing, prior to making the expenses.

13. All funds provided by IDH will be transferred and disbursed to the Consultant at the following bank account:

Bank Name:	Name bank + country
Account Name:	•
Account Number:	•
Routing/ABA Number:	•
SWIFT Code:	•

### **Intellectual Property**

14. The Consultant acknowledges that IDH is and maintains to be the owner of all intellectual property arising from the performance of this Agreement, including but not limited to copyrights, database rights, trademarks, patents and know how (the “**Arising Intellectual Property**”).
15. Any Arising Intellectual Property vested in the Consultant is hereby transferred, assigned and delivered to IDH (in advance), including the right to publicly communicate about the Project. The aforementioned transfer, assignment and delivery is hereby accepted by the Consultant and IDH (in advance).

### **Exclusivity**

16. This is a non-exclusive Agreement and it preserves the right of each Party to work independently or with other persons or organisations on other programs or programs covering activities similar or identical to the subject of this Agreement anywhere in the world.
17. Nothing in this Agreement shall be construed as constituting the Parties as partners or as creating between such parties the relationships of employer and employee.

### **Duration**

18. The Agreement will be effective as from date and shall terminate automatically on date, unless extended by the Parties in writing.
19. Any Party may exit the Agreement before the end of the term of the Agreement, subject to 30 days written notice.
20. The rights and obligations of the Parties which by nature are meant to survive this termination, shall not terminate on this date.



**SIGNATURE PAGE FOLLOWS**



**SIGNED BY THE PARTIES FOR  
AGREEMENT: For IDH**

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**Name:**  
**Position:**  
**Date:**

**For the Consultant**

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**Name:**  
**Position:**  
**Date:**

**Attached to and integral part of this Agreement are:**  
**Annex 1: IDH General Terms and Conditions for  
Services Annex 2: insert name Proposal**

## IDH General Terms and Conditions for Services

### **IDH SUSTAINABLE TRADE INITIATIVE GENERAL TERMS AND CONDITIONS for services**

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These General Terms & Conditions for services of IDH Sustainable Trade Initiative (“IDH”) state the rights and obligations of both the contracting party and IDH regarding their cooperation in general. Specific rights and obligations are agreed to in a separate agreement between the contracting party and IDH.

#### I. GENERAL CONDITIONS

##### 1. DEFINITIONS

1.1. In these General Terms and Conditions of IDH Sustainable Trade Initiative, the following definitions apply:

“IDH”: Stichting IDH Sustainable Trade Initiative, a foundation under the laws of the Netherlands, registered with the Dutch Chamber of Commerce under number 53521129, having its registered office and its place of business at Arthur van Schendelstraat 500 (3511 MH) Utrecht, the Netherlands.

“Contracting Party”: The party (or parties) that has been awarded an assignment by IDH for providing services.

“Party” / “Parties”: IDH and the Contracting Party individually and collectively.

“Affiliates”: affiliates and/or subsidiaries (groeps- en/of dochtervennootschappen) within the definition of section 2:24 a and b of the Dutch Civil Code (Burgerlijk Wetboek);

“IDH General Terms and Conditions for services”:  
The terms & conditions in this document.

“Letter of Assignment”: the specific agreement (and all amendments thereto) between IDH and the Contracting Party in which IDH and the Contracting Party agree that the Contracting Party will provide services for IDH (under section 7:400 of the Dutch Civil Code (‘overeenkomst van opdracht’).

“Entire Agreement”: The IDH General Terms and Conditions for services and the Letter of Assignment together, as well as any annexes or other documents and terms and conditions which are applicable to the relationship between IDH and the Contracting Party (‘Additional Conditions’) and to which the Letter of Assignment expressly refers.

“Services”: The services to be performed by the Contracting Party pursuant to the Letter of Assignment.

## 2. APPLICABILITY OF THE IDH GENERAL TERMS AND CONDITIONS FOR SERVICES

2.1 The IDH General Terms and Conditions for services apply to the Entire Agreement between the Contracting Party and IDH. The applicability of any of the Contracting Party’s conditions or other conditions is expressly excluded.

2.2 IDH has the right to change or add to the IDH General Terms and Conditions for services. IDH will notify the Contracting Party of any changes and/or additions before they take effect.

2.3 In case of inconsistencies between the General Terms & Condition and the Letter of Assignment, the Letter of Assignment will prevail over the General Terms & Conditions.

## 3. LIMITATION OF LIABILITY

3.1 IDH cannot be held liable for damages, losses and/or personal injury suffered by the Contracting Party and/or any third party resulting from the execution of the Entire Agreement, including any infringement of

intellectual property rights. In addition, either Party’s liability for consequential damage, consequential loss, lost profits, lost savings, loss of goodwill, damage through business interruptions or damage ensuing from claims by third parties - whether based on contract, tort or otherwise - shall be excluded. The limitations of liability mentioned in this clause, or elsewhere in the Entire Agreement, shall not apply if and insofar as the damage or injury is the result of the willful intent or deliberate recklessness by the Parties or their executives.

## 4. INDEPENDENCE

4.1 The Contracting Party is not a legal signatory for IDH and does therefore not have the mandate to sign any contracts or other legally binding documentation on behalf of IDH.

4.2 The Entire Agreement does not, in any way, constitute an employment agreement between the Contracting Party and IDH. Therefore the Contracting Party shall be fully responsible for the payment of all taxes, social security and other costs and obligations. IDH cannot be held liable for any financial claims in this respect.

## 5. FRAUD AND CORRUPTION

5.1 The Parties are aware of the IDH Code of Conduct (which can be found [here](#), or via the ‘Our policies’ tab on the ‘About’ webpage: <https://www.idhsustainabletrade.com/policies>). The IDH Code of Conduct provides the ethical framework in which IDH and any party contracted by IDH must operate. It provides an overview of the values, commitments, responsibilities and integrity that IDH stands for. IDH expects its business partners to apply similar standards of conduct when working for IDH.

5.2 The Parties will not offer to third parties or seek or accept from third parties, for themselves or for any other party, any gift, remuneration, compensation or benefit of

any kind whatsoever, which would be deemed corrupt or illegal.

'About' webpage:

<https://www.idhsustainabletrade.com/policies>.

5.3 The Parties will refrain from providing any form of support to activities that have the goal of undermining the political independence of a state, or unlawfully overthrowing a lawful government. The 'lawfulness' (or unlawfulness) referred to in this clause is not solely defined by the opinions or views of the government in question, but is also defined by international standards and/or international law.

9.2 The Parties have a zero-tolerance approach towards any form of sexual exploitation, abuse and harassment. The Contracting Party will comply with IDH's Safeguarding Policy and shall take all reasonable steps to prevent the sexual exploitation, abuse and harassment of any person linked to the execution of the Entire Agreement by both its employees and any third party subcontracted in relation to the execution of activities under the Entire Agreement.

5.4 IDH partners and persons associated with IDH projects who become aware or suspect the existence of fraud, corruption or bribery shall bring it to the attention of IDH.

9.3 The Contracting Party shall immediately report to IDH any breach of the Safeguarding Policy and credible suspicions of, or actual incidents of sexual exploitation, abuse or harassment related to the Entire Agreement. The Contracting Party will assess credibility based on the source of the allegation, the content, and the level of detail or evidence provided. The Contracting Party can use the reporting mechanisms described in articles 10.1 and 10.2 below.

## 6. PRIVACY

6.1 The privacy statement for business partners and consultants can be found [here](#) or via the 'Our Policies' tab on the 'About' webpage: <https://www.idhsustainabletrade.com/policies>.

9.4 The Contracting Party shall also report any credible suspicions of, or actual incidents that are not directly related to the Entire Agreement but could be of significant impact to IDH's reputation or partnerships with its donors. The Contracting Party can use the reporting mechanisms described in articles 10.1 and 10.2 below.

## 7. ICSR

7.1 The Contracting Party aims to cooperate in the Program in a manner that is compatible with the ICSR Policy of IDH, which can be found [here](#), or via the 'Our Policies' tab on the 'About' webpage: <https://www.idhsustainabletrade.com/policies>.

## 8. COMPETITION COMPLIANCE

8.1 The Contracting Party specifically acknowledges that IDH works in compliance with competition laws and principles as set out in IDH's Competition Compliance Policy, (which can be found [here](#), or via the 'Our policies' tab on the 'About' webpage: <https://www.idhsustainabletrade.com/policies>) IDH and the Contracting Party, individually and collectively, shall not engage in any behavior that restricts competition. IDH and the Contracting Party are free to enter into any agreements with third parties.

9.5 The Parties will fully co-operate with investigations into such incidents.

9.6 If the Contracting Party fails to comply with the IDH Safeguarding Policy or commits a breach of any of the terms included in article 9, IDH has the right to immediately terminate the Entire Agreement without the risk of incurring liability for damages or compensation.

## 9. SAFEGUARDING

9.1 The Parties are aware of the IDH Safeguarding Policy (which can be found [here](#), or via the 'Our Policies' tab on the

## 0. SPEAKUP

10.1 IDH is committed to conducting its work with honesty, dignity, fairness and with respect for each other and the law. The Contracting Party is encouraged to report to IDH any (suspected) violation by the Contracting Party's staff, IDH's staff or third parties of IDH's values and principles included in IDH's Code of Conduct, other IDH

policies or laws or regulations that has occurred or may occur in relation to the Entire Agreement. The Contracting Party can report this directly to its contact person at IDH, to IDH's Executive Board or by using IDH's SpeakUp line.

10.2 IDH's SpeakUp line can be accessed online or by phone. Click [here](#) for a list of free phone numbers in each country or to report online. For more information, please refer to the SpeakUp policy (which can be found [here](#), or via the 'Our Policies' tab on the 'About' webpage: <https://www.idhsustainabletrade.com/policies>).

10.3 The Contracting Party shall promote the IDH SpeakUp line with its employees and any third party related to the execution of activities under the Entire Agreement, as well as the individuals and communities directly affected by the activities under the Entire Agreement. The Contracting Party shall use the communications materials provided by IDH (which can be found [here](#), or via the 'Our Policies' tab on the 'About' webpage: <https://www.idhsustainabletrade.com/policies>).

## II. PERFORMANCE OF THE SERVICES

### 11. RESPONSIBILITIES OF THE CONTRACTING PARTY

11.1 The Contracting Party is responsible for execution, coordination and results of the Services, as well as reporting on the Services to IDH, as agreed between the Parties in the Letter of Assignment. The Contracting Party must do so with the necessary care and transparency, and in accordance with the terms and conditions of the Entire Agreement.

11.2 The Parties agree to define "satisfactory completion of the Services" under the Letter of Assignment as the Consultant providing IDH with the deliverables described in the proposal attached to the Letter of Assignment and approval of these deliverables by IDH in writing (e-mail included). If satisfactory completion of the Services is not (fully) achieved, IDH shall have the right to adjust future payment, terminate payment and/or demand repayment

of any payment, proportionate to the budget of the uncompleted (part of) the assignment.

### 12. DELAYS, UNFORSEEN CIRCUMSTANCES, CHANGES TO THE SERVICES

12.1 The Parties are obliged to promptly inform each other and consult with each other regarding any (suspected) changes in circumstances or irregularities that may affect the performance of the Services, and/or affect compliance with the Entire Agreement. Such notifications should include the financial interests involved (if applicable) as well as mitigating measures taken.

### 13. COMPLIANCE WITH LOCAL LAWS

13.1 In the performance of the Services, the Contracting Party must comply with all applicable laws and respect internationally recognized human rights, multilateral environmental agreements and internationally agreed core labor standards.

13.2 In the event of conflict between applicable laws and internationally recognized human rights, multilateral environmental agreements and/or internationally agreed core labor standards, the Contracting Party shall seek ways to respect the principles of internationally recognized human rights, multilateral environmental agreements and/or internationally agreed core labor standards to the greatest extent possible given the circumstances.

13.3 In case a breach of article 13.1 occurs or such actual or potential conflict, as referred to in article 13.2, arises under the Entire Agreement, the Contracting Party shall immediately inform IDH in writing of the breach or of the actual or potential conflict and must request IDH's approval prior to continuing the performance of Services.

### 14. THIRD PARTY COMPLIANCE

14.1 The Contracting Party will not assign the Entire Agreement or transfer any right or obligation thereunder to an Affiliate or any third party without the prior written consent of IDH.

14.2 The Contracting Party will ensure that any and all of the terms and conditions in the Entire

Agreement shall be incorporated in equivalent contract terms in any sub-contract between the Contracting Party and a third party related to the execution of activities by the Contracting Party under the Entire Agreement. Any engagement of the Contracting Party with third parties in relation to the Letter of Assignment must be in writing and will not relieve the Contracting Party of its responsibility for the third parties' performance.

#### 15. INSURANCES

15.1 The Contracting Party is responsible for their own insurances, social premiums, income tax and any other levies related to the Project regarding their performance of the activities related to their roles and responsibilities under the Entire Agreement.

#### 16. GOOD ADMINISTRATION

16.1 In order to provide proof that the activities under the scope of the Services have indeed been executed as agreed to between IDH and the Contracting Party in the Letter of Assignment, as well as for the purpose of good governance in general, the Contracting Party is required to have and maintain a proper and transparent (financial) administration and management.

#### 17. RIGHT TO AN ADDITIONAL AUDIT

17.1 IDH, or any third party nominated by IDH, shall have the right to carry out audits of the Contracting Party's and/or subcontracted third parties' records to verify compliance with the provisions of the Entire Agreement, as may be relevant. IDH shall further be entitled to carry out audits of the Contracting Party's and/or subcontracted third parties' books and records insofar as they relate to the Services under the Entire Agreement and the manner in which the Services have been performed by the Contracting Party. In this respect, IDH, or any third party nominated by IDH, shall have access to all records, including systems and computers where information is stored electronically, and to all other material and records related to the performance of the Entire Agreement. Such information will be

treated as confidential and will be used exclusively for auditing. Information once verified will not be used for any other purpose without the prior written consent of the party to whom it relates. Any extra costs related to an additional audit referred to in this clause shall be agreed to between the Parties in writing.

17.2 The Contracting Party shall maintain the material and records referred to in clause 17.1 until expiry of a period of two (2) years from the date of termination of the Entire Agreement or for the length of time required under the applicable law, whichever is longer.

### III. FINANCIAL CONDITIONS

#### 18. FUNDING BY IDH

18.1 IDH reserves the right to adjust any future installments due to the Contracting Party, or to (proportionally) reassign or reclaim any amount already transferred to the Contracting Party, in the event that the Contracting Party, without the prior written consent of IDH, does not fulfil, or not fulfil on time, its obligations under the Entire Agreement.

#### 19. EXCHANGE RATES

19.1 For all payments made by IDH to the Contracting Party under the scope of the Letter of Assignment, the exchange rate of the day of receipt by the Contracting Party of the IDH's contribution(s) is applicable.

#### 20. TRANSFER OF FUNDS & PAYMENT CONDITIONS

20.1 Payment requests sent to IDH by the Contracting Party must contain the total amount to be transferred and a reference to the IDH contract number (in Letter of Assignment) that the payment relates to. Payment will be made by IDH within 45 days after receiving a payment request, provided such is in accordance with the terms and conditions in the Entire Agreement.

20.2 IDH is an organization that is dependent on funding from multiple donors and subject to various levels of (government) approvals for

payments. IDH will use its best efforts to transfer the payment to the Contracting Party on time in accordance with the Entire Agreement. However, a late payment by IDH, notwithstanding IDH's best efforts, that is later than 45 days but no more than 60 days later than the date of the payment request, will not be considered a breach of the Entire Agreement. For payments received later than 60 days, the Contracting Party has the right to adapt the planning of the Services to ensure, to the extent possible, uninterrupted delivery of the deliverables agreed to in the Letter of Assignment. The Contracting Party must notify IDH of the adapted planning as soon as possible.

#### IV. CONFIDENTIALITY

##### 21. CONFIDENTIALITY

21.1 It is understood and agreed to that certain information may be provided to the Consultant by IDH and/or any other parties, in the context of this assignment, that is and must be kept confidential. Both during the term of this Agreement and after the termination thereof, for whatever reason, the Consultant or its substitute shall refrain from disclosing, in any way whatsoever and to any other party, any information of a confidential nature regarding IDH's activities which has come to the Consultant's or its substitute's attention in the course of performing the Services under this Agreement and whose confidential nature is clear or should reasonably be clear. This obligation shall apply, by way of example and without limitation, to any technical, financial and other information, the names of partners, proposed transactions, computer software, computer systems and databases, patent and/or trade secret laws.

#### V. INTELLECTUAL PROPERTY

##### 22. INTELLECTUAL PROPERTY

22.1 If IDH's donors, or the governments they may relate to, request use of reports, documentation, studies, publications, logo's or other material that is Arising Intellectual Property belonging (jointly) to IDH or free to

use by IDH, IDH is free to share such information with the donor freely and without the consent of the Contracting Party.

22.2 Nothing contained in this Entire Agreement shall affect the absolute and unfettered rights of each Party in all materials, inventions, discoveries and intellectual property owned or controlled by that Party independently of the subject matter of the Entire Agreement (the "Background Intellectual Property").

22.3 Each Party (the "Indemnifying Party") will indemnify and hold the other Party (the "Indemnified Party") harmless from claims of third parties as a consequence of infringement of intellectual property rights of said third party, provided that the Indemnified Party informs the Indemnifying Party immediately in writing of the existence and content of the alleged right to claim. The aforementioned obligation to indemnify and hold harmless lapses if and insofar as the concerned infringement is related to modifications in the intellectual property rights made by the Indemnified Parties, or by third parties mandated by the Indemnified Party.

#### VI. TERM & TERMINATION

##### 23. TERM

23.1 The Entire Agreement takes effect on the starting date agreed to between the Parties in the Letter of Assignment. The Entire Agreement ends on the end date agreed to between the Parties in the Letter of Assignment or if the Entire Agreement is terminated in accordance with the terms and conditions in the Entire Agreement. If the end date agreed to in the Letter of Assignment is exceeded yet the obligations of the Contracting Party have not been met, the Entire Agreement will remain in effect until all obligations have been met by the Contracting Party or the Entire Agreement is terminated, whichever is earlier.

#### 24. AMENDMENT & TERMINATION

24.1 The terms and conditions of the Letter of Assignment can be amended only if the Parties agree to such amendment in writing.

24.2 IDH is an organization that is dependent on funding from multiple donors. In the event that IDH's donors terminate or materially change their funding of IDH, IDH and the Contracting Party individually and collectively have the right to terminate the Entire Agreement with immediate effect and without the risk of incurring liability for damages or compensation.

24.3 Either Party to the Agreement may terminate the Agreement immediately without the risk of incurring liability for damages or compensation, in the event that:

1. the other Party fails to remedy any breach of its obligations under the Agreement within 30 days of written notification requiring it to do so;
2. suspected fraud, or other illegitimate circumstances exist to such an extent that IDH considers the Contracting Party to be at fault or grossly negligent and further continuation of the Services is not possible or of too much risk.

Written notice of termination shall be provided in this case, stating the applicable circumstances;

3. the other Party files a petition for bankruptcy or is declared bankrupt; or has a liquidator, receiver, trustee or administrator appointed to it; or becomes insolvent; or admits its inability to pay its debts as they fall due.

24.4 A late payment by IDH, notwithstanding IDH's best efforts, that is no more than 60 days later than the date of the payment request, will not be considered a breach of the Agreement.

#### VII. APPLICABLE LAW & DISPUTE RESOLUTION

##### 25. APPLICABLE LAW

25.1 The Entire Agreement is governed by the laws of the Netherlands.

##### 26. DISPUTE RESOLUTION

26.1 Any dispute arising from or in connection with this Agreement which cannot be resolved amicably shall be submitted exclusively to the district court in Utrecht, the Netherlands, and each Party to this Agreement hereby submits irrevocably to the jurisdiction of such court.