**Tesco-WWF Innovation Fund supplier/innovator engagement**

**Terms of Reference
2 September 2021**

**Summary**

To help us progress our work with the WWF-Tesco Innovation Fund (full background below) we are looking for an external party to help us facilitate interactions between key Tesco suppliers and innovators who have solutions around two priority topics: animal feed, reducing GHG emissions on farm and agricultural nature-based solutions. Critical to the success of a proposal will be a demonstrated ability to bring in a network of relevant innovators as a key aspect to the project, as well as the ability to communicate and influence through established networks on innovation and the importance to achieving changes to the food system.

The facilitation (or ‘match making’) should allow key Tesco suppliers to connect and build relationships with innovators that they might not have come across. We hope that in a handful of instances, this will lead to the development of a clear plan to scale up an innovator’s solution in a supplier’s own operations and/or supply chain.

We anticipate the facilitation will take the form of one or two online events (e.g. 1-2 hours each), however we very much welcome ideas on how this can be done most effectively.

Although we have already identified some innovators that we could invite, a key element of this work will be leveraging your strong network of relevant innovators. All innovators should have a product or concept that is approved and ready to go, and needs scaling in a ‘real life’ supply chain.

**Background**

In November 2018 Tesco and WWF entered into a partnership with the long-term aim of halving the environmental impact of the average UK shopping basket and restoring nature in food production. In order to achieve this, both Tesco and WWF recognised that some of the environmental issues facing the food

system would need new thinking and innovation to unblock barriers and drive transformative progress. This is why the partnership includes a specific workstream and budget line (the Innovation Fund) to drive

innovation in Tesco’s own operations and/or supply chain. In addition to the funding available, we can also offer the most promising innovations the support of our joint brands as well as access to WWF’s global

network and Tesco’s supply chain.

At the start of our work on the Innovation Fund we agreed a set of principles that we wanted to follow – see Annex. One of the principles is to focus on scaling up late-stage innovation. We define this as “an

established innovation with proven benefits (*e.g.* through scientific research and pilot testing), but not yet widely adopted”. It must have already gone through pilot testing and proven to be practically applicable, but may be facing regulatory delays or limited uptake, for example due to initial costs. Examples of late-stage technological innovations include DSM’s methane-reducing cattle feed additive (3-NOP) and Veramaris’ algal oil for use in aquaculture feed. WWF and Tesco have already conducted work to identify a list of promising innovations, and work is underway with a number of those innovators through Tesco’s supply chain. Further details on the list and specific work can be provided upon appointment.

**What is unique with this approach?**

Through our proposed approach, the unique opportunity we’re providing is for suppliers to be put in the driving seat of identifying innovations that are most relevant to their area of business and putting the emphasis on them owning and delivering on a proposal and project with an innovator. We want to provide enabling conditions for suppliers and innovators to collectively develop out a concept to bring an innovation to scale in a supply chain.

**What are the communication objectives for this work?**

* Sharing the broader ambitions through innovation rather than highlighting the specific grant opportunities (those would/could be used as case studies).
* Attracting actual applications – comms to Tesco suppliers will be led by Tesco but we would need the consultant to lead on comms to innovators.
* Raising awareness of the fact that WWF/Tesco are supporting innovation to an industry audience. audience.
* For broader industry engagement, a really key element of what we want to achieve through the Innovation Fund is extensive comms/engagement/ensure a much greater impact beyond the specific projects we can fund with our limited funding. We want to leverage the work and approach to help drive change across the supply chain, other businesses, connect innovators with suppliers, and inspire the NGO community. We want to drive a much broader narrative around ongoing momentum to encourage innovators, businesses and NGOs to seek and scale innovations that can help drive solutions to some of the major challenges in the food system.

**How will this supplier-innovator facilitation fit with our wider plans for the Innovation fund?**

We have remaining funds in our Innovation Fund to support new projects that key Tesco suppliers could scale up, focussing on three key environmental issues: animal feed (e.g. soy or fishmeal alternatives, methane-reducing additives), agricultural nature-based solutions, and reducing on farm GHG emissions (e.g. low carbon alternatives to fertiliser, smarter applications).

Our draft plan on how to achieve this is as follows, but we would welcome the thoughts of a consultant on this:

1. Invite relevant Tesco suppliers (ca. 20) to pitch for a grant (with minimum/maximum amounts to be disclosed upon appointment) in collaboration with at least one innovator / technology provider, to support them scale up an environmental innovation that will help them address one of the two priority topics.
2. Organise a facilitation event (described above) to give suppliers the opportunity to meet and establish relationships with innovators with solutions to these environmental challenges.
3. Suppliers will be contacted by a senior commercial Tesco representative to ensure that the offer is taken seriously.
4. The most promising proposals will receive funding. We would welcome proposals that are at least partially funded by suppliers and/or bring in other forms of external finance.
5. An expert panel of Tesco and WWF colleagues will make the decision. We will develop our scoring criteria in the coming weeks.
6. The winners would be announced in a public event, supported by our communications departments, to generate positive comms and draw attention to both the wider partnership and our focus on innovation.

**Scope for innovations**

A. The innovations should be focused on addressing the following environmental issues:

1. Animal feed (*e.g.,* soy or fishmeal alternatives, methane-reducing additives)

2. Reducing GHG emissions on farm (*e.g.,* low carbon alternatives to fertiliser, and smarter applications).

3. Agricultural nature-based solutions (*e.g.,* soil or other restoration via remodelling of current practices)

B. The innovations can be one of the following:

1. Product (e.g. new technological products like low-impact fertiliser, cutting-edge precision farming

equipment, lower impact animal feed ingredients), or

2. Process (e.g. new financial models to incentivise farmers or to incentivise a retailer’s suppliers to invest

in sustainability over the long term, such as performance payments).

3. Business model (e.g. optimised capabilities of processes to drive efficiencies or new ways of

conducting business, such as closed-loop, rematerialization).

C. The innovations can be identified from anywhere across the globe, provided the solution they offer is scalable and applicable to Tesco’s own operations or one of its supply chains.

D. The innovation must be considered a late-stage innovation.

We define this as “an established innovation with proven benefits (e.g. through scientific research and pilot testing), but not yet widely adopted”. It must have already gone through pilot testing and proven to be practically applicable, but may be facing regulatory delays or limited uptake, for example due to initial costs.

E. Timings

Priority will be given to proposals that have a delivery timeframe of <9 months.

**How does this align with Tesco’s Agri-T Jam?**

Tesco holds an annual Agri-T Jam, led by the Agriculture team, tied into the World Agri-Tech Innovation Summit. The focus is on providing opportunities for dynamic seed/early-stage agri-tech innovators to work with the UK’s leading food retailers and its supply chain partners. Whilst the focus goes beyond just environmental solutions, one of the areas addressed is ‘Reducing Environmental Footprint and GHG Emissions’. Supplier engagement happens throughout the Agri-T Jam through engagement on the judging committee.

This engagement runs from May – October with the final 10 being decided in late September. The winner(s) receive fast-track introductions and mentoring by the Tesco agriculture team and supplier network, with potential to trial the solution. Once this process is over, the suppliers and innovators will have the chance to go through the Innovation Fund program.

**Outputs, timing and budget**

* Delivery of an effective process that results in a competitive application for use of the Innovation Fund resources.
* The available budget for delivery of this work is ~£15k-£30k. including VAT.
* The goal is to have this project kick off in late September, with identification of successful proposals in January/February 2021.

**Project governance and response instructions**

 This project is being initiated by WWF-UK and Tesco, with input from expert advisors. We invite proposals

from interested parties. Proposals should be maximum 6 pages in length and include:

• Your approach and proposed method to address the Objectives, Scope and Outputs.

• A project plan detailing proposed scope and timeframes.

• Details of relevant experience.

• A fee proposal including total days and day rates for each member of staff who will work on the

project, and any non-staff/travel/ancillary costs.

• Names and CVs of all staff who will work on the project, and proposed roles (can be beyond the 6

pages).

**Assessment of Proposals**

WWF will consider proposals and appoint the successful third party through a mix of qualitative and

quantitative assessment, to include:

• Quality of the submission and adherence to the brief.

• Relevant organisational experience, expertise and skills of staff.

• Cost and overall resource inputs.

• Quality and effectiveness of the proposed methodology and ability to deliver the brief.

**Deadline for submission: Friday 17th September 2021**

**Decision to be made/consultant appointed by: Friday 24th September 2021**

**Contract Particulars**

WWF would prefer to contract this activity using the WWF Standard Terms and Conditions (attached and

available on request). Should you wish to propose alternative terms then please include this information in your response.

**Annex**

**Tesco and WWF Innovation Fund principles:**

• Focus on scaling up late-stage innovation (e.g. trials in commercial farms/sites, advocacy); only

contribute to early innovation (e.g. initial research and experiments).

• Consider innovation relevant to all types of environmental sustainability challenges (e.g. marine,

forests, agriculture, water, climate, waste); however an initial focus on just one may be sensible

given limited resources.

• Connect the supply chain (suppliers) to innovators.

• 'Search and rescue' i.e. actively seek contact with promising innovation (e.g. runners up of

hackathons).

• Build unlikely / unexpected partnerships to drive innovation (e.g. a philanthropic foundation, WWF

and Tesco).

• Identify what policies could block / enable innovation roll-out; flag these with appropriate

organisations (e.g. DEFRA).

• Aim to make findings and work open source as quickly as possible (bearing in mind in-kind

investment by all parties).

• Consider appropriateness of communication for each opportunity (e.g. media, customer, and in

some cases no comms at all); desire to secure comms coverage should not drive selection.

• Ensure potential impact is clearly articulated (e.g. reduction in water, land, GHG emissions) before

investment.