**Terms of Reference**

**Evaluation of Tesco UK Farm Assurance Framework**

**Introduction**

‘Sustainable agriculture’ is one of three components within the ‘Restoring Nature in Food Production’ pillar of the Tesco/WWF Partnership, launched in November 2018 and currently funded to late 2022.

The Partnership is addressing the environmental impacts that the UK agricultural sector has on soil carbon, water quality, biodiversity and greenhouse gas emissions. Together, we are driving the uptake of more sustainable practices through farm advice on the ground and by engaging in policy-based and finance-based advocacy. Market-based levers, such as through farm assurance schemes like Red Tractor, offer a direct way for Tesco and WWF to drive improvements in environmental outcomes from agriculture.

WWF and Tesco wish to commission a consultant to undertake an evaluation of Red Tractor in order to assess the gap between the Red Tractor standards and best practice, and understand impediments to achieving changes to on-farm practices through Red Tractor implementation.

In addition, we would like the consultant to consider the degree to which requirements of Tesco’s Sustainable Farming Groups[[1]](#footnote-1) (SFGs) for UK producers (as per Annex 1) contribute to advancing environmental outcomes. The product scope of the evaluation is limited to the Sustainable Farming Group sectors defined by Tesco i.e. dairy, beef and lamb, poultry, pigs, potatoes, brassicas, and onions.

The output from this piece of work will be a short paper with recommendations.

**Objectives**

* To undertake an evaluation of the extent to which the *UK* *Farm Assurance framework* currently adopted by Tesco (including both Red Tractor and Tesco’s bespoke Sustainable Farming Groups requirements) is delivering environmental outcomes; including for soil, water, biodiversity and climate change mitigation.
* To make recommendations for improving environmental outcomes.
* Provide estimated costs for an average farm per sector to reach environmental best practice.

**Tasks**

1. Estimate the cost of achieving best practice
   * Identify the schemes, and their measures, that most commonly drive best practice per farming group. Best practice here means measures over and above those set out in regulations.
   * On a qualitative scale, estimate the additional cost requirement, or cost savings, for implementing best practice measures.
2. Make an assessment of the degree to which the Farm Assurance framework is technically enforceable (through a desktop exercise and farm interviews)
   * Are there certain requirements which are too ambiguous or lacking sufficient definition to allow robust enforcement? For example, are the definitions specific and clear enough for farmers to know what to do (e.g. bait must be used ‘responsibly’; what counts as ‘minimising risk’?)
   * Make recommendations for how the definitions and phrasing of the standards could be improved to reduce ambiguity and room for interpretation.
3. Assess how rigorously the framework is implemented by the current auditing/inspection regime, and identify opportunities for improvement of the auditing process (through farmer interviews)
   * Document and assess the on-farm audit process and role of certification bodies. To include, but not limited to: inspection regularity, announced vs. unannounced audits and implications thereof, procedure for dealing with non-compliances or failures, potential loss of accreditation, auditor consistency, the impact of whole farm/certified part and tenant/owner issues.
   * It is anticipated that this task will primarily be delivered by interviews with farmers within the seven Sustainable Farming Group sectors (as each of these sectors presents different enforcement challenges) as well as other contacts within the WWF catchment projects[[2]](#footnote-2). We anticipate at least three interviews per sector. Initial contact with farms will be made through WWF and its catchment delivery partners and/or Tesco.

**Skill Set required for consultant**

* Expert knowledge of the literature which identifies best practice agri-environmental farm management practices
* Expert knowledge of agri-environmental regulations
* In-depth interviewing expertise and ability to undertake research on sensitive subjects

**Deliverables**

A single report including the analysis outlined above, and to include recommendations for improving environmental outcomes from the Farm Assurance framework.

**Timeline**

* Selection of chosen consultant: by 30th January
* Kick-off meeting with WWF and Tesco: by 5th February
* Submission of draft report: by 23rd March
* Agreement of final report and conclusion of consultancy: by 31st March

**Budget**

The budget is up to £15,000 including VAT and all costs.

**Submission of Proposals**

Please submit your proposal by midday, 27th January 2020 to the WWF-UK contact named below. Your proposal must contain:

* Your approach and proposed methodology to address the Objectives and Tasks
* An analysis of how you fulfil the required skill set
* Names and CVs of all staff who will work on the consultancy, and proposed roles
* A fee proposal including:
  + Total days and day rates for each member of staff who will work on the consultancy
  + Any travel/ancillary costs
  + Your VAT status with VAT, if applicable, clearly identified

**Assessment of Proposals**

WWF will consider proposals and appoint the successful consultant through a mix of qualitative and quantitative assessment, to include:

* Quality of the submission and adherence to the brief
* Expertise and skills of staff
* Cost and overall resource inputs
* Quality and effectiveness of the proposed methodology and ability to deliver the brief

**WWF-UK Contact**

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**Annex 1. Summary of Tesco Agri standards and requirements (Feb 2019)**

* **Dairy**
  + Red Tractor (UK), SDAS (Ireland).
  + QVIS scorecard (max. 100 points) in place for all 750 farms in UK Dairy Group:
    - 30 QVIS points for carbon footprinting (more points for better efficiency and lower emissions) – this may go down to 20 points next year. Current average for the group is 1.24 kg CO2e / litre milk. I don’t think this includes emissions from Land Use Change (e.g. soy).
    - 4 QVIS points for environment management (e.g. LEAF certification or other environment scheme) – I think there is an opportunity to influence how these points are given.
    - 2 QVIS points for carbon sequestration (i.e. > 60% permanent pasture).
    - Other points for milk quality, cleanliness, biosecurity, training etc.
  + Carbon footprinting just started with Cheese Group (100 farms).
  + Farms in Ireland have carbon footprinting as part of the national standard.
* **Beef and lamb**
  + Red Tractor / QMS (UK), SBLAS (Ireland), NZFAP (New Zealand – lamb only).
  + From April 2019 our ‘Tesco Welfare Assured’ standards, which are applied across all beef and lamb farms that we source from, will include the following environmental clauses:
    - Manure, water and energy management (in line with RT)
    - Soil and wildlife management (aspirational)

However, only 0.4% of farms are audited each year i.e. 100 beef farms and 100 lamb farms.

* Farms in Ireland have carbon footprinting as part of the national standard.
* **Poultry (broiler and layer)**
  + Red Tractor (UK), Global GAP (International e.g. Brazil and Thailand).
  + Our main UK processor suppliers have completed a carbon footprint (conducted by Alltech) for 2017 supply based on a sample of farms; this was to understand progress towards Tesco target. In general most will be on track, especially if they can transition towards zero deforestation soy, as >80% of the emissions are from feed.
* **Pig**
  + Red Tractor / QMS (UK), Genesis GAP (Denmark), IKB Varkens (Netherlands).
  + No other requirements, although Cranswick (our main supplier) are doing a fair amount on their Tesco-dedicated outdoor farms (Wayland Farms in Norfolk) e.g. soil and water management.
* **Potatoes**
  + Red Tractor (UK), Global GAP (international e.g. Israel, Cyprus, France).
  + QVIS scorecard to be rolled out in 2019 to 140 growers, about 90% of our UK supply base:
    - **10** QVIS points for carbon footprinting (more points for better efficiency / lower emissions).
    - 4 QVIS points for soil management, including cover crops.
    - 4 QVIS points for submitting pesticide use data.
* **Brassicas**
  + Red Tractor (UK), Global GAP (e.g. Spain).
  + Plans to gather actual use pesticide data from UK grower base – TBC.
* **Onions**
  + Red Tractor (UK).
  + QVIS due to be introduced in the near future e.g. covering carbon footprint, soil, pesticide and possibly water use.

1. <https://www.tescoplc.com/sustainability/sourcing/topics/farming/sustainable-farming-groups/> [↑](#footnote-ref-1)
2. Within the WWF/Tesco Partnership, farm advice and intervention work is being delivered by third party organisations in three pilots landscapes (i.e. catchments). These are Norfolk Rivers Trust in (a significant part of) East Anglia; the Wye and Usk Foundation in the Wye & Usk catchments; and Trent Rivers Trust in the Soar catchment (East Midlands)/ [↑](#footnote-ref-2)