Terms of Reference

Timber Market trade flow analysis between Asia and PNG and Solomon Islands

This document details the terms of reference for the development of the Timber Market trade flow analysis between PNG and Solomon Islands and Asia

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1. SCOPE

WWF would like to commission Timber Market trade flow analysis between Asia, PNG and Solomon Islands.

2. BACKGROUND AND RATIONALE

WWF's current project "Strengthened multilateral engagement and collaboration with China's timber and palm oil supply chains to reduce deforestation and forest degradation in Gabon, Indonesia and PNG (2021-2023)" is the extension of the previous project "Transformation through Markets: Making China a Nation that Demands Sustainable Palm Oil (2018-2020)". The project aims to reduce the negative impacts including deforestation and forest degradation, biodiversity loss, climate change as well as poverty and community vulnerability associated with forest risk commodities (timber and palm oil) in Indonesia, Gabon and Papua New Guinea (PNG) through strengthened policy, governance and supply chain measures linked to China's global footprint. Mobilization of a new China Sustainable Palm Oil Alliance and its engagement with Indonesian and PNG decision-makers will send strong market signals to improve on-the-ground governance of land use and management associated with oil palm plantations. Improved governance will reduce negative environmental and social impacts associated with palm oil production in these countries.

3. CONSULTANCY GOAL

Project Goal/Outcome: Improved understanding of timber trade flows from PNG and SIs to Asia, to better inform current and future programme interventions in the region.

Aim: To reduce deforestation and degradation of forests in priority producer countries of palm oil – Indonesia and Papua New Guinea – through strategic leveraging of Asian stakeholder engagement, particularly through market mechanisms associated with tropical timber value chains.

Outcome: Research Report on the PNG Timber Market and Trade Flows between Asia, PNG and Solomon Islands.

4. EXPERTISE AND QUALIFICATION

- Individuals or consultancy with at least ten (10) years' relevant experience.

- Personnel undertaking the task must have proven qualification and field experience and preferably local PNG knowledge of policies, legislations, national & global development goals e.g. PNG MTD III & SDGs.

- Professional qualifications & experience in natural resource management, sustainable land use management, Landscape modelling, economics and policy analysis, environment protection & conservation areas management, demonstrated and or related Field experience with regard forest and land use, Sustainable Palm Oil, engagement at national and international dialogue and policy discussions, and be able to deliver TOR assignment objective on time.

- Have analytical skills to synthesis various data sets in a more professional and efficient manner and produce quantitative/qualitative report.

- Experience in working within the region or similar and NGO, Private or government organizations at national and provincial levels and evidence of executing similar tasks

- Able to share copies of similar work undertaken in the past

5. EVALUATION AND SELECTION CRITERIA

Evaluation & selection of Applicants from potential consultant/s based on the selection criteria

Cost – 25%

Experience – 60%

Methodology - 15%

6. OUTPUTS

Following is the payment schedule for the TOR objective. Payment will be on a <u>milestone</u> basis as outlined in the Outputs Breakdown section. The consultant will be required to provide <u>the Outputs as scheduled to the project manager.</u>

Outputs Breakdown - Schedule of Outputs and Payments.			
	Date	Rate USD	Total %
Contract Signature	28 July 2022	20 000	35%

Timber Trade Analysis – First Draft	31 October 2022	10 000	25%
Final Draft*	31 December 2022	5 000	20%
Finalised Report, incorporating comments etc.	31 January 2023	5 000	20%
Grand Total:		40 000 USD	100%

Note: Below activities will be con-currently executive as and when required along with the above key activities and outputs.

*Final draft will include deforestation rate modelling conducted by separate consultant(s)

Output 1. Research Analysis Report - Baseline Policy Review on PNG Due diligence on timber trade flows/timber supply chain and linkages to Green timber supply chain standards.

- Through partnership with China National Forest Products Industry Association (CNFPIA), the Papua New Guinea Forest Authority (PNGFA) & Papua New Guinea Forest Industry Association (PNGFIA) collaborate Timber Market segment and Trade flow research in both countries enabling PNG timber market and trade flow visibility including Solomon Islands.

Timeframe: 14th September – 5th October , 2022

Output 2. Trade flow analysis 2012-2022* (*most up to date data available) for PNG & Solomon Islands.

- Analyse data from PNG Business Registry and PNGi Timber Portal
- Analyse Chinese import data and PNG/Solomons export data
- Compare PNG and Chinese data sources for consistency
- Analyse UN Comtrade data records of imports from PNG/Solomons to China (HS Codes 4403 and 4407)
- Analyse Vietnamese import data

2.1 Breakdown of:

       a) key exporter countries

       b) changing levels of timber exported year on year

       c) separation of sawn wood/logs

       d) role of timber for pulp and paper

2.2 Deep dive into timber tree species export with 1-2 case studies such as Vietnam and breakdown of import data from PNG and Solomon Islands

- Determine which species are most exported using Vietnamese data, or other data sources if available. Local knowledge suggests Kwila and Taun are the most sought after and harvested species.

2.3 Projection model on current logging rate in PNG and Solomon Islands and existing forest cover with rate of deforestation modelling to show different impacts in 10/20/30 years time with current rate of logging

Output 3 Assessment of current drivers of deforestation:
    a) logging companies
    b) agriculture (rubber & palm oil)
    c) mining
    d) infrastructure development
    e) community development (slash and burn agriculture)

6.1 METHODOLOGY
The Timber trade analysis will be conducted through the following steps.

1. Download import and export data from UN COMTRADE for the following HS Codes:

    a. HS 4403 – Logs

    b. HS 4407 – Sawn wood

    c. HS 4701 – Mechanical – not chemically treated wood pulp and/or 4705 – chemical and   mechanical pulp

    d. HS 4401 – Woodchips

        i. 4401 21 – Coniferous wood chips

        ii. 4401 22 – Wood chips or particles

    e. Export data from PNG and Solomon Islands, Import Data from China

    f. Import and Export data from Vietnam for comparison with species specific customs data   from Vietnam

2. Standardise data to m3 and USD where needed

3. Analyse trends using pivot tables and charts

4. Vietnam case study: The method used for this case study will replicate what was done and reported in the following study on Dalbergia and Pterocarpus species for CITES CoP17 - https://cites.org/sites/default/files/eng/cop/17/InfDocs/E-CoP17-Inf-48.pdf

    a. Purchase additional data from 2019-2022

    b. Add this data to the 2013-2018 data already owned by Conservation Analytics Pty Ltd

    c. Standardise data to m3 and USD

    d. Re-categorise line items into standard species names, as they are often named differently,   some species can have common names instead of species names, and also local dialects in   Vietnam have different names for different timbers

    e. Analyse data using pivot tables and charts

5. Compare import records from China with export records from PNG and Solomons.

6. Check discrepancies against additional sources such as PNGi Timber Portal or Business registry and Solomon Islands equivalents the Chamber of Commerce.

7. Time permitting; compare additional sources of data such as the ITTO, PNGi Portal/Business registry for additional insights.

8. Write up reports and case studies for submission.

7. BUDGET

The budget is up to £36,000 (USD $45,000) in accordance with budget needs below-

Budget Needs

1. Purchase new Vietnamese data from 2019, 2020, 2021 and June 2022; 4403 and 4407;
   Import data and export data (if want to look at exports to China after being imported to VN).

YEAR	IMPORT	EXPORT
2019	4403 & 4407	4403 & 4407
2020	4403 & 4407	4403 & 4407
2021	4403 & 4407	4403 & 4407
2022 (6 months)	4403 & 4407	4403 & 4407
		7 sets - $1500 USD
	$10 500 USD	$10 500 USD

2. Consultant costs: $40,000 USD
3. Modelling/GIS consultant: $5,000

The contract will run from mid September 2022 – end of December 2022.

8. CONTACT

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