TERMS OF REFERENCE

Conducting market investigation to identify the providers of FSC-certified paper and paper products for the interested Georgian companies

a) Initial project information

The European Union (EU) funded “European Neighborhood and Partnership Instrument (ENPI) East Countries Forest Law Enforcement and Governance (FLEG) II Program” (the “Program”) is aimed to support the participating countries strengthen forest governance through enhancing their forest policy, legislation and institutional arrangements, and implementing sustainable forest management models on a pilot basis. The Program will be implemented in seven countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova, the Ukraine, and the Russian Federation.

The Program builds on initiatives undertaken under the first EU funded FLEG Program. It will be carried out over a four-year period, with end disbursement date of December 31, 2016. The Program is supported by the European Commission contributing to a single-donor trust fund administered by the World Bank (WB). Austrian Development Cooperation (ADC) provides additional funds to support Program activities in Armenia and Georgia. Implementation of the Program is led by the WB, working in partnership with the International Union for Conservation of Nature (IUCN) and the World Wide Fund for Nature (WWF). The Program has three Development Objectives:

1) To make progress implementing the 2005 St. Petersburg FLEG Ministerial Declaration in the participating countries and support the participating countries commit to a time-bound action plan to ensure its implementation and follow-up activities (regional level).
2) To review or revise (or establish a time-bound action plan to review or revise) forest sector policies and legal and administrative structures; improve knowledge of and support for sustainable forest management and good forest governance (including the impact of related EU regulations) in the participating countries (national level).
3) To test and demonstrate best practices for sustainable forest management and the feasibility of improved forest governance practices at the field-level on a pilot basis in all participating countries (sub-national level).

Main Program activities implemented by WWF-Caucasus Programme Office (WWF-CauPO) in Georgia include evaluation of biodiversity and ecosystem functions of forests, promotion of voluntary forest certification, supporting sustainable forest management planning, restoration of natural forest landscapes and conservation of forest biodiversity. Awareness raising activities about the importance of sustainable forestry and the respective role of the FLEG II program will also be conducted.
Voluntary forest certification is one of the important components of the FLEG II Program. Certification is an innovative market-based tool for achieving sustainable forest management. Buying certified forest products, including paper, promotes sustainable forest management worldwide.

Under the FLEG II program, a survey was conducted which assessed the willingness of Georgian companies (about 100 in total) to source certified paper and paper products from sustainably managed forests (see Annex 1). The survey focused on paper and paper products certified by Forest Stewardship Council (FSC). These products come from the forests which are managed sustainably and, thus, ecologically friendly. Majority of the companies that participated in the survey expressed their willingness to purchase FSC-certified paper.

The next step is to approach the interested Georgian companies to promote the purchasing of certified paper. In order to make this process more effective, these interested companies should be provided with the list of potential providers of FSC-certified products and their contact information. Consequently, WWF-CauPO (hereafter “the client”) will hire an individual consultant (hereafter “the consultant”) to conduct market research to identify these providers of certified paper.

b) Objectives of the assignment

This market research aims to identify the providers of FSC-certified paper and paper-products in the vicinity of Georgia (Turkey, the Ukraine, the Russian Federation etc.). Efforts will be made to find the providers of cheapest certified paper products, which will most likely be available in the countries neighboring to Georgia. If it will be problematic to find the providers near Georgia, the geographic scope of search will be expanded to the EU markets.

The key objective is to create a list of companies (with their contact details) which could offer FSC-certified paper and paper products to Georgian consumers for relatively lower prices in comparison to providers located farther away (considering unit price and transportation costs).

By conducting this survey, WWF-CauPO will contribute to the implementation of the FLEG2 Program Development Objective “improve knowledge of and support for sustainable forest management and good forest governance in the participating countries (national level)”.

c) Scope of services

At least 10 provider companies/firms, offering lowest prices, should be identified (preferably more). Preferably, these 10 providers should be distributed among as many countries as possible (but this is not an essential requirement, considering possible limitations in available suppliers). The respective product types include printing paper, envelopes, wrapping and packaging materials, cardboard containers, folders and files, tissue paper, etc.

The companies will be identified via internet or other means. Each identified company will be approached and inquired about the availability and prices of various FSC-certified paper and paper products. If
The adjustments of prices for the Georgian consumer market should be made (considering transportation costs and volumes of purchase).

The duration of this assignment is about 10 working days within the period of about two calendar months (taking into consideration the time required to get responses to the requests). The final outputs of this survey will include:

- The list of provider companies and their contact details – postal address, telephone and email (preferably also a contact person)
- The prices for offered FSC-certified paper and paper products (ideally, adjusted for Georgian consumers).

**d) Reporting and Approval Procedures**

The consultant should send the report to the client after the completion of the survey. The report should be in MS Word and pdf formats and should include the description of the performed work (including the methodology) as well as the list of companies (see Section c) above. The report should be submitted within up to two calendar months from the beginning of the assignment. It should be in English and should be sent to Ilia Osepashvili, Project Coordinator, josepashvili@wwfcacusus.org.

The coordinator will provide feedback to the consultant within five working days after receiving the report. If no response is received after the expiration of this period, the report will be deemed as accepted, unless a written request is sent by the coordinator to allow for a few more days for the revision. The comments and requests for further information/corrections should be addressed by the consultant in a timely manner. Only after the formal acceptance of the report by the coordinator (by signing the acceptance form by both parties - the consultant and the coordinator) can the contract be considered as completed.

**e) WWF’s Input**

The client will provide all information available at their office, which might be useful for the completion of this assignment, free of charge. This includes information about FSC, FSC-certified paper and its importance.

**f) Institutional arrangements**

The client (Project Coordinator) will supervise the consultant’s work. The consultant is directly accountable to the client and should send all applicable reports to the latter. The client is authorized to evaluate the consultant’s reports and either accept them or require further updates.

The established list of potential provider companies will be kept by the client. Subsequently, this list will be used by WWF-CauPO to encourage Georgian paper consuming companies to purchase FSC-certified paper.

**g) Qualification requirements for the consultant**
At least three years of experience in forestry or a related field
The extent of experience in conducting market surveys
Working experience in market surveys of FSC-certified paper products would be an asset
Working experience in the countries of Eastern Europe would be an asset
Excellent communication skills
Demonstrated ability to provide high-quality reports in English.

Annex 1

Objectives and scope extracted from the ToR for conducting a survey among Georgian companies regarding their preference of FSC-certified paper

Objectives of the assignment

The study aims to reveal the degree of willingness of the selected Georgian paper and paper-product consuming companies and organizations to purchase FSC-certified paper. At least 100 (one hundred) companies and organizations will participate in the survey. The specific objectives are to:

- Identify the top paper and paper product consuming organizations operating in Georgia
- Assess their willingness and interest to purchase FSC-certified paper and paper products
- Conduct analysis of the results of the survey and
- Inform WWF-CauPO about the results of the survey.

By conducting this survey, WWF-CauPO will contribute to the implementation of the FLEG2 Program Development Objective “improve knowledge of and support for sustainable forest management and good forest governance in the participating countries (national level)”.

Scope of services

At least 100 largest organizations and companies, operating in Georgia (national, international, public and private) and using substantial volumes of paper products, will be identified. The respective product types include printing paper, envelopes, wrapping and packaging materials, cardboard containers, folders and files, tissue paper, etc. The types of targeted companies include supermarkets, banks, distributors, fast food restaurants, publishing houses, advertisement companies, ministries, state agencies, NGOs, etc. Above all, the largest (in terms of production capacity) and most popular brands will be targeted. The financial turnover of participating private companies (related to their activities in Georgia) should typically be at least 3-4 million Georgian Lari. After the identification, each company will be offered to participate in the survey. If some of the companies/organizations refuse, additional ones will be identified, in order to select 100 participants.

The survey should typically be conducted in person. However, a small proportion of the companies (roughly up to 20%) could be interviewed by phone, especially if the manager will not be in Tbilisi by the time of the interview. Although it is expected that absolute majority of the companies (e.g. 80% or more) participating in the survey will be located in Tbilisi, companies located in various regions of Georgia could also participate.
It is essential that the written agreement is obtained from the participating companies that they agree to provide the results of the survey to WWF-CauPO. The latter could be the sole recipient of the information (apart from the consultant) without its further disclosure, if there will be such a requirement from the participants. WWF-CauPO should at minimum reserve the right to publish the overall results of the survey, without indicating concrete companies.

Before the survey, the contact persons (preferably top managers, senior decision-makers or persons authorized by the managers to answer the survey questions) will be identified within the participating companies, preferably in a written form.

The survey questions will be formulated by taking into consideration various factors. Both, open and close ended questions will be asked. At the very beginning of the survey, the companies will be asked whether they are familiar with FSC and its activities, and to what extent. Those companies, who are not familiar with FSC, will receive relevant (brief) information. This will include information about ecological, social and economic benefits produced by the management of forests certified under the FSC scheme (i.e. forests which are the sources of FSC-certified paper).

The main questions will clarify, whether the companies/organizations would be willing to purchase FSC-certified paper (i.e. with yes/no type of answer) if:

- The prices of certified products were the same as uncertified ones.
- The prices of certified products were higher – e.g. up to 20% (various levels of price increase could be investigated).

Also, how these questions would have been answered if: a) the targeted company was provided with the ready list of potential suppliers of FSC-certified paper and b) training was provided in more efficient paper use to reduce the costs (both services free of charge). The survey participants will also be asked, whether they have formally adopted environmental policies or would be willing to do so.

Concrete methods of the survey will be further specified jointly with the selected consultant. Total duration of each survey could be up to 30 minutes. The anticipated time of commencement of the service is the second half of September 2014. The total duration of the assignment is about two and a half calendar months with the following stages:

- Compilation of the initial list of companies/organizations
- Identification of those companies/organizations who would like to participate in the survey and provide the results to WWF-CauPO, and relevant contact persons
- Conducting the survey
- Analyzing the results of the survey and
- Regularly reporting to WWF-CauPO about the process of the survey and its results.

Existing databases (online and hardcopies, such as yellow pages) will be explored for the identification of the companies and organizations and their contact details. The applicants can offer alternative methodologies of the survey, providing that the aim and specific objectives, listed above, are met.