TERMS OF REFERENCE

Create a basis for the establishment of the market links for wood certified in Georgia: identify potential markets (buyers)

PP Ref. No: GEO/IC-9 (CWP Activity 3.2)

a) Background

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 Armenia, Azerbaijan, Belarus, Georgia, Moldova, 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, ending on 31 December 2016. The Program is supported by the European Commission contributing to a single-donor trust fund administered by the World Bank (WB). 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).

The promotion of voluntary forest certification (VFC) is one of the important components of the FLEG II Program. VFC is a market-based tool used for achieving sustainable forestry. It involves assessment of the quality of forest management by a third party according to pre-defined standards of sustainability. Certificate is awarded, if the forest management meets these sustainability requirements.

Georgian forests have essential ecological role and socio-economic potential, which create favorable conditions for forest certification.

Although at present there are no forests voluntarily certified in Georgia, significant steps were already taken in this direction. Assessment of the potential of forest certification in Georgia has been carried out within the
framework of FLEG II Program. The assessment has demonstrated that under certain pre-conditions, VFC might be feasible in the country.

The next step is to initiate the promotion of potential market links for wood and wood products which could be certified in Georgia. WWF-CauPO (hereafter "the Client") will hire an individual consultant (hereafter "the Consultant") who will prepare a study to identify potential market links for concrete wood products which could be certified under the VFC in Georgia.

b) Objectives of the assignment

The study aims to provide improved information on estimated market potential for VFC certified timber in Georgia in the future. The expected results/outputs of the Consultant's work are:

a) the list (with brief descriptions) and volumes (at least at the minimum level) of wood products which can be produced and certified in Georgia and exported,

b) the list of companies (with addresses, telephones and if possible, names of contact persons) which might be potentially interested in certified Georgian wood products, with (preferably) the descriptions and volumes of desired wood products.

The results of this study would help promote market links for certified wood products (and thus economic viability of VFC) in Georgia. This study would contribute to the fulfilment of the FLEG II PDO “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”.

c) Scope of services

The study will be conducted in two main stages:

i) obtaining information about Georgian wood and wood products (processed at various levels) which are or can be produced, certified under VFC and exported,

ii) identifying potential wood consumer companies based in the EU (and/or elsewhere), in order to select about 10 companies (preferably distributed among different countries/regions) potentially interested in the voluntarily certified Georgian wood products, and obtaining their contact details, as outlined above.

The two major stages will be preceded by a Preliminary stage, during which the Consultant will prepare Work Plan and detailed methodology of work. The preliminary stage is estimated to last about two working days.
Stage 1: Initially, the Consultant will collect information and data from existing databases, studies and reports available in Georgia. Interviews will be held with representatives of state and private sector/companies engaged in logging and wood processing operations. This stage will be completed after the identifying and listing of the Georgian wood products and their volumes actually produced or with the potential to be produced (at least at the minimum level) and certified. Interviews could be conducted by skype or preferably in person. Consequently, a visit to one or more regions in Georgia (lasting about one week) might be necessary.

Stage 2: After identification of those wood products which could be produced in Georgia, wood consumer companies in the EU (or other economically advanced regions) will be identified and contacted. The potential interest to buy above-mentioned (to be certified) Georgian wood products will be revealed; contact details will be obtained from the interested companies.

The overall duration of the assignment is estimated at 20 (twenty) working days within the period of about two calendar months. This includes preliminary stage and working days during the possible visit to Georgia. Substantial time is allowed for getting response to the requests sent to the potential consumer companies. The work will start in April 2016.

d) Reporting and Approval Procedures

The Consultant will send the First Interim Report to the Project Coordinator after the completion of the Preliminary stage within about one calendar week after the beginning of the assignment. The report should include proposed methodology and work plan.

The Second Interim Report should be sent after the completion of Stage 1 outlined above, within approximately one calendar month from the beginning of the assignment. The report should contain brief description of the methods used for the compilation of the required information and the outputs as described above.

The Final Report should be sent within about two calendar months from the beginning of the assignment. The report (essentially the final draft of the study) should describe the methods used and include the final outcomes and outputs (e.g. list of Georgian wood products, their volumes and potential consumer companies and their contact details abroad). It should be provided in English in MS Word and pdf formats. All these reports should be sent to Ilia Osepashvili, Project Coordinator from WWF-CauPO (osepashvili@wwfcaucasus.org).

The Coordinator will provide feedback to the Consultant within five working days after receiving each report. If no response is received by the Consultant after the expiration of this period, the report will be deemed as accepted, unless a written request is provided 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 within five working days (unless a request is provided by the latter to extend this period, based on reasonable justification).
After the satisfaction of the Coordinator with the quality of the reports (clearly expressed in a written form), the Consultant may complete the remaining parts of the study. Only after the formal acceptance of the Final Report by the Coordinator can the contract be considered as completed.

WWF-CauPO Project Coordinator will be responsible for coordinating the Consultant’s work. The Consultant is directly accountable to the Client through its Coordinator and should send all applicable reports to the latter. The Coordinator is authorized to evaluate the Consultant’s reports and either accept them or require further updates.

e) WWF’s Input

The Client will provide all information available at their office, which will be useful for the completion of this assignment, free of charge. If needed, the Client will assist the Consultant in organizing his/her meetings and communicating with relevant stakeholders. However, it is preferred that the consultant works independently to the maximum possible extent. The outcomes of this study will be shared by the Client to other countries of the ENPI region.

f) Institutional arrangements

The consultant’s work could be facilitated by cooperating with German International Cooperation (GIZ) representation in Georgia. GIZ will support Wood Market Study in Georgia starting at the beginning of 2016 and lasting for about six calendar months. The added value of the study proposed by WWF in this ToR is the focus on potentially voluntary certified products.

The consultant hired by WWF-CauPO could combine his/her field visits to various parts of Georgia with those of the consultants hired by GIZ. The consultants could also exchange relevant information. At the end of 2015, FLEG II Project Coordinator from WWF-CauPO held a meeting with respective GIZ staff based in Georgia and agreements were made on possible cooperation and coordination.

g) Qualification requirements for the Consultant

- University degree or equivalent in forestry, economics or a related field
- Demonstrated knowledge of and experience in VFC schemes
- Knowledge of the Georgian forestry sector (with particular focus on wood products) would be an asset
- At least two years of working experience in international market research related to wood products
- Readiness to travel and work independently in Georgia
- Strong communication skills
- Working knowledge of English; ability to communicate in Georgian and/or Russian would be an asset.