

Request for proposals (RFP) for a study on the impact of the Regulatory developments in EU and US on the Indian industry

Background

The RSPO is a not-for-profit organisation that unites stakeholders from the 7 sectors of the palm oil industry (oil palm growers, processors or traders, consumer goods manufacturers, retailers, banks/investors, and environmental and social non-governmental organisations (NGOs), to develop and implement global standards for sustainable palm oil.

With more than 5,500 members worldwide the RSPO is the global leading standard for the palm oil sector. The members represent all links along the palm oil supply chain and have committed to produce, source and/or use sustainable palm oil certified by the RSPO.

The RSPO has identified India as an important growth market in terms of the usage of palm oil and palm kernel oil and finds it important to strengthen its efforts to promote that in those markets sustainably produced palm (kernel) oil will be sourced by the palm oil sector. In order to successfully develop and implement a strategy to transform the market and promote the use of certified sustainable palm oil, we need market insights. We would benefit from gaining more quantitative insights into the palm oil, palm kernel oil and derivatives market in India that exports to European and American markets. Once we have the market intelligence we can plan our outreach activities to encourage companies, industries and policy makers to stimulate market transformation to sustainable palm oil.

Geographical scope

This study should focus on India.

Scope in content

The study should present a clear overview of the sectors that use palm and palm kernel oil and its fractions/derivatives and the key companies operating within these sectors that have exposure to the European and North American markets. The regulatory developments around sustainability, deforestation, traceability and corporate due diligence could have a potential impact on the Indian companies catering to these markets. The regulatory developments that we are aware of are:

- EU Corporate Sustainability Due Diligence
- EU Deforestation Regulation (EUDR)
- EU Forced Labour Regulation
- US Forest Act (draft)

The study should focus on finished consumer product manufacturers including ingredient manufacturers, suppliers of semi-finished products, ingredient manufacturers, etc. The sectors that typically use palm oil, palm kernel oil and its fractions/derivatives are:

food: food service / snacks / margarine / confectionery/ biscuits/; and
non-food: biofuel, energy generation, animal feed, home & personal care, pharmaceutical, nutraceutical etc.

We invite the participants to the tender to present their own creative methodologies. We do propose that the study includes an analysis of the available data as well as desk top research, and possibly the purchase of other databases to gain insights into the trade of palm and palm kernel products between these markets, use of sustainable and conventional palm (kernel) oil and derivatives.

Our available data

RSPO certified mills and refineries report trades of sustainable palm oil on RSPO's IT platform. Ordinary members of the RSPO also report the volumes of CSP(K)O they produce or use in the Annual Communication of Progress report (ACOP) and they provide an indication of which markets they supply to. Since this data is limited to companies and organisations that are already members, and it is not aggregated at country level, it does not give RSPO enough insight as to the use in the different markets and countries. Moreover, data is limited to users of CSP(K)O and does not give insight into the trade flow between these markets and the actors, the companies that have an exposure to these markets and the volumes.

The RSPO Secretariat in the regions already track the policy developments by the European Union and the US government. This report should focus on the sectoral use of palm oil, palm kernel oil, and derivatives as well as the readiness for these sectors to export to these markets in compliance with current and upcoming legislation within the respective region.

Deliverables

1) A report (format to be agreed) including:

- An assessment of the impact and the readiness of the Indian industry to comply with the regulatory requirements on sustainability in the western markets, mainly European & North American regions.
- Direct/Indirect Import/export and volumes of conventional and certified palm oil, palm kernel oil and their derivatives of traded between the Indian market and the European/North American markets organised per sector across the following categories,
 - Food
 - Feed
 - Biofuels, Energy
 - Oleochemical (=Home and Personal Care)
 - Technical applications
- An overview of the top 10/15 companies per sector organized by volume and market penetration from each identified sector

- A forecast, based on market trends at the national level and state level on the expected development of the trade of palm oil, palm kernel oil and its derivatives.
- Recommendations for prioritisation of engagement at the national level and the state level

2) An executive summary of the report (text based) of maximum 2 pages, outlining the readiness of the Indian industry to comply with the upcoming regulatory developments and priority sectors and interventions for RSPO.

Consultant credentials

For this project, we seek consultants who can demonstrate experience with:

- Gathering market intelligence
- Understanding the context of the global palm oil industry
- Engaging with large industry players and policy makers
- Performing desktop research
- Ability to present the report orally and written in a concise and clear manner

Tender procedure and project dates

Publication for tender - 3rd March 2023

Last date for submission of proposal - 25th March 2023.

Project is expected to start in April 2023 and expected to run for a maximum period of 4 months with the final deliverables expected in August 2023.

Reporting

The project will be managed by Ashwin Selvaraj, Dpt. Director India & China in close collaboration with Shivnayan Aggarwal, Market Transformation Acting Manager and other relevant colleagues from the RSPO secretariat. The proposal shall be sent by the date mentioned above to tender@rspo.org & info.india@rspo.org . For enquiries relating to this tender, please contact info.india@rspo.org