Country Paper for the Colombian Palm Oil Sector

Outline and Terms of Reference

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Table of Contents

Country Paper Outline for the Colombian Palm Oil Sector

Introduction

The Colombian palm oil sector has grown from a low-profile domestic industry into a globally significant producer, now facing heightened scrutiny over sustainability issues. With palm oil increasingly linked in public discourse to deforestation, biodiversity loss, and human rights concerns, stakeholders demand clearer evidence of responsible practices. In the case of Colombia sector's expansion has largely avoided recent deforestation – 99% of its oil palm cultivation area has been deforestation-free since 2011, thanks to the expansion on previously used lands and real-time satellite monitoring over 18.5 million hectares[1].

However, misconceptions persist, and there is no one-stop, trusted information source consolidating the sector's performance on environmental and social metrics. The proposed Country Paper will fill this gap by providing an objective, data-driven portrait of Colombia's palm oil industry, aligning with international standards to ensure credibility and transparency. This document is envisioned as an industry-endorsed reference that addresses misinformation and supports effective communication and stakeholder engagement. Ultimately, the Country Paper aims to enhance the sector's "market management and defence" – equipping Colombian palm oil stakeholders to demonstrate sustainability performance, manage risks, and highlight opportunities to remain competitive and attract investment.

Objectives and Scope

Objectives

The Country Paper's primary objective is to present a comprehensive business case for the sustainability of the Colombian palm oil sector. It will document the sector's impacts, risks, and opportunities across environmental, social, and economic dimensions – showing how sustainability-oriented efforts contribute to long-term viability. By using internationally recognized methodologies (e.g. OECD guidelines for responsible business conduct), the analysis will meet high standards of rigor and neutrality. A key goal is to make the sector more attractive for investments, grants, and financing by providing transparent, validated insights into its practices, contributions to the Sustainable Development Goals (SDGs), and areas for improvement. In doing so, the paper will serve as a go-to reference for factual information on the Colombian palm oil sector, countering misinformation (for example, explaining that Colombia's current palm oil growth has a very low contribution to national deforestation).

[1] https://fedepalma.org/noticias/el-99-de-los-cultivos-de-palma-de-aceite-en-colombia-estan-libres-de-deforestacion-satelligence

Scope

The scope of the paper is broad, covering:

(1) Sustainability performance – including environmental metrics (deforestation, GHG emissions, biodiversity, land use), social metrics (labour conditions, smallholder inclusion, community development, human rights), and governance (certification uptake, compliance with standards, description of governance bodies);

(2) Competitiveness and market context – including productivity, yield improvements, cost competitiveness, domestic vs. export market trends, and how sustainability influences market access;

(3) Policy and regulatory landscape – mapping national policies (e.g. Colombia's sustainable palm oil strategy) and international regulations (such as EU deforestation-free supply chain requirements) that shape risks and opportunities; and

(4) Strategic outlook – identifying risks/challenges to sustainability and growth, as well as opportunities (e.g. new market such as biofuels, carbon credits, or "peace-building" rural development programs).

The analysis will be based in data (production and export figures, certification rates, impact indicators) and it suggested to be aligned with relevant SDG indicators (e.g. SDG 13 on climate action via emissions reductions, SDG 15 on life on land via zero-deforestation goals, SDG 8 on decent work via job creation, SDG 16 on peace due to post-conflict rural investment).

Audience

The Country Paper is targeted for domestic and international stakeholders. Domestically, it will inform policymakers, industry leaders, and local non-governmental organizations the sector's progress and areas needing support. Internationally, it targets buyers and traders in palm oil supply chains, international NGOs monitoring commodities, development agencies, and financial institutions (banks, investors, donor agencies) that require trustworthy information on sustainability risks and performance. By catering this diverse audience, the document will help build trust and a common understanding among stakeholders who sometimes have conflicting perceptions of palm oil.

In example, international markets (especially Europe) have increasing sustainability requirements; the paper will provide the evidence that the Colombian palm oil can meet these demands (such as its high certified sustainable output and low deforestation), added to the multiple economic and social development benefits in a country whose economy highly relies on agriculture. At the same time, it will highlight the sector's contributions to Colombia's rural development and peace process implementation, which is important for domestic and international audiences.

Methodology and Framework

To ensure rigor, transparency and credibility, the Country Paper will employ a methodology aligned with globally recognized frameworks. In particular, the document will draw on the **OECD-FAO Guidance for Responsible Agricultural Supply Chains**, which provides due diligence recommendations for addressing social and environmental risks in commodity sectors[2]. This means the analysis will systematically cover all relevant sustainability themes – from environmental management (e.g. deforestation, greenhouse gas emissions, water use) to human rights and labour issues (e.g. workers' rights, land tenure, community impacts) – as well as integrity factors including transparency and anti-corruption. The OECD guidelines' risk-based approach will help identify where the Colombian palm oil sector faces its greatest sustainability risks and how these are being managed or could be mitigated [3].

The paper will integrate quantitative data (production statistics, export/import data, certification rates, SDG indicators) and qualitative insights (policy analysis, case studies, stakeholder perspectives). Data will be gathered from reputable sources: e.g. Fedepalma (the National Oil Palm Growers Federation) for industry data, government reports for policy and land use information, certification standards (APSColombia, RSPO, ISCC) for sustainable production figures, and independent research by academics/NGOs on environmental and social impacts. In example: Fedepalma and Cenipalma's Sustainability Index provides baseline data on the adoption of good practices of implementation rate of sustainability criteria – such data can illustrate current performance and gaps. Likewise, several satellite monitoring studies document that the sector's recent growth has not been a driver of new deforestation, as most oil palm replaced livestock pastures or other crops. These findings will be incorporated with citations from verified sources to ensure transparency.

The methodology may also involve international benchmarking – comparing Colombia's situation with other agro-commodity sectors or countries. For instance, lessons from sustainable soy in Brazil or palm oil in Indonesia/Malaysia will be referenced where relevant, to identify best practices or common challenges. (However, since the focus is not on a single country, the benchmarking will remain high-level and oriented around global trends and standards, rather than a specific country-vs-country comparison.)

Finally, a multi-stakeholder review mechanism is proposed to validate the findings. This could include consultations or a reference group with representatives from industry (e.g. palm oil producers/exporters), government, civil society, and possibly international experts. Such engagement ensures the Country Paper is balanced and endorsed by key stakeholders, increasing its credibility. As noted by the OECD, collaboration among stakeholders is essential to accelerate progress on sustainable supply chains, and this paper will itself be a result of such collaborative study.

Proposed Structure of the Country Paper

The Country Paper will be organized into clear sections that logically flow from context-setting into detailed analysis and then forward-looking strategy. Below is the recommended structure and content of the document:

1. Executive Summary

A concise overview of the entire report, highlighting major findings, data points, and recommendations. This section will summarize the sector's sustainability profile (e.g. percentage of production certified, deforestation footprint, contributions to GDP and jobs) and the key messages for stakeholders.

2. Introduction and Background

[2] https://www.oecd.org/en/topics/sub-issues/due-diligence-guidance-for-responsible-business-conduct/responsible-agriculture-supply-chains.html#:~:text=The%20OECD,the%20food%20and%20agriculture%20sector

[3] https://www.oecd.org/en/topics/sub-issues/due-diligence-guidance-for-responsible-business-conduct/responsible-agriculture-supply-chains.html#:~:text=To%20guide%20agricultural%20businesses%20from,food%20supply%20chains

This section sets the stage with a brief history and current status of the Colombian palm oil sector. It will describe how the sector has expanded (e.g. from its start in the 1940s to becoming the largest in Latin America) and its economic importance nationally. Key statistics will be introduced here: for instance, palm oil constitutes about 7% of Colombia's agricultural GDP and is the country's 3rd most important agricultural export (after coffee and bananas). The unique context of Colombia will be highlighted – such as the government's post-conflict rural development programs that identified palm oil as a driver for "rebirth of the countryside" in former conflict areas. The introduction will also explain the motivation for the Country Paper: the emergence of sustainability as a critical issue and the need for a trusted reference to inform debates on topics like deforestation, climate commitments, and human rights in palm oil supply chains.

3. Methodology and Framework

A dedicated section explaining how the study was conducted. Here the report will detail any frameworks used (e.g. alignment with **OECD Guidelines and SDG indicators**), data sources, and any stakeholder consultations. It will reassure readers that the analysis is evidence-based and follows international best practices. For example, if the report uses **OECD-FAO due diligence criteria**, this section might list the key themes reviewed: land use and deforestation, biodiversity, GHG emissions, labour rights, land rights, community relations, and governance. Any limitations (data gaps, assumptions) would be acknowledged here as well. *(This section builds transparency into the document, so that sceptical readers – such as NGOs or researchers – can see the rigor behind the claims.)*

4. Sector Profile and Economic Overview

This section provides an overview of the Colombian palm oil industry's structure and economic role. It will cover **production volume**, **area under cultivation**, **yield levels**, and the value chain (from producers to mills to end markets). Comparative data may be used to show how Colombia's yields and output compare favourably to other oils: e.g. oil palm produces 6 to 10 times more oil per hectare than other oilseeds, making it a highly efficient crop. The domestic vs. export markets will be described, Including a comprehensive **identification of key market players**. Major export destinations and their trends will be noted. The section might include a brief competitiveness analysis, noting production costs and how sustainability factors in. E.g. certification can open premium markets but also entails costs. Any productivity initiatives (such as yield improvement programs, or the use of improved seedlings and better agronomic practices), **financial flows for adopting sustainability or carbon neutrality strategies** from financial Institutions and/or international cooperation programs towards the sector would be described here, showing the sector's drive to remain competitive and sustainable simultaneously. Overall, this part paints a picture of the business and economic case for Colombian palm oil, setting up why sustainability is critical for its market future.

5. Sustainability Performance and Impact (Environmental, Social, and Governance)

This core section will be divided into sub-themes covering the pillars of sustainability:

5.1 Environmental Stewardship: An analysis of how the palm oil sector impacts and manages environmental issues. This includes **Deforestation and Land Use** – reinforcing that Colombia's palm oil growth has been achieved with minimal new deforestation. It will mention the **2017 zero-deforestation agreement** signed by government and industry with the goal of no forest loss in palm oil supply chains by 2030 and evaluate progress on that. **Biodiversity conservation** efforts (if any specific programs exist to protect high conservation value areas or wildlife corridors) will be covered. Next, **Climate Change and GHG Emissions:** this will present data on palm oil's GHG footprint, circular economy and recent improvements. **Soil and Water Management** may also be discussed. Environmental performance will also be linked to relevant SDGs (13 **Climate Action**, 15 **Life on Land**, 12 **Responsible Consumption/Production for waste utilization**, etc.).

5.2 Social and Community Impact: This subsection examines the human and social dimensions of the palm oil sector's sustainability. It will cover **labour practices and conditions, making a specific reference to the performance on migrant labour, forced labour or/and child labour,** emphasizing that the Colombian industry provides formal employment to a large workforce. The report will address any labour challenges, perhaps referencing initiatives or the need for strong compliance systems (the ILO has projects on labour rights in palm oil in other countries, indicating the importance of continuous improvement in this area). Next, **smallholder inclusion and livelihoods:** Colombian palm oil has a significant small and medium grower base – about 7,000 smallholder farmers depend on oil palm. The paper will discuss how smallholders are being integrated into sustainable supply chains (e.g. through the **Sustainability Index baseline**, and other sectoral or specific smallholder support programs). The text will acknowledge challenges. Another important aspect is **community relations and land rights** given Colombia's history, the expansion of palm oil into new regions intersects with land tenure issues and peacebuilding. The paper will note that oil palm projects have been promoted in former conflict zones as alternatives to illicit crops and a means to bring investment to marginalized rural communities. This can yield positive social impact (jobs, infrastructure, stability), but there are also risks of land conflict or unequal benefit sharing if not managed properly. Any known incidents or measures (such as grievance mechanisms, multi-stakeholder roundtables, or partnerships with local communities) will be discussed. Overall, this subsection will align with SDGs such as 8 (**Decent Work and Economic Growth**), 1 and 2 (**poverty alleviation and hunger, given improved farmer incomes**), 5 (**gender, if women's roles in the palm sector are covered**), and 16 (**Peace, Justice, Strong Institutions, considering the sector's role in post-conflict recovery**).

5.3 Governance and Sustainability Initiatives: This section will describe the frameworks, certifications, bodies and strategies in place that govern sustainability in the palm oil sector, including key certification standards. It will highlight industry commitments such as the Fedepalma-led Sustainable Palm Oil Strategy (Sustainable Origin Model), outlining the governance structure behind the adoption of sustainability practices, the resources and elements in place, and the stakeholders involved. Key principles of this strategy include zero deforestation, the protection of human rights, respect for workers, inclusive business models, and resilience in productivity and competitiveness. These principles will be highlighted to illustrate the sector's comprehensive approach to sustainability.

Additionally, the section will note public-private initiatives supporting sustainability. This underscores that Colombia's palm oil sector does not operate in a regulatory void; rather, it is guided by robust standards and collective commitments, lending credibility to its sustainability claims.

6. Risk Assessment: Challenges and Mitigation

This section will identify, assess, and propose broad approaches for mitigating the key sustainability risks associated with the palm oil sector. The assessment should comprehensively cover the following categories, aligned with internationally recognised frameworks such as the OECD Due Diligence Guidelines:

- **Deforestation and Land Use Change Risk:** Evaluate potential risks of deforestation and other undesirable land-use changes linked to palm oil production expansion. Identify areas vulnerable to deforestation pressures and analyse underlying drivers and potential impacts. Propose strategic approaches to mitigate land-use risks, considering sustainable land management, traceability systems, and sector-wide commitments.

- **Climate and Environmental Risks:** Assess potential risks posed by climate variability, extreme weather events, disease outbreaks, pest infestations, and other environmental factors affecting productivity and sustainability. Identify key vulnerabilities of the sector and outline adaptive strategies or practices, including climate-smart agriculture, ecosystem conservation measures, and resilience-building activities.

- **Market and Regulatory Risks:** Analyse potential impacts arising from changing market dynamics, consumer preferences, and regulatory requirements related to sustainability criteria, including traceability and due diligence obligations. Identify risks of market access disruptions and propose general mitigation strategies, such as alignment with international sustainability standards, market diversification, and proactive compliance with emerging global regulatory frameworks.

- **Social and Human Rights Risks:** Identify and assess risks related to human rights issues, labour conditions, community relations, and smallholder inclusion. Analyse potential social impacts associated with the palm oil sector's growth and recommend inclusive approaches to safeguard human rights, improve labour practices, promote fair community engagement, and ensure equitable benefit-sharing mechanisms.

- **Economic and Operational Risks:** Assess risks related to economic viability, including fluctuations in market prices, operational disruptions, and productivity constraints. Identify potential challenges in adopting sustainability measures, such as limited financial resources, technology adoption, or insufficient technical capacity. Outline general strategies to enhance economic resilience, secure diversified funding, encourage innovation, and build technical and managerial capacities within the sector

- **Reputational Risk**: Reputational risk is a significant concern because it can impact financial performance, stakeholder relationships, and overall sustainability. This should include both internal and external factors.

- **Financial Risk**: A lack of understanding of the palm oil sector by financial institutions can lead to significant financial risks due to the sector's complex supply chains, environmental and social impacts, and evolving regulatory landscape. This lack of understanding can result in inaccurate risk assessments, inappropriate lending and investment decisions, and ultimately, negative financial consequences. Some financial institutions are becoming more cautious about financing palm oil projects due to sustainability concerns. This can restrict access to capital for companies in the sector.

- **Regulatory Risk**: The palm oil sector faces significant regulatory risks, primarily due to environmental concerns and deforestation associated with palm oil production in other origination markets.

In each of these sub-areas, the paper will list **recommendations or ongoing efforts** to address the challenges, reinforcing that the sector is aware of and actively managing its risks (consistent with OECD due diligence step of taking action to mitigate identified risks.

7. Opportunities and Strategic Advantages

In contrast to risk assessment, this section will focus on identifying strategic opportunities that sustainable practices in the palm oil sector could offer, outlining general pathways and strategic advantages without specific data or detailed case examples. Consultants are expected to provide an objective assessment based on their own analysis and expertise, aligned with recognised international sustainability frameworks and industry best practices.

The opportunities assessment should consider the following thematic areas:

- **Market Opportunities through Sustainability:** Evaluate the opportunities presented by increasing global demand for sustainably produced palm oil. Consultants should explore the potential benefits of positioning the national palm oil sector as a differentiated and preferred sustainable supplier. Consider how improved traceability, sustainability certifications, and branding strategies could offer preferential access to international markets, potentially commanding market premiums or expanded market opportunities in regions with stringent sustainability regulations or consumer expectations.

- **Productivity and Yield Improvements:** Assess the potential sustainability gains and competitive advantages derived from improvements in agricultural productivity, yield intensification, and efficiency in palm oil production systems. Consultants should analyse how sustainable intensification, adoption of best agronomic practices, resource efficiency, and technological innovations could enhance both environmental performance (such as land conservation or reduced resource use) and economic returns for producers. Emphasis should be placed on identifying general strategies to increase yields and production efficiencies without compromising environmental or social standards.

- **Rural Development and Socio-economic Opportunities:** Explore opportunities for sustainable palm oil production to drive rural economic development, community stability, and inclusive growth, particularly in historically marginalised or conflict-affected regions. Assess how sustainable agricultural investments in palm oil could contribute to local job creation, income generation, infrastructure development, and social cohesion. Consultants should outline broad opportunities for leveraging sustainable palm oil cultivation to attract development financing, climate finance, or impact investment, promoting social equity, poverty reduction, and long-term stability.

- **Regional and International Leadership:** Evaluate the strategic advantages associated with positioning the sector as a sustainability leader at regional and international levels. Consultants should consider how establishing robust national sustainability standards, best practices, and comprehensive governance frameworks could enhance the sector's reputation and attract international collaboration, partnerships, technical assistance, and investment. This assessment should identify opportunities for knowledge sharing, regional leadership, and influencing international dialogues on sustainable agroindustry practices.

- **Value-Added Products and Innovation:** Analyse the potential for innovation and development of value-added products linked to sustainability, such as biofuels, bioproducts, and renewable energy sources. The assessment should identify new market segments or product opportunities arising from global sustainability trends, regulatory incentives, or emerging technologies. Particular attention should be given to the feasibility of developing advanced bioeconomy products, including potential opportunities in sustainable aviation fuels (SAF) or other renewable energy markets.

8. Conclusions and Recommendations

The concluding section will tie together the findings, reinforcing the central message that sustainability is not a cost but an investment into the palm oil sector's future competitiveness and acceptability. It will likely state that the Colombian palm oil sector has made significant strides (backed by the data, e.g. the growth in certified volume and maintenance of near zero deforestation) but also has areas requiring continued effort. Concrete recommendations will be given for different stakeholders:

- For **palm oil producers and mills:** e.g. suggestions on enhancing sustainable production, efficient resource utilization, achieving certification compliance, improving traceability, and strengthening sustainable practices for market competitiveness.

- For **processing companies and value chain actors:** e.g. recommendations aimed at stimulating market demand, transformation, and positioning of Colombian sustainable palm oil, including innovation, sustainability branding, and differentiated marketing strategies.

- For **Government and Policymakers:** e.g. continue supporting the sector's sustainability strategy (such as incentives for zero-deforestation and replanting on degraded lands), strengthen enforcement against any illegal deforestation, and engage in international dialogues to promote Colombian sustainable palm oil (to counter unjustified trade restrictions).

- For **Buyers and Financial Institutions:** e.g. recognize and reward the progress in Colombia by preferential sourcing or better financing terms for certified sustainable palm oil, and partner with local stakeholders in projects (like landscape initiatives or community programs).

- For **Civil Society and NGOs:** e.g. to continue constructive engagement and independent monitoring, helping ensure transparency and credibility (the paper might invite NGOs to use the data provided as a baseline and work with industry on improvements).

The recommendations will be framed to support the sector's attractiveness to investors and markets. For instance, one recommendation could be to create a report that includes indicators to be monitored regularly in order to be able to compare performance of the sector in key measurable items, including the sector's GHG emissions savings and deforestation-free status to position Colombian palm oil as a feedstock for advanced biofuels and SAF – a move that could unlock new green finance and demand, adoption of sustainable technologies, among others. Another could be to fully operationalize the APSColombia verification platform by a certain date, to provide buyers confidence in the "100% sustainable by 2030" goal.

The conclusion will end on a note that, with collective effort, the Colombian palm oil sector can continue to grow in a way that aligns with global sustainability imperatives and national development goals, thereby truly achieving a strong business case for sustainability.

Additional annexes

The structure should include annexes for **detailed data tables**, **methodology details**, or **case studies**. For example, an annex might present **SDG Indicator mapping** – showing how the sector contributes to specific SDGs (e.g. SDG 13: X% reduction in GHG from baseline; SDG 15: area of forest protected or restored; SDG 8: number of formal jobs created, etc., **citing sources** where possible. Another annex should list **key data sources** and **reference documents** used, to enhance the transparency and usefulness of the Country Paper as a reference document.

Terms of Reference for Developing the Colombian Palm Oil Sector Country Paper

To guide the creation of this Country Paper, Solidaridad Network Colombia, IDH and Fedepalma have outlined the following Terms of Reference (ToR). These terms define the purpose, scope, methodology, deliverables, and responsibilities for the team or consultant(s) undertaking the study:

1. Purpose and Objectives

The purpose of the assignment is to develop a **Comprehensive Country Paper for the Colombian Palm Oil Sector**. The document should objectively characterize the business case for sustainability in the sector, identifying its impacts, risks, and opportunities with respect to environmental, social, and economic performance. Ultimately, the Country Paper should serve as an **authoritative reference** for stakeholders (industry, government, NGOs, buyers, financial entities) to understand the current state of sustainability in Colombian palm oil and to inform decision-making (policy, investment, sourcing strategies). It should meet high standards of rigor and credibility by utilizing internationally recognized methodologies (e.g., OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and the OECD-FAO Guidance for Responsible Agricultural Supply Chains) to frame the analysis[4]. The document is also expected to support Colombia's national sustainable palm oil strategy (Sustainable Origin Model) and its goals, by providing baseline data and recommendations.

2. Scope of Work

The consultant/team will perform at least the following tasks:

- **Literature Review and Benchmarking:** Collect and review existing reports, data, and case studies on the palm oil sector in Colombia. This includes production and trade statistics, sustainability reports (e.g. Fedepalma's Sustainability Index data, academy and other impact reports, government policy briefs), and relevant international examples for benchmarking (such as sustainability initiatives in other agro-industries like palm oil in Southeast Asia, or other comparable origination countries in diverse supply chains). The review should also cover **global market and policy trends** that affect palm oil (e.g. EU regulations on deforestation-free supply chains, evolving consumer attitudes, and investor ESG criteria).

- **Data Collection and Analysis:** Gather quantitative data on key indicators – deforestation rates linked to palm oil, GHG emissions (and reductions from methane capture or other initiatives), certification coverage (area and volume certified under APSColombia, RSPO, ISCC, etc.), socio-economic contributions (jobs, income levels, number of smallholders, yield improvements, etc.), and others. The consultant should use verified sources or create data visualizations as needed (such as trend graphs of certified production growth, export volumes, etc., using verified and accessible sources, or academic studies). If gaps exist, propose reasonable estimates or clearly state limitations.

[4] https://www.oecd.org/en/topics/sub-issues/due-diligence-guidance-for-responsible-business-conduct/responsible-agriculture-supply-chains.html#:~:text=The%20OECD,the%20food%20and%20agriculture%20sector

- **Stakeholder Consultation:** Conduct interviews or consultations with a representative range of stakeholders, including those representing the oil palm producing regions in Colombia: e.g. Fedepalma and Cenipalma (for industry perspective and access to data), government officials (from ministries of agriculture or environment, for policy context and official data), private companies (palm oil producers, mills, exporters for business insights), Development Finance Institutions (DFI,s, local NGOs or community representatives (for social and environmental concerns on the ground), and international experts (such as certification bodie osustainable finance experts , and specialized investors who can speak to investment attractiveness). These consultations will provide qualitative input – such as perspectives on challenges like smallholder inclusion or on success stories like companies achieving zero-deforestation supply chains. The ToR expects the consultant to incorporate stakeholder feedback to ensure the Country Paper captures diverse viewpoints and is **endorsed by key groups**.

- **Analysis and Writing:** Using the information gathered, perform a structured analysis covering the themes in the **Proposed Structure** as described in the *outline document* (sector overview, sustainability performance under environmental/social/governance, risk analysis, opportunities, etc.). Ensure each section is backed by evidence (with citations to data or stakeholder quotes). The analysis should explicitly reference **international frameworks or goals** – for instance, noting how the sector aligns with OECD due diligence expectations (like identifying any salient risks in human rights or environment and how they are addressed)[5], and how it contributes to SDGs (providing SDG-aligned metrics). The writing should be in clear, non-technical British English and Latin-American Spanish, and structured in a logical, easy-to-follow manner. Visual elements (infographics, charts, maps) should be used where appropriate to improve readability, as the user emphasizes the final output's readability and format.

- **Validation and Revision:** Present draft findings (for example, in a workshop or review meeting) to the *steering committee* (conformed by Solidaridad, IDH and Fedepalma), and **reference group** composed of **independent experts such as an Industry actors, academic institution and with international recognition**. Collect feedback and verify factual accuracy. The consultant should be prepared to revise the document to address any factual corrections, incorporate late-arriving data, or balance the narrative if any section is deemed biased. Given the need for an *"industry-endorsed"* reference, achieving consensus on the tone and content (without compromising on objectivity) will be important.

3. Methodology

In executing the above scope, the consultant will apply a methodology aligned with best practices for sustainability assessment. Key aspects of the methodology include:

- **Framework Alignment:** Utilize an international recognized reporting methodology such as the **OECD-FAO Guidance** as a checklist to ensure all relevant sustainability aspects are covered (this includes governance topics like transparency and anti-corruption, which should be mentioned even if briefly, to align with comprehensive standards). The methodology should also integrate **SDG indicator mapping**, translating sector performance into SDG contributions where possible (e.g. reporting how many tonnes of sustainably certified palm oil contribute to SDG12 responsible production, or how rural employment supports SDG8 decent work).

[5] https://www.oecd.org/en/topics/sub-issues/due-diligence-guidance-for-responsible-business-conduct/responsible-agriculture-supply-chains.html#:~:text=To%20guide%20agricultural%20businesses%20from,food%20supply%20chains

- **Data Validation:** Triangulate data from multiple sources (e.g. compare Fedepalma's figures with third-party sources like FAO or USDA for production; use satellite data research to validate deforestation claims). All data and claims to be cited with sources in the paper, as required by the user (citations in the specified format). If sensitive or proprietary data is used, ensure confidentiality as needed (some data might come from companies – this should be anonymized or aggregated in the report).

- **Comparative Analysis:** The methodology will include comparing the Colombian palm oil sector's sustainability metrics with global averages or other countries, to contextualize performance. This benchmarking provides perspective on where Colombia stands and where it can improve.

- **Quality Assurance:** Establish an internal review process. This might involve an expert review of certain sections (e.g. a deforestation mapping specialist reviewing the land use section, a social scientist reviewing the labour section). The consultant should produce an **inception report or outline** early in the project for approval, a **mid-term progress update**, and then the draft and final reports. Each stage should be reviewed by the *steering committee* to ensure the work is on track and meets expectations.

4. Deliverables

The following deliverables are expected from the assignment:

- **Inception Report/Workplan:** (Within say 2 – 3 weeks of contract signing) A full document of 6.000 - 8.000 words detailing the approach, data sources to be used, interview list, report outline (as refined from this proposed structure as described in the Outline Document), and any immediate needs or issues. This ensures all parties agree on the plan and allows adjustment early on.

- **Draft Country Paper:** A full draft of the Country Paper, formatted in a clear and visually engaging way (using the Markdown or other required format, with headings, subheadings, bullet points, tables/figures as needed). The draft should include all citations and a draft executive summary. This will be reviewed by stakeholders for feedback.

- **Final Country Paper:** The revised report incorporating feedback. The final document should be high quality in both content and presentation. It should be delivered in a format suitable for wide dissemination (likely PDF and an online-friendly version). The final document should Include an **Executive Brief or Summary brochure** (e.g. a 4-page brief highlighting key findings) could be a supplementary deliverable for easier consumption by high-level audiences.

- **Slide deck** and presentation materials with relevant information to help the *steering committee* and partners share the findings in conferences or meetings.

- **Dashboard** proposed with the main data compiled, including tables and illustrations for a better understanding of the figures.

- **Data Annex and Sources:** Alongside the report, provide an annex or a spreadsheet of the data compiled, and a full reference list. This will help with transparency and **allow the sector to update the figures in subsequent years** (making the Country Paper a living reference). For instance, including tables of area planted by region, yield trends, export breakdown, number of certified producers, SDG mapping and figures, etc., with sources, will be very useful for future benchmarking.

- **Communication and Dissemination Strategy:** A proposed strategy developed by the consultant to effectively communicate and disseminate the findings of the Country Paper. This strategy should reflect the input and recommendations provided by various stakeholder groups and the *Steering Committee*, identifying appropriate communication channels, key messages tailored to specific audiences, and practical dissemination actions.

5. Budget

A base budget of up to **EUR 80,000** is available for the development of the Country Paper. **Additional resources will be allocated** based on the quality and cost-efficiency of the proposals received. The final budget will be determined through a competitive process, favouring proposals that demonstrate strong technical value and financial competitiveness.

This total budget is **inclusive of all** applicable taxes, travel expenses, and any other additional costs. These must be clearly accounted for and considered in the total value of the proposal submitted.

6. Proposal requirements

Proposals must be concise, complete and structured to mirror the evaluation criteria and deliverables in these ToR. Unless otherwise stated in the tender notice, submit **one (1) PDF** plus an **editable copy** (MS Word or PowerPoint) using the file naming convention: **CountryPaper_CO_PalmOil_[Organisation]_v1**. Maximum length: **20 pages** for the technical proposal (excluding annexes such as CVs, sample work, and references).

6.1 Cover Letter and Declarations

- **Cover letter** (max. 1 page) signed by an authorised representative, confirming proposal validity (≥ **90 days**), acceptance of the **payment milestones** and key conditions in these ToR.
- **Declaration on Grounds for Exclusion** (as per described below in these ToR).
- **Conflict of Interest statement** and confirmation of no double funding.

7. Timeline and Payment Schedule

The assignment is expected to take approximately 5 months from start to finish. A tentative timeline could be:

- **Month 1** – Inception and initial data gathering.
- **Month 2** – Stakeholder consultations and detailed analysis.
- **Month 3 and 4** – Produce draft report;
- **Month 5** – Review and validation;
- **Month 5 and 6** – Finalise report, including design and layout, and other deliverables.

Important milestones (such as the stakeholder workshop for draft validation) should be scheduled to ensure the availability of key participants.

Payment Schedule:

- 30% upon contract signing;
- 30% upon approval of the draft Country Paper;
- 40% upon satisfactory delivery and approval of the final report and all required deliverables. The consultant should propose a detailed timeline aligned with the proposed methodology and deliverables, identifying key milestones, validation moments, and internal review stages.

8. Team Composition and Qualifications

The task requires a multidisciplinary team. Ideal expertise includes: sustainable agriculture or forestry expertise (especially understanding of palm oil and land use – to handle environmental analysis), social science or labour expertise (to address community and human rights issues), economic/business analysis (for market trends, investment aspects), and strong research/writing skills. Familiarity with international standards like RSPO, ISCC, OECD Guidelines is important. The lead consultant should have experience in sustainability reporting or agroindustry sector studies, and be able to liaise with senior stakeholders. Language skills in English and Spanish will be necessary given source materials and stakeholder language.

Proposals may be submitted by individual consulting firms or by consortia made up of nationally and/or internationally recognised organisations. The participation of such consortia will be considered an added value and may be positively assessed during the evaluation process.

9. Evaluation Criteria

Proposals received will be evaluated based on the following technical and financial criteria:

TECHNICAL CRITERIA FOR EVALUATION	Maximum Points	Weighting Percentage
LEAD AND CONSULTING TEAM	**35**	**35%**
Education and Qualifications: Professional degree in Economics, Business Administration, Social Sciences, Environmental Engineering, Development Studies, or related fields. Postgraduate studies in areas such as risk management, sustainable development, international business, management, sustainability, corporate responsibility, and management control are desirable.	3	3%
Professional Experience: At least fifteen (15) years of work experience for the lead researcher and five (5) years of experience for each team member.	4	4%
Sector – specific Experience: Demonstrated experience conducting sector-specific market research/analysis in agribusiness, strategy and market development, international sustainability requirements, and ethical and regulatory compliance knowledge.	5	5%
Agricultural Sector Experience: Demonstrated experience in the agricultural sector, preferably in palm oil and related value chains.	5	5%
Communication and Reporting: Proven ability to effectively present results tailored to diverse audiences with appropriate supporting materials.	5	5%
Language Proficiency: Fluency in Spanish and English (minimum B2 level).	3	3%
Technical Tools Experience: Experience using national statistical tools and information capture systems.	5	5%

Organisational Composition and Strategic Partnerships: Participation of a consortium formed by nationally and/or internationally recognised organisations, demonstrating complementary expertise and experience.	5	5%
METHODOLOGY AND WORK PLAN ON HOW TO CARRY OUT AND COMPLETE EACH DELIVERABLE	**35**	**35%**
Clarity, comprehensiveness, and feasibility of the proposed methodology and work plan to deliver each required output.	35	35%
FINANCIAL OFFER	**30**	**30%**
Competitiveness and cost-effectiveness of the financial proposal.	30	30%
TOTAL SCORE	**100**	**100%**

10. Stakeholder Engagement and Review

The ToR emphasizes that the process of developing the Country Paper should be inclusive. The consultant will regularly update the *steering committee* and an *advisory group* (which could include representatives from government, NGO and an international expert such as an academic institution) to ensure the content remains balanced and credible. At least one **validation workshop** will be organized (after the draft is ready) to solicit feedback and ensure buy-in. The group of stakeholders for the validation workshop **will be proposed by the consultant** to the *Steering Committee.* This collaborative approach echoes international best practices for sustainability reporting – ensuring that multiple perspectives are considered and the final product is **"industry-endorsed" but also trusted by external observers**.

Role	Functions	Organizations
Steering Committee	Strategic design of the tools and narrative alignment and oversight of narrative, coherence, document design, positioning	Solidaridad, IDH and Fedepalma
Communication Team	Implementation of communication and dissemination strategy as per strategic guidelines and action plan.	Solidaridad, IDH and Fedepalma
Technical Executor	Elaboration of the country paper as per designed TOR and the Steering guidelines.	Consultant TBC

The development of the Country Paper will be systematic and transparent, resulting in a document that not only serves its immediate communication purpose but also stands up to scrutiny from the broad audience it targets. The end result will be a rigorously compiled, well-structured Country Paper that effectively supports the Colombian palm oil sector's sustainability narrative and strategic positioning for the future.