

Introduction of the Accountability Framework

Towards ethical supply chain commitments

The Accountability Framework Initiative (or AFI) is a collaborative effort to accelerate progress and increase accountability in realizing supply chain commitments. The Accountability Framework is embodied in a set of definitions, norms and general guidelines that can provide clarity, consistency, effectiveness, and better accountability in the implementation of these commitments.

Challenges

In recent years, public attention to the issue of climate change, loss of biodiversity, environmental degradation, and exploitation of workers has driven various companies to continue to increase corporate responsibility. Hundreds of businesses have promised to change the pattern of production of their plantation and forestry commodities to be more environmentally friendly, protect the ecosystem, and respect the rights of the community. This commitment also supports various world frameworks such as the Paris Climate Agreement, the Forest Declaration in New York, and the UN Guiding Principles on Business and Human Rights.

However, various companies that want to keep their commitments often experience difficulties in implementing these commitments, even with so many tools, standards and initiatives aimed at helping this process. In this context, there are two obstacles that hamper:

1. Very little effort has been made to harmonize between different systems and initiatives to support the implementation of sustainability commitments, key concepts are not wholly or consistently defined, and various frameworks are often not aligned with each other. As a result, there are no equal measures to assess progress or results. The lack of mutual consensus between institutions engaged in the environment and social rights is increasingly blurring the expectations and responsibilities expected of business actors.
2. Key tools and guidelines for implementing supply chain sustainability commitments for several topics have not been sufficiently developed, including guidelines for conducting oversight and verification, and reporting standards for implementing commitments. With this condition, accountability will remain weak, and companies will continue to face significant supply chain risks.

As the commitment target is approaching in 2020, many business actors fail to fulfill their temporary achievements and only report on the activities they undertake, not the results. Furthermore, although many businesses are in the process of cleaning up their supply chains, efforts to stop deforestation, land use change and community exploitation remain limited. If leaders of non-governmental organizations, development partners, business actors, and other stakeholders do not unite to develop a credible but practical framework, it will be difficult to achieve progress in transforming industries to be more environmentally friendly and socially friendly.

Scope of Work of Company Uptake Process

The Accountability Framework Initiative (AFI) has developed the framework that consists of Core Principles and Definition, also its Operational Guidelines through input from and co-creation with stakeholders in the region of West and Central Africa, South America and Southeast Asia. The **Accountability Framework** is applicable across multiple geographies and commodity sectors and addresses upstream and downstream segments of supply chains from production to consumption.

The fullset of the framework was developed between 2017-2019 and has been launched at Utrecht, the Netherlands - June 12, 2019 and Washington, D.C., USA – June 19, 2019 and available at <https://accountability-framework.org/contents-of-the-framework/>

For the remainder of 2019, the AFI is rolling out an uptake strategy to support application of the Framework amongst its different user groups. Uptake and Learning process focuses on engagement of select companies or through service providers to support the achievement of ethical supply chain commitments and to facilitate company benchmarking of their commitments (and progress towards fulfilling them) to the Framework, identification of areas where additional efforts can be targeted to accelerate progress towards meeting their commitments, and guidance on how to communicate positively about the progress being made.

To support the uptake and learning process, AFI is looking for technical services to conduct multi-step approach that will include Service Providers (SP) working with client companies to conduct a desk-based crosswalk (or “baseline assessment”) of the Accountability Framework against company commitments (including what the commitments state, and how they are implemented, monitored and reported). Based on this assessment, action plans will be developed to accelerate implementation and fulfilment of commitments.

Regular check-ins between the AFI and the service provider to identify lessons learned that can be fed into further refinement of the AFI uptake strategy. AFI (Secretariat and Back Bone Team) will provide technical support throughout the process, clarifying questions around the Framework’s guidance and supporting the development of tools as needed.

The scope of the service is expected to be:

Duration:	August to December 2019, with various level of effort as describe at the detail of activities below
Target client:	5 Group level companies and 5 suppliers with various level of NDPE commitment and interest
Area of work	Indonesia and Malaysia
Commodity	Palm oil, pulp and paper
Requirement	Experience and knowledge on commodity sustainability standard and NDPE. Experience in working with private sector and handling NDA

Activities:

Activity 1. Company Introduction

The service provider will be facilitated to an introduction to the AFi, including an overview of the Framework's scope and contents. Based on this, the company and service provider will then define the scope of process (i.e., which supply chains/and or commodities, and which aspects of social and environmental performance the company is interested in focusing on) and which company staff will be involved. AFi will be on-hand to provide any support in understanding the process and goals, and orientation towards the Framework contents.

This step will include clarifying the level of effort and timeline for the process, to be co-developed with the participating company team members. Any issues regarding NDAs or sharing of information will also be addressed during this step.

Activity 2. Baseline assessment

The service provider will conduct a baseline assessment of the company's policies and commitments, implementation systems (e.g. supplier management, land acquisition, smallholder inclusion, FPIC procedures, etc.), monitoring systems, and reporting practices of the companies. This process will be guided by the Accountability Framework's Core Principles, relevant Operational Guidance, as well as additional tools such as the commitment self-assessment checklist. **This assessment will be used to identify gaps between the Accountability Framework and the company's current practices and systems.** While AFi will be available as a backstop to any questions or issues that arise, this step is envisioned to be largely between the service provider and company.

Activity 3. Recommendation

Based on the baseline assessment, the service provider will then **make recommendations to the company regarding where and how to prioritize effort and resources to increase alignment with the Framework.** The Service provider will also make documented discussion on the response of the company to the provided recommendation with AFi will be available as a backstop to any questions or issues that arise.

Activity 4. Feedback and learning

Service Provider will develop final report to AFi that consist of:

1. Feedback of the exercise from service provider throughout this process in order to incorporate lessons learned into the AFi uptake strategy, including development of tools and resources to support uptake as well as revisions that might be needed to the Framework content.
2. Baseline assessment report and recommendation discussion documentation with the companies
3. Where there is a clear lack of capacity to implement the activities indicated by this assessment process, additional capacity-building needs will be noted and possibilities to fill these will be explored. This may include trainings or other support to companies seeking to follow the Framework.

Activities and Effort:

	Output	Effort	Timeline
Activity 1. Company Introduction	List of target companies Company confirms participation	Involvement to Technical workshop to discuss on process of the Uptake with the interest companies will be facilitated by AFI 1 -2 calls with identified companies	October 2019
Activity 2. Baseline assessment	Report on summary of gaps	Desk assessment. 1 week / company.	October - November 2019
Activity 3. Recommendation	Summary of discussion and feedback from the company	Various dialog with the company. 2 work days / company	October – Mid December 2019
Activity 4. Feedback and learning	Synthesize report of learning and improvement for the AFI		December 2019

Result and milestone of payment:

	Deadline	Amount	Document submission
Milestone 1	November 25 th 2019	70%	Baseline assesment report
Milestone 2	December 16 th 2019	30%	Synthesize report of learning and improvement for the AFI

Costing:

Please submit your proposal to andika.putraditama@wri.org on October 22, 2019 at the latest.