

Terms of Reference (ToR)

Dialogue on deforestation-free commodities in the coffee sector in Honduras

Addendum 1

Internal reference: (cluster abbreviation, n° of specific project under the cluster)	GD_004_08.2023
Component:	Dialogue meetings
Indicative Start and end date:	Aug.– Nov. 2023

1. About EU-LAC PDSF

Moving towards a more strategic, targeted and EU-wide approach with Latin America and the Caribbean

The EU – Latin America and the Caribbean Policy Dialogue Support Facility (EU-LAC PDSF) is an Action funded and managed by the Service for Foreign Policy Instruments (FPI) of the European Union (EU) that aims to deepen the EU’s engagement with Latin America and the Caribbean (LAC).

This is done by implementing initiatives in support of the different policy dialogues in various thematic sectors of the EU-LAC partnership at bi-regional, sub-regional and bilateral level. It seeks to move towards a more strategic, targeted and EU-wide approach to partnership with the LAC region, as called for in the Joint Communication on EU-LAC relations “EU and Latin America and the Caribbean – joining forces for a common future” (April 2019) and the Council Conclusions (May 2019).

To do so, EU-LAC PDSF collaborates closely with the EU services to support policy dialogues of mutual interest through the elaboration of studies and the organization of dialogue meetings and public diplomacy activities.

2. Overview

2.1. Background and Rationale

Deforestation and forest degradation are important drivers of climate change and biodiversity loss, the two key environmental challenges of our time. The main driver of deforestation and forest degradation is the expansion of agricultural land to produce commodities such as cattle, wood, palm oil, soy, cocoa or coffee. The European Commission approved on December 6th, 2022 the **European Union (EU) deforestation-free regulation (EUDR)**, signaling that the European supply chains of cocoa, coffee, soy, wood, palm oil, rubber, and cattle need to prepare for closer due diligence. The objective of this initiative is to minimise consumption of products coming from supply chains associated with deforestation or forest degradation – and increase EU demand for and trade in legal and ‘deforestation free’ commodities and products. The EU deforestation-free regulation is part of the **EU Green Deal** and a broader EU strategy to protect the world’s forests. It closely relates to the actions brought forth by the EU Timber Regulation and by the Forest Law Enforcement, Government and Trade (FLEGT) Regulation. While these



regulations focus on deforestation caused by illegal timber logging, the new EU deforestation-free regulation covers a broader set of commodities.

According to the IHCAFE statistical report 2020-2021, **Honduras** is the third largest Latin American country in coffee production. 7.6 million bags (46 Kg) were exported, 55% of them are special or certified coffees. Coffee Exports produced USD 1,165 million in foreign currency, contributing to 5% of National GDP and 26% of agricultural GDP. The EU is the second destination of Honduran coffee, close to the first country, USA. Coffee exports to Europe (including UK) represented 57% in volume of total coffee exports in 2021. In value, coffee exports grew from EUR 561 million in 2020 to EUR 571 million in 2021 (47,2 % of total exports to EU). The coffee value chain generates income and jobs for some 120,000 coffee-growing families and 300,000 rural workers benefiting more than a million people, mostly smallholders and small producers. The other relevant value chain affected by the EU Regulation is palm oil, where exports increased by 29.4%, from EUR 262 million in 2020 to EUR 339 million in 2021. In this case, larger producers and companies concentrate the sector.

When the EU deforestation-free regulation (EUDR) enters into force (approved on April 19th by the European Parliament and expected to be approved by de Council of the European Union) operators and traders will have **18 months to implement the new rules**. They will have to prove that the products are both deforestation-free (produced on land that was not subject to deforestation after 31 December 2020) and legal (compliant with all relevant applicable laws in force in the country of production). Micro and small enterprises will enjoy a longer adaptation period, as well as other specific provisions. Companies are also required to **collect precise geographical information** on the farmland where the commodities that they source have been grown, so that these commodities can be checked for compliance.

This initiative will contribute to help the Government of Honduras and the coffee value chain stakeholders **to raise awareness and strengthen dialogue with the EU on the deforestation-free regulation (EUDR)**, and the mechanisms to comply with the export requirements (traceability), in order to mitigate adverse impact over the smallholders, their income and job creation. In addition, this initiative will contribute to support the bilateral political dialogue between the EU and Honduras, with a view to the expected signature of a Memorandum of Understanding (a non-binding instrument for bilateral dialogue) foreseen before the EU-CELAC Summit in July 2023.

The EUD in Honduras has already informed the Ministry of Foreign Affairs about the new EU deforestation-free regulation (EUDR) and has contributed to initiate a process of discussion among all the institutions to oversee all the implications in coffee and palm oil. EU-LAC PDSF will contribute to strengthen this dialogue **by developing two Seminars providing the expertise that is required to respond to all the questions raised by the value chain coffee stakeholders and the government.**

2.2. Leading DG and DG(s) and EUDEL(s) involved

Lead: FPI Team Americas, EUD Honduras

Support services: INTPA E2, DG TRADE, DG ENV, DG SANTE, EEAS.AMERICAS.2

2.3. Overview of the methodology and implementation period

The methodology consists in developing two seminars in Honduras (in **San Pedro Sula** and **Santa Rosa de Copán**) with the main coffee value chain stakeholders concerned by the EUDR, i.e.: Government, private sector-exporters, Central Bank, Congress, Ihcafe, Conacafe, cooperatives, Fondo Cafetero, Banks, Development Organizations and AMHON-Municipalities. Both seminars will be conducted by an



expert in the EU deforestation-free regulation (EUDR), with the professional background needed to address all the aspects of the Regulation, foresee and the implications for Honduras. and respond to all the questions addressed by the audience. The expected number of participants will be of 40 p. for the Seminar in San Pedro Sula and 40 p. for the Seminar in Santa Rosa de Copán.

3. Objectives and expected results

3.1. Overall objective

*To strengthen the dialogue between the EU and Honduran stakeholders on the EU deforestation-free regulation (EUDR) concerning due diligence traceability of deforestation and forest degradation in the coffee sector, as part of the **EU Green Deal** and a broader EU strategy to protect the world's forests.*

3.2. Specific objectives

OC1. To enhance aligned policy approaches, and promote the principles and values of EU deforestation-free regulation (EUDR) in order to strengthen the political dialogue and mitigate conflict with Honduran stakeholders.

OC2: To enhance knowledge and raise awareness among coffee value chain stakeholders in Honduras about the of the EU deforestation-free regulation (EUDR) and the mechanisms to comply with the export requirements (traceability), in order to mitigate adverse impact over the smallholders, their income and job creation.

3.3. Expected results

OP1. The sectoral policy dialogues between the EU and Honduras are supported through the organization of two seminars on the existing traceability mechanisms to comply with the EU deforestation-free regulation (EUDR) and promote a consensual technical response of the sector to the traceability challenges.

OP2. Knowledge and understanding of the EU deforestation-free regulation (EUDR) among the Honduran stakeholders is improved.

4. Activities and main tasks to be delivered

4.1. Overall description of the activities and its methodology

A1. Organize 2 working-level on site seminars to describe the EU deforestation-free regulation (EUDR), and the mechanisms to comply with the export requirements (traceability), in order to mitigate adverse impact over the smallholders, their income and job creation. The seminars will strengthen the dialogue between the EU and the Government of Honduras, and will provide the expertise that is required to respond to all the questions raised by the value chain coffee stakeholders and the government.

The EUD in Honduras will be responsible for the agenda-setting.

Format: Onsite Seminars, formal closed events (working level discussions with formal opening / closing) of one day each. The events will also be streamed live online.

Agenda: to be determined. Two co-chairs (one from EU institutions, one from Honduras), One moderator (national) assigned by the EUD will conduct the debates, based on a discussion note and stir-up questions. The EUD will define/invite/confirm speakers and participants.

Language: ES/EN (if required). Interpretation services will be available.



4.2. Activities

A1. The organization of 2 seminars in San Pedro Sula (40 participants) and Santa Rosa de Copán (40 participants)

Both seminars will be focused on providing specific responses and give orientation to governmental institutions and the Agro – Industrial sector in the country and the impact of the Regulation over the regions. The Seminar in San Pedro Sula will be focused on the impact over the coffee exporters, whereas the Seminar in Santa Rosa de Copán will be oriented to the coffee producers. Exporters may receive an invitation to participate in the Seminar with producers.

Participants: San Pedro Sula (40 persons) 40 and **Santa Rosa de Copán** (40 persons)

They will include representatives from the Municipalities, producers and small holders, land users, traders and the private sector, including representatives from agricultural and climate-smart practices. From the coffee sector they will include the Honduran Institute of Coffee (IHCAFE), the National Council of coffee (CONACAFE) and the National Fondo Cafetero. The Unions and Associations will also be part of the seminars (AHPROCAFE, ANACAFE, Central de Cooperativas Cafetaleras de Honduras, UNIOCOOP, etc.).

The Seminars will also include representatives from the Ministry of Economic Development, the Ministry of Agriculture and Farming, the Ministry of Natural Resources and the Environment, the Ministry of Finance, and the Ministry of Foreign Affairs. Other representatives from the legislative and executive branch will take part (ex: the Central Bank, Development organizations and AMHON- Municipalities).

A2. Communication and Outreach

Communication:

- 2 social media webcards promoting each event (one webcard pre-event/save the date, one post-event)
- One-pager/ infographics with the results of the seminars, for distribution among stakeholders. The materials can be used by the EUD as part of a dissemination campaign to raise awareness of the Regulation.

Organizational material:

- 1 invitation
- 1 digital banner with welcoming message
- 1 agenda template.
- 1 roll-up (printed version of the digital banner/adapted)
- 2 sign-postings/indicating the conference room for each seminar.
- Welcome kits for 100 participants (bags, notebooks, participants badges, USB/pen drive, pen)

Dissemination:

- Webcard pre-event, post-event: social media channels of the EU services and EUD Honduras
- Invitation, agenda and one-pager/infographics: via email (to be sent by EUD Honduras).

All the communication products, organization and dissemination materials will be produced in ES.

A3. Knowledge-based product



Report with main conclusions and recommendations to be sent to the EUD to Honduras: this report will contain the needs identified during the seminars regarding raising awareness on the regulation and a proposal on other formats and channels through which this can be further achieved.

Expected outcomes of the seminars:

The meetings will aim to strengthen the common understanding of the EU deforestation-free regulation (EUDR) among the stakeholders. It will also explain the existing traceability mechanisms to raise awareness and to comply with the EUDR. As possible outcome of the meeting it can also be envisaged to promote a consensual technical response of the sector to the traceability challenges.

NKE : the NKE will provide the required expertise in both Seminars, and he/she will present a Report with main conclusions and recommendations to the EUD

4.3. Stakeholders and Beneficiaries

4.3.1. Partners

- Lead: FPI Team Americas,
- EUD Honduras

4.3.2. Beneficiaries

- Government: Ministry of Agriculture & Livestock, Ministry of Natural Resources, Forest Conservation Institute, National Institute of Agribusiness, Ministry of Economic Development, Digital Government, Ministry of Finances,
- National Congress
- Private sector: exporting companies, banks
- Coffee industry: coffee industry business persons, Honduran Institute of Coffee, coffee credit unions, National Coffee Council
- Honduran Municipalities Association
- Development/international organizations.

5. Services required and main responsibilities

1 Senior Non-Key Expert (NKE1) on EU deforestation-free regulation (EUDR)

The NKE1 will be in charge of:

- A1. Organizing the Seminars and elaborating a report of both seminars

Qualifications:

- A university degree in Agro Industrial Engineering, Agronomy or Environmental Engineering

Soft skills:

- Strong analytical, writing and communication skills

General professional experience:

- A minimum of 10 years of professional experience in deforestation *and forest degradation* with strong network of contacts at regional, national and local level in the EU or Latin American Countries.

Specific professional experience:

- Proven experience in developing public policies, advisory and/or research on *EU deforestation-free regulation (EUDR)*,
- Proven experience in researching, writing and teaching in *climate change and biodiversity*; conducting Seminars and governmental advisory in the coffee value chain

The following specific requirements will be considered an asset:



- Proven experience facilitating advisory activities to public or private stakeholders in LAC.
- Experience in Honduras and/or the Central American Region

Language skills:

Fluency in English and Spanish

1 Senior Non-Key Expert (NKE2): Communication

The Senior Non-Key Expert will: - elaborate texts/contents and supervise graphic layout and translation for the organisational material and the communication products and activities: one-pager describing key points from the Seminars, save the date, invitations, agenda template, 1 banner, coordinate with the EU services and the EUDs the dissemination of the communication products;

Qualifications:

- A university degree in Communication, Journalism or related field.

Soft skills:

- Strong analytical, writing and communication skills

General professional experience:

- A minimum of 10 years of professional experience in managing events, communication and dissemination tasks for EU-funded projects (both at supervising and operative level, writing contents, video scripts, performing interviews, creating social media contents, drafting and publishing web content etc.);

Specific professional experience:

- More than 5 years of proven experience in communication on scientific or technical issues in the EU or LAC;
- Experience in science communication and/ or EU public diplomacy.

The following specific requirements will be considered an asset

- Proven experience for communicating with a broad range of stakeholders;
- Willingness and availability to commit to the project work over the foreseen period.

Language skills:

Fluency in English and Spanish (allowing proof-reading articles to be widely published)

An **event management** service will be ensured for the organization of the onsite Seminars (San Pedro Sula and Santa Rosa Copán), including facilitation of the Seminars, protocol, agenda management, provision of catering, audiovisuals, and identification of participants/speakers among other organizational tasks.

6. Indicative timeline

September 2023	<p>Selection of experts and kick off meeting</p> <p>A1. Preparatory work for the 2 Seminars</p> <ul style="list-style-type: none"> - deliver list of topics for sessions and list of speakers and participants; - deliver draft invitation and agenda; - elaborate communication and visibility materials
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	- finalize agenda, list of confirmed speakers and participants A2. Disseminate one-pager / infographics, social media webcards etc.
October –2023	A1. Delivery of the two Seminars: San Pedro Sula and Santa Rosa Copán A2. Communication and outreach post-event
November - 2023	Delivery of the Final Report

7. Deliverables

- D1. Seminar in San Pedro Sula on the EU deforestation-free regulation (EUDR).
- D2. Seminar in Santa Rosa de Copán on the EU deforestation-free regulation (EUDR).
- D3. One Final Report with conclusions from both seminars
- D4. Organisational material:
 - D4.1. Two invitations to speakers (word document/ or email format), ES for the 2 Seminars
 - D4.2. One Agenda template
 - D4.3. One digital banner with welcoming message, ES
 - D4.4. One roll-up / printed banner.
 - D4.5 Two sign-postings/indicating the conference room for each seminar.
 - D4.6. Welcome kits for 100 participants (bags, notebooks, participants badges, USB/pen drive, pen)
- D5. Communication products:
 - D5.1. One one-pager describing key points from the Seminars, ES
 - D5.2. One webcard for social media pre-event
 - D5.3. One webcard for social media post-event

8. Contacts

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9. Budget

Item	Description	Number of working days
Senior Expert NKE 1	Senior Non-Key Expert on <i>EU deforestation-free regulation</i>	13
Senior Expert NKE 2	Communication Expert	8
TOTAL		21

Incidentals: To be developed in Annex 1.

