

Terms of Reference for Benchmark in Australia Between Applicable Laws and the Bonsucro Production Standard

Background

Australia plays an important role in the regional and global sugarcane industry, with a cultivated area of around 355,000 ha and a yearly production in 2020 of approximately 31 million tonnes of sugarcane¹. While relatively small in terms of global production, Australia is the world's fourth largest exporter of raw sugar, with approximately 80% of production sold to international markets². Major export customers include Asia, the United States and New Zealand. Australia is also one of the world leaders in sugar cane research and development and in many ways, sets best practices in the Asia Pacific region.

The major cane-producing area of Australia, Queensland, is characterised by low rainfall and irrigated areas along coastal plains and river valleys, with proximity to the Great Barrier Reef – an environmentally fragile area. Australia has a culture of effective environmental and social and business regulation, guided by science and best practice and ranks relatively high on the Transparency International Corruption Perceptions Index (18/180). As such, it is generally considered to be an environment where levels of enforcement and compliance with statutory requirements are high.

It is in this context that Australia has been a key country for Bonsucro for the last 15 years, working together with the sugarcane sector towards a more sustainable value chain end to end. Currently, Bonsucro's membership in Australia is comprised of mills, farmers, farmer associations, refineries, and retailers, many of whom have been strong supporters of our platform from the beginning. Together, they manage 46,235 hectares of Bonsucro-certified land and produce 332,094 tonnes of Bonsucro-certified sugar per year (2020 figures).

While the case for voluntary sustainability standards in the sugarcane industry is clearly accepted, the high level of statutory regulation, and enforcement and compliance with those regulations, suggests that there is potential to build on this foundation by establishing a benchmark between applicable laws to the sugarcane sector and the Bonsucro Production Standard (BPS) which will have the potential to streamline and simplify the audit and certification process.

To do that, Bonsucro wishes to commission a consultant, team of consultants, or consultancy agency ("the consultant" in this document) to benchmark our Production Standard version 5.1 against national and state regulations to identify which criteria are covered by the laws applicable to the sugar cane in Australia, and how compliance with BPS can be demonstrated to auditors and certification bodies, using official documentation or evidence provided by official entities.

¹ Australian Bureau of Statistics website (<https://www.abs.gov.au/statistics/industry/agriculture/sugarcane-experimental-regional-estimates-using-new-data-sources-and-methods/latest-release>) accessed December 2022.

² Sugar Australia (www.sugaraustralia.com.au/sugar-australia/about/industry-information) accessed December 2022.

As Bonsucro recognises the importance of contextualisation of the standard, it is also the intention to use this study as a model that can be replicated, if useful and impactful, in different origins.

This document contains the terms of reference for an assignment to develop a set of recommendations, based on the benchmark described, to support users of the BPS in Australia with its implementation and auditability.

Objectives

1. Benchmark the BPS against national and state Australian regulations to understand possible gaps, overlaps and conflicts that may exist, to have a good picture of the current situation for further strategic decisions at Bonsucro.
2. Translate this benchmark into a set of recommendations that:
 - a. Supports Australian operators and mills to implement the BPS and prepare the audits, factoring in the criteria covered by national and state legislations and which legal documentation and/or official evidence can be presented as proof of compliance during audits.
 - b. Supports certification bodies who audit Australian producers against the BPS, listing legal documentation and/or official evidence that demonstrates compliance with BPS of the criteria covered by national and local legislations.

Scope

This benchmark is limited to the BPS and the applicable national and state legislation for Queensland and New South Wales, to the sugarcane sector in Australia.

The expected set of recommendations to enhance the implementation and the auditability of the BPS in Australia are not expected to be **exceptions or deviations** from the BPS and will apply exclusively to the Australian context.

(Proposed) Methodology

Bonsucro will commission an external consultant to benchmark the BPS against related Australian national and state regulations to identify gaps, overlaps and possible conflicts. As similar exercises have already been done by Bonsucro-certified mills and operators in Australia, the consultant will collect and use those benchmarks, and use them as a baseline for this study. As a result of this benchmark, the consultant translates the findings into recommendations that enhance the implementation and auditability of the BPS in Australia.

This project will be developed in 3 phases, although Bonsucro welcomes comments and feedback on this methodology from the consultant:

Phase 1: First consultation and collection of similar studies, first draft and validation by Bonsucro's governance bodies

Phase 2: Second consultation, final version and approval by Bonsucro's governance bodies

Phase 3: test/pilots, adjustments, final version 2.0, and official launch

The activities, estimated consultancy days needed, timeframe and deliverables of this project are listed in the following table:

	No.	Activity	Comments	No. consultancy days	Timeframe	Deliverables
Phase 1 (3 months)	1	The consultant, in collaboration with the Bonsucro Asia-Pacific (AP) team, conducts a stakeholder mapping for consultations.		1	February 2023	Stakeholders' mapping
	2	The consultant conducts a preliminary stakeholders' consultation (through surveys and interviews) to understand the needs and barriers to implementing BPS, and collects similar studies/benchmarks conducted by the stakeholders.	The consultation includes surveys for a large audience and interviews with key stakeholders, including auditors. A confidentiality agreement may be signed.	8 (Consultation to be open for more days)	February 2023	
	3	The consultant conducts desk research (including similar studies collected from stakeholders) to identify: <ul style="list-style-type: none"> the BPS criteria are covered by national/state regulations, i.e. criteria that Australian producers are compelled to comply with by the applicable law; therefore, the Bonsucro Standard may be redundant. official documentation and evidence that can be used as proof of compliance with the BPS-identified criteria BPS criteria that do not apply to the Australian context (if exist) 	Smartcane BMP standard can be considered in this research if needed and applicable (TBD)	5	March 2023	
	4	The consultant reports the summary of findings back to Bonsucro and suggests how to translate them into recommendations, to enhance the implementation and the auditability of PBS in Australia. The recommendation includes options on the way forward, their risks and benefits, and the preference by the stakeholders.	The risks and benefits of the presented options are evaluated at the national and global levels and include all value supply chain actors.	2	April 2023	Summary of findings and recommendations on the way forward
	5	S&A and AP teams decide on the way forward according to the options presented by the consultant			April 2023	Decision on the way forward
	6	The consultant develops a draft of the recommendations document, according to Bonsucro's decision and a PTT		3	April 2023	First draft recommendations document
	7	The consultant presents the draft to different governance bodies at Bonsucro (TAB, MC, Board - TBD) and requests comments and feedback		1	April 2023	First draft of recommendations document, with comments and feedback from governance bodies.

	No.	Activity	Comments	No. consultancy days	Timeframe	Deliverables
Phase 2 (3 months)	8	The consultant in collaboration with the Asia-Pacific team conducts a second stakeholder consultation	The second consultation includes interviews with relevant stakeholders, and/or a face-to-face workshop - TBD	8 (Consultation to be open for more days)	May 2023	
	9	The consultant develops the second draft of the recommendations document.		4	June 2023	
	10	The consultant tests the recommendations with 2 key stakeholders.		3	June 2023	
	11	The consultant delivers the second draft to the S&A and AP teams.		2	June 2023	Second draft of recommendations document
	12	The TAB reviews and validates the recommendations and recommends that the document is presented to the board for approval.			July-2023	Second draft of recommendations document, with comments and feedback from the TAB
	13	The consultant processes comments and recommendations of the TAB		1	July 2023	
	14	The consultant, in collaboration with S&A and AP, presents the recommendations to the Board for approval.		1	August 2023	Draft with final comments from the Board
	15	The consultant produces and delivers the final document and a PPT.		1	August 2023	Final recommendations document 1.0
Phase 3 (2 months)	16	S&A and AP test/pilot the recommendations in Australia	Methodology TBD, it can be through 2-3 mock or real audits in Australia		September 2023 (if feasible)	Test/pilots results
	17	S&A and AP adjust the recommendations document according to the results of the test/pilots			September 2023	Final version 2.0 of the recommendations document
	18	AP officially Launches the recommendations document in Australia.			September 2023	Final version of recommendations document published and applicable
Total consultancy days				40		

Call for Proposals

Bonsucro is seeking a consultant, a team of consultants or a consultancy agency that fulfil the following requirements:

- Familiar with sustainability standards and their implementation
- Familiar with the Bonsucro, BPS 5.1, Certification Protocol and auditing systems
- Understanding and good relationship with the Australian sugarcane industry
- Strong knowledge of Australian laws applicable to the sugar cane production sector
- Experience in conducting benchmarks between standards and national and local regulations
- Proven experience in similar projects
- Excellent communication skills
- Proficiency in English
- High standards of professionalism, responsiveness, confidentiality, and accountability of the results

How to apply

Bonsucro will request a full proposal **by the 31 of January 2023**, to standards@bonsucro.com, that demonstrates a clear understanding of the expected deliverables, including:

- Understanding of the issues involved and the scope of this work
- Comments on the ToR and proposed methodology (if any)
- Experience and qualifications relevant to this assignment (include CVs of key personnel who will be involved)
- Methodology for each deliverable applicable to the consultant
- Work plan and time framework
- Itemised financial proposal for the work (in GBP), including details of daily rates and other associated costs.