

REQUEST FOR PROPOSALS

DEVELOPMENT OF A VCS METHODOLOGY FOR GHG EMISSION REDUCTIONS FROM AVOIDED FOOD LOSS AND WASTE

31 May 2021

1. BACKGROUND

The World Resources Institute (WRI) [reports](#) food that is lost or wasted each year accounts for one-third of all food produced for human consumption and generates an estimated 8 percent of annual global greenhouse gas (GHG) emissions,¹ making it the largest emitter of GHGs behind the U.S. and China. According to [WBCSD](#), food that is lost or wasted consumes 25 percent of all agricultural water and wastes a land area the size of China. Higher-income regions waste more food at the consumption stage; lower-income regions lose food during the production, handling and storage stages, because of poor infrastructure and a lack of cold-storage containers.

Investment and education are needed to implement reductions in food loss and waste (FLW) through prevention, rescue and recycling. Actions and technologies such as the ones depicted in Table 1 below can have huge benefits, but also have significant tradeoffs.

| Production | Handling and Storage | Processing and Packaging | Distribution and Market | Consumption |
|---|--|---|---|--|
| Facilitate donation of unmarketable crops | Improve access to low-cost handling and storage technologies | Re-engineer manufacturing processes | Facilitate increased donation of unsold goods | Facilitate increased donation of unsold good from restaurants and caterers |
| Improve availability of agricultural extension services | Improve ethylene and microbial management of food in storage | Improve supply chain management | Change food date labeling practices | Conduct consumer education campaigns |
| Improve market access | Introduce low-carbon refrigeration | Improve packaging to keep food fresher for longer | Change in-store promotions | Reduce portion sizes |
| Improve harvesting techniques | Improve infrastructure (e.g., roads) | | Provide guidance on food storage and preparation to consumers Improve inventory systems | Ensure home economics taught in schools, colleges and communities |

Table 1. Possible approaches for reducing food loss and waste (adapted from WRI’s [“Reducing Food Loss and Waste”](#) Working Paper, Installment 2 of Creating a Sustainable Food Future)

¹ See WRI’s [Reducing Food Loss and Waste: Setting a Global Action Agenda](#).

Halving the current rate of FLW by 2050 could lower GHG emissions by 1.5 gigatons of carbon dioxide equivalent (Gt CO₂e), an amount more than the current energy- and industry-related emissions of Japan.²

2. OBJECTIVE & NEED

There is a great deal of interest in developing a first-of-its-kind GHG accounting methodology to stimulate investment in FLW avoidance activities due to their compelling climate, environmental and social benefits. The [Food Loss and Waste Protocol](#) includes standardized terms and guidance on FLW quantification methods. There is increasingly granular available data (i.e. by tonne, type and destination) about avoided FLW. In addition, new partnerships and technologies – some spurred by the specification of FLW as a target of the Sustainable Development Goals³ – are rapidly emerging to address FLW, but their financial sustainability is hugely challenging. Finally, corporates involved in food production, processing and sale supply chains are increasingly considering FLW emissions as part of their Scope 3 accounting.

Verra believes this is an opportune time to bring forward a FLW methodology in our flagship VCS Program, the world's largest GHG program⁴. We are seeking proposals from a qualified consultant or consulting team to develop a comprehensive FLW GHG accounting methodology. Verra will fund and manage the development and assessment process for the methodology.⁵

3. SCOPE OF WORK

To develop a comprehensive FLW GHG accounting methodology, the consultant should carry out the tasks described below and follow the steps outlined in the VCS [Methodology Approval Process, v4.0](#).

3.1. Gather and review relevant information and analyze different approaches

The information to be analyzed includes:

- Review FLW GHG accounting indices and tools including but not limited to the ReFED Insights Engine [Impact Calculator](#), US EPA [WARM \(Waste Reduction Model\) Tool](#), WBCSD's [FRESH Value Calculator](#), CONCITO's [Climate Database](#) and [FAO STAT](#).
- Review active FLW accounting standards and frameworks and consider and propose ways to leverage and/or build on these efforts. Such standards and frameworks include but are not limited to the Food Loss and Waste Protocol's [Guidance on FLW Quantification Methods](#), and the WRAP [UK Food Surplus & Waste](#) measurement and reporting guidelines.
- Consider the impact of this methodology, or a version of the same, in the Scope 3/insetting space.

² See the [World Resources Report: Creating a Sustainable Food Future](#) by WRI with the World Bank, UNEP, UNDP, CIRAD and INRA.

³ SDG Target 12.3: By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.

⁴ The VCS Program is the world's largest carbon crediting program and accounts for about two-thirds of all voluntary carbon market transaction volume, e.g. see [State and Trends of Carbon Pricing 2020](#) (May 2020) - World Bank Group.

⁵ While this approach is different from the usual VCS methodology approval process, it is important to note that Section 2.2 of the [Methodology Approval Process, v4.0](#) states that Verra may pilot alternative processes for approving methodologies where it is deemed that an alternative approach may be more efficient, and equally robust.

- Consult relevant FLW stakeholders to get their views on the scope and advantages and challenges entailed in different ways of structuring the methodology (e.g. “modules” for differentiated feedstocks and/or end uses).⁶

A key issue to be considered is how to include, if possible, avoided production (source reduction) and disposal/destination emissions in the same methodology.

Based on the information gathered from the sources above, the consultant will propose a recommended approach for the FLW methodology, including for the following components:

- Project activities
- Project boundaries
- Applicability conditions
- Additionality
- GHG quantification (baseline and project cases)
- Environmental integrity
- Uncertainty
- Data requirements, and
- Expected costs of implementing the methodology.

Deliverable 1: A presentation to Verra describing the outcomes of the information review, feedback from FLW stakeholders, and the recommended approach to developing a FLW methodology.

3.2. Prepare and submit full draft methodology

Following step 1 and taking on board Verra feedback, the consultant will develop and submit a full methodology using the [VCS Methodology Template v4.0](#). The consultant should iterate with Verra throughout this step to refine the approach prior to formal submission of the VCS Methodology Template, including sharing drafts of the methodology and checking in with Verra on a biweekly basis.

Deliverable 2: A first full draft methodology using the Methodology Template.

3.3. Review and respond to public comments, and produce an updated draft of the methodology

Verra will coordinate a 30-day public consultation on the proposed methodology. The consultant should respond to each issue raised during the consultation period. They should use the inputs obtained from the public and expert consultations, as well as comments received from Verra, to produce a final draft of the methodology.

Deliverable 3: Summary of the comments (public and expert) received during the consultation period and a description of how they were addressed by the consultant.

Deliverable 4: An updated draft of the methodology.

⁶ Stakeholders are to be agreed between the consultant and Verra but will likely include the following: Kai Robertson, Lead Advisor, Food Loss & Waste Protocol; Alexi Ernstoff, Director of Science Strategy, Quantis; Dana Guiders, Executive Director, ReFED; Karen Fisher, Sam Gillick and Hamish Forbes, WRAP; Lieke Verhofstad, Rabobank; and representatives of Leanpath, One Third, Olio and [FLAWLESS](#) and [Courtauld](#) partners as appropriate.

3.4. Manage the progression of the methodology through a validation/verification body (VVB) assessment

Following the public consultation, the proposed methodology will be assessed by an independent VVB selected and contracted by Verra who will review the methodology and produce an assessment report with findings. The consultant will produce a revised version of the methodology addressing all the findings in the assessment report. The VVB will review this version to ensure that the modifications made have not produced any non-conformances with the VCS rules. The consultant should revise the methodology to address any further issues found by the VVB and produce a final version for publication in the VCS Program.

Deliverable 5: The final version of the proposed methodology.

4. MILESTONES, DELIVERABLES AND TIMELINE

The approximate duration of this consultancy will be eight months (June to January 2021). Availability of the assessing VVB is a key variable in determining the exact start and end dates. Verra will work with the consultant and VVB staff to determine the VVB assessment team availability and timing prior to contract signing.⁷

| Milestone | Deliverables | Indicative Timeline |
|--|---|-----------------------------------|
| Kick-off call with Verra | None | June 2021 |
| Information review and recommended approach | <u>Deliverable 1</u> : Presentation to Verra | Late June through early July 2021 |
| Iterate with Verra to prepare and submit full draft methodology | <u>Deliverable 2</u> : First full draft methodology | Mid-July – September 2021 |
| Respond to public comments and produce updated draft methodology | <u>Deliverable 3</u> : Summary of comments and responses <u>Deliverable 4</u> : Updated draft of the methodology | October – November 2021 |
| VVB assessment and final methodology | <u>Deliverable 5</u> : Final version of the methodology | December 2021 – February 2022 |

5. SKILLS & QUALIFICATIONS

The consultant should have:

⁷ Verra will cover all costs associated with the VVB assessment.

- Scientific understanding of FLW life cycle and GHG accounting associated with different stages in the food production, processing, sale, consumption and disposal chain.
- Significant experience with the challenges and opportunities in data collection and standardization in the FLW space.
- Understanding of emerging partnerships and technologies to address FLW.
- Ideally, experience developing carbon credit methodologies.

To meet these diverse skills and qualifications, proposals including multiple entities are encouraged (i.e. from a team comprised of two or more entities).

6. RESPONSES TO REQUEST FOR PROPOSAL (RFP)

Respondents should feel free to submit clarifying questions on any of the above information.

Respondents are requested to submit the following as part of their proposals:

- High-level technical proposal (not to exceed four pages) for the scope of work and deliverables including a work plan. Applicants are encouraged to describe any innovations/added value propositions that they feel would enhance the scope of work requirements.
- Cost proposal/budget not to exceed USD 75,000 including total estimated costs based on a daily or hourly rate. NB: This does not include the cost of VVB review, which Verra will pay for separately.
- Description of how the consultant would avoid any potential conflict of interest in undertaking the described scope of work.
- One-page summary of consultant or consulting team qualifications (resumes/CVs, not to exceed two pages each, may be appended).

All proposals and documents submitted to Verra will be kept confidential.

All documents must be submitted to Julianne Baroody at jbaroody@verra.org by the close of business on Wednesday, **16 June 2021**. We will finalize the selection of the consultant by 25 June 2021.

Legal Nature of RFP

This RFP is an invitation for proposals, and Verra is under no legal obligation to accept any proposal nor proceed with the RFP. Verra reserves the right to amend the requirements at any time.

About Verra

Founded in 2005, Verra is a non-profit organization based in Washington D.C. that supports efforts to reduce greenhouse gas emissions, improve livelihoods and protect ecosystems and the services they provide. We support climate action and sustainable development with standards and programs that credibly, transparently and robustly assess environmental and social impacts and enable funding for sustaining and scaling up these benefits.