Terms of Reference

Research component

Responsible Supply Chains in Asia (RSC in Asia) project

Background

The "Responsible Supply Chains in Asia" project (RAS/16/13/EUR) is a three years project conducted by the ILO and the OECD and financed by the EU. The project aims at contributing to an enhanced respect for human rights, labour and environmental standards by businesses engaged in supply chains in Asia, including Vietnam, in line with international instruments on Corporate Social Responsibility (CSR), Responsible Business Conduct (RBC) and Business and HR. This initiative is one of the expressions of the EU's long-standing commitment to promote human rights, decent work and sustainable development, a pledge underpinned by the EU Treaties and reinforced in the European Commission's trade policy strategy of 2015 "Trade for All". It falls in particular under the Commission's commitment to identify opportunities for responsible supply chain partnerships and the EU's strategic approach to responsible business conduct, which is based on internationally agreed principles and guidelines.

The specific objective of the Project in Vietnam is to promote smart, sustainable and inclusive growth by ensuring that investors and businesses in wood and seafood processing sectors have a better understanding and practical examples of responsible behaviour. In addition the project aims at creating policy environments conducive to promoting the CSR/RBC in line with the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) and increased opportunities for dialogue on challenges and opportunities in the realisation of CSR.

The outputs of this consultancy will constitute inputs for organizing an evidence-based policy dialogue and implement relevant capacity building activities in Vietnam in the context of this project. For this purpose this consultancy includes two phases:
1. Desk review analysis including the following information:
   - Mapping of the global supply chain of wood products, including FDI/MNEs, main phases, commercial and production relations between buyers and suppliers, key actors (private and public), existing informal relations/institutions between MNEs and Suppliers.
   - Mapping of the employment and labour practices in the wood processing sector, challenges and constraints for decent work.
   - Existing CSR/RBC institutional framework, in general and specific for the wood processing sector, policies and practices, relevant program(s)/ action plan(s) of the government and/or sector associations with regards to CSR/RBS promotion.
   - An overview of possible ways in which more and better jobs could be ensured in the sector in collaboration with MNEs operating in Vietnam.
   - A collection of good practices in terms of CSR/RBC in promoting socially responsible labour practices with a focus on labour issues in the country and internationally using the principles of the ILO MNE Declaration as the reference point.

The external collaborator will conduct the first study on employment and labour issues in the wood processing sector and will identify good practices amongst MNEs for further finalizing the scopes of the second phase.

2. In the second phase the consultant might have to travel to provinces of Binh Duong, Dong Nai, Binh Dinh and Ho Chi Minh City where there are large clusters of wood processing enterprises. Through the interviews with wood companies and other key informants at provinces level such as Department of Labour, Invalid and Social Affairs – DOLISA(s), Department of Agriculture and Rural Development – DARD(s), Federation of Labour – FOL(s), and wood business associations (HAWA in Ho Chi Minh, BIFA in Binh Duong, FPA in Binh Dinh) the consultant will:
   - Analyse in depth the findings found during the first phase (desk review)
   - Analyze the internal dimensions of labour and business practices in wood processing sector (main decent work deficits, working
conditions, process characteristics and attributes of the labour force) as well as business awareness of the International Labour Standards (ILS) and the MNE Declaration.

- Identify the gap between the current national law/regulations and the international labour standards (ILS), between the requirements imposed by the importing companies and currently applied practices as countermeasures by national suppliers with pros and cons analysis.
- Collect information on private compliance initiatives (PCIs) amongst MNEs operating in the sector with a view to identifying good practices to be shared with other companies in the sector, business associations, employers’ organisations and other relevant actors.

The consultant will present his/her findings as preliminary outputs of the research in the project launch event. Then a full report with findings and recommendations will be presented in a tripartite brief policy workshop at country level for evidence-based dialogues and discussing the challenges and to identify the way forward including where collaboration with MNEs could be sought in tackling the decent work challenges in the supply chains.

**Objective and scope of the assessment**

The key objective is to generate an in-depth knowledge of employment and labour issues in the wood processing sector of Vietnam, with special attention paid to the roles that MNEs could play in generating more and better jobs in line with the MNE Declaration. Socially responsible labour practices amongst the MNEs will be one of the key elements to be analysed.

The studies will also help determine existing and potential linkages between MNEs and the local Small and Medium Enterprises (SMEs), good practices in their engagement, as well as challenges for fostering short- and medium-term opportunities to expand and deepen local supply chains that benefit both the MNEs and the local economy in terms of social and economic upgrading and job creation.
This research will be an exploratory and will take the form of action research. This means that the study will be an output of a broader process of engagement with the enterprises operating in the wood processing sector of Vietnam as well as ILO constituents and other relevant actors while it will then become an input for a high-level tripartite plus dialogue at the national level during which the findings and recommendations will be discussed. The outcome of the dialogue could possibly lead to a common understanding on the way forward and concrete actions to be implemented.

The study will list the actors and stakeholders who should be part of such a tripartite-plus dialogue process and analyse if a possible plan of action that lays out possible areas of joint action involving MNEs in the wood processing sector is necessary and match the existing national development and sectorial plans.

**Key tasks and outputs**

Under the direct supervision of the National Project Coordinator (NPC), the programme Manager and with technical support by the Multinational Enterprises and Enterprises Engagement Unit in ILO Geneva, in close collaboration with the Decent Work Team in Bangkok and the ILO Office in Vietnam, the consultant will:

1. Develop the methodology\(^1\) for undertaking the research, including questions for the interviews, focus group discussions, and possible questionnaires.
2. Map out the global supply chain of the wood products taking place in Vietnam, including FDI/MNEs, main phases, commercial and production relations between buyers and suppliers, key actors (private and public), existing informal relations/institutions between MNEs and Suppliers.
3. Undertake a desk research regarding on foreign direct investment (FDI), employment and labour issues in the wood processing sector in Vietnam. To the extent possible, separate the employment and labour challenges with MNEs and the local SMEs.

\(^1\) The methodologies used to collect the information will be proposed by the consultant and validated by the NPC and the programme manager. For instance focal groups, surveys, semi-structure interviews
4. Undertake a desk research on the wood processing sector’s policies on promoting socially responsible labour practices (include labour related CSR).

5. Map out existing CSR/RBC institutional framework, specifically for the wood processing sector, including policies and practices,

6. Identify key MNEs’ policy and programmes in relation to labour CSR and economic/business linkages with the local economy, i.e. engagement with suppliers, procurement policies (not philanthropic community outreach activities)

7. Propose for discussion/validation by the ILO a planning of the mission, starting from November 20th 2018, including meetings with enterprises and other major actors from the wood processing sector.

8. Prepare a presentation of the findings from the desk research for the Project Launching workshop.

9. Conduct interviews and roundtable discussions with MNEs, local enterprises and other relevant actors to collect information. The external collaborator will prepare a list of key informants for conducting the interview. The ILO office in Vietnam will provide support in arranging the interviews, in close collaboration with constituents.

10. Analyse the employment and labour challenges in the wood processing sector to complement the desk research including generation of indicative data on employment, existing job categories, skills gap, MNE-SME linkages, and the main employment and labour challenges in the sector today. Outcomes from the interviews, focus group discussions, and the discussions during the project launch should also be compiled analysed.

11. Document good practices in line with the MNE Declaration, especially in relation to MNE-SME linkages in terms of job creation, knowledge and skills transfer, improvement of working conditions, and upgrading. For this purpose, a survey of private compliance initiatives (PCIs) amongst MNEs operating in the sector is expected for identifying good practices.

12. Determine the challenges and the opportunities for ILO actors and other relevant actors in addressing the identified challenges.

13. Draw recommendations on how job creation can be maximized and working conditions improved in collaboration with MNEs operating in the sector, benefitting both the MNEs present in the sector and the local economy. This includes collection of the voices and recommendations of the enterprises themselves on how direct and indirect employment can be generated through
their operations, and how they see the wood processing sector contributing towards the country’s sustainable development and inclusive growth.

14. Produce a full report (40 pages maximum, excluding annexes).
15. Prepare a PowerPoint presentation that summarises the key findings and recommendations of the report.
16. Present the findings and main results of the research to the team and the national tripartite brief policy workshop.
17. Produce a consolidated research report, incorporating the relevant comments/recommendations from the policy workshop so that it be ready for mass dissemination on media and public channel

Confidentiality Statement

All data and information received from ILO for the purpose of this assignment are to be treated confidentially and are only to be used in connection with the execution of these Terms of Reference (TOR). All intellectual property rights arising from the execution of these ToR are assigned to the ILO. The contents of written materials obtained and used in this assignment may not be disclosed to any third parties without the expressed advance written authorization of the ILO.

Duration of the assignment

The assignment will be carried out from 15 November 2018 until end February 2019 for approximately 21 working days with milestones as follows:

- **From 15th November 2018**: research design, detailed report outlines and tentative planning missions to provinces for meetings and interviews with key stakeholders and companies submitted to ILO for comments. Desk study carried out
- **From 20th November 2018**: Field missions for meetings and interviews in provinces
- **December 2018**: Prepare presentation of Executive summary with preliminary findings for the Project Launching workshop; exchange with seafood research consultant (precise date to be confirmed by ILO).
- **5 January 2019**: Complete draft report submitted to ILO
- **January 2019**: Full report presented to a national tripartite brief policy workshop (precise date to be confirmed by ILO).
- **15 February 2019**: draft of consolidated report, incorporating the results of tripartite consultation workshop submitted to ILO for comments
- **20 February 2019**: ILO comments exchanged with External Collaborator
- **25 February 2019**: Final/consolidated report submitted to ILO for approval

**Contract Value and Payment**

The consultant will offer overall consultancy fee for this contract, including his/her travel costs for approx. one week research trips to the target provinces and for participation in national tripartite policy workshop in Ho Chi Minh City.

An initial payment of 30% will be made upon signing of the contract in anticipation of travel costs incurred for the in-provinces research (based on standard UN Cost Norm for travel cost estimates). The balance of the fee will be paid upon successful delivery of the final report to the satisfaction of the ILO.

**Administration, Reporting and Coordination**

The contract for this assignment will be issued by the ILO Office in Vietnam. In the selection of the consultant, the Programme Manager will be involved together with the National Project Coordinator (NPC) for Vietnam. The office space, equipment and other logistics arrangements in the course of the research will be organised and on the account of the consultant.

The Consultant will report to the NPC of the RSCA project in Vietnam, who will be liaising closely with the Programme Manager in the ILO ROAP office in Bangkok.

**Qualifications and experience**

The external collaborator must have the following experience and skills to be able to perform the tasks of the TOR:

- Knowledge and working experience with the wood processing sector, especially the key export-oriented sectors.
- Demonstrated experience in conducting assessment and sector reviews in
Vietnam (Value chains analysis).
- Knowledge of the ILO’s mandate.
- Demonstrated ability to write and present clearly in English
- Ability to liaise responsibly with senior officials of the government and social partners.

Profile of the external collaborator

- Advanced education in development economics, social science, business management or related field
- International experiences in global supply chains, value chains analysis, sectorial analysis, market systems approach and in Vietnam manufacturing sectors, knowledge of the wood processing sector will be an advantage.
- At least 05 year experience in related field: survey, research, data analyze

Submission of proposal

The interested candidates must submit their proposal (not exceeding 3 pages excluding resumes, annexes) to ILO RCS in Asia project (Vietnam) with the following details:
- Methodology for undertaking the research, including key questions for the interviews, focus group discussions, and possible questionnaires; work plan and time line.
- Detailed budget estimates.
- Demonstrated experience and capacity: describe why you are qualified to undertake this consultancy
- List of written/published evidence: similar consultancy work done and/or published in Viet Nam.

All proposals must be submitted to the National Project Coordinator through email at tri@ilo.org and National Programme Officer at trieu@ilo.org by 5:00pm 9th November 2018.

Proposal evaluation
All proposals will be evaluated on the following criteria:
• Quality of technical proposal
• Estimated cost of the study
• Proposed timeline
• Qualifications of proposed consultant

Only shortlisted candidates will be contacted for interviews/ presentation of their proposal for final selection.