**Nestlé Emissions Reduction and Removal**
**Request for Proposals**

**TRACK TWO**



# Background

At Nestlé, we have committed to reducing greenhouse gas (GHG) emissions by 20% by 2025, to halve GHG emissions by 2030 and to achieve net zero by 2050 – even as our business continues to grow[[1]](#footnote-2).

We have identified an initial pipeline of projects to help achieve our reductions targets and with this Emission Reduction & Removal Request for Proposals (RFP), we aim to complement and increase our project portfolio from 2021 onwards.

This RFP will help us identify, validate and build a carbon reduction and removal project portfolio that delivers measurable SBTi-aligned GHG emissions reductions and removals. It will focus on projects that:

1. Are connected to our value chains[[2]](#footnote-3)
2. Deliver impact at scale and/or innovative interventions that could lead to scalable projects starting in 2021/2022 and expanding over the next 3-5 years

# RFP Tracks

Two RFPs will be issued during the first half of 2021 reflecting two separate *tracks* for near term project acceptance by Nestlé.

* 1. TRACK ONE – covered by an RFP released on May 25th sought projects for immediate sign up and which will result in emission reductions by the end of 2021 or in early 2022;
	2. **TRACK TWO – covered by this RFP seeks projects still in an advanced design stage with emission reductions anticipated in 2022 and expanding over the next 3-5 years.**

# Project Requirements

Nestlé seeks projects that serve an insetting function within Nestlé’s sourcing landscape and that can contribute to Nestlé’s Science Based Target[[3]](#footnote-4) and Net Zero commitment. Projects must follow and meet the standards of established carbon accounting methodologies and will be subject to third party verification, however, registration with an existing standard or registry is not required.

The link to Nestlé’s value chain is critical for any project seeking to apply[[4]](#footnote-5). Projects must demonstrate a linkage either through geography or preferably through demonstration of a direct linkage to Nestlé supply chains. Two classes of projects will exist in this context:

1. **Supply Chain Carbon Projects** – these projects will occur **on farms** that produce commodities of relevance to Nestlé. Where there is full traceability then the boundary of farms supplying to Nestlé will limit the project boundary, where there is limited traceability then farms can be included within the supply shed boundary defined as farms that supply the focal commodity to markets that Nestlé buys from.
2. **Landscape Projects** – these projects occur **off-farms**. Off-farm locations should be in the near vicinity of farms that either directly supply Nestlé (with traceability), or that supply markets Nestlé purchases from (where there is limited traceability).

Applicants are encouraged to apply if they have the ability to employ, on Nestlé supplier farms, project designs that have been proven in a particular Nestlé commodity sourcing region even where no current connection to Nestlé farms exists. The linkage with Nestlé supplier farms can be developed after the initial acceptance phase.

## Applicants are requested to review the Nestlé [supply chain dashboard](https://experience.arcgis.com/experience/bb3874212b7f40eb806befb392c00670) to guide regions of focus; proposals must identify project locations such that the supply chain link can be evaluated.

## Project Types

Nestlé has identified the following priority project types:

* Regenerative agriculture
* Agroforestry, Shade Management, Riparian buffers, windbreaks
* Methane capture
* AFOLU projects, including reforestation and peatland restoration
* Dairy & livestock value chain interventions

Projects considered would not be limited to the above list and may include a combination of activities as well as new innovations. However, projects that aim to just protect existing forest (i.e., do not have other elements such as regenerative agriculture, reforestation, etc) are not applicable under this RFP. And where forest protection is included among other elements, the forest protection emission reductions will not be eligible for Nestlé Net Zero claims.

# Track Two Evaluation Criteria

Criteria for project evaluation under Track Two will include, without limitation:

* Supply chain link - proximity / connection to Nestlé supply chain;
* Confidence in quality of emission reductions including measurement approaches, demonstrated additionality and permanence, and low risk of leakage and double counting
* Scalability and time to scale
* Cost per t CO2e
* Readiness for implementation within the next 12 months
* Supplier & farmer engagement
* Social & environmental safeguards and co-benefits including biodiversity conservation, water management and/or livelihoods improvements.

## Other relevant information

Projects seeking consideration under TRACK TWO shall complete the RFP application form available [here](https://winrock.org/project/nestle-climate-reduction-and-removal-project-request-for-proposals/). Application forms must be submitted **by July 30th 2021** to ClimateRFP@nestle.com and NestleRFP@winrock.org.

The organization and evaluation of this RFP is being supported by Winrock International, who will receive a copy of the proposals and other documents in order to advise Nestlé on this process. Other Nestlé consultants may be engaged on a case-by-case basis, in the evaluation of particular projects.

A webinar will be held on July 9th on the RFP; please express interest to NestleRFP@winrock.org by July 7th to receive an invitation. Questions may be asked at any time to: NestleRFP@winrock.org

## RFP terms and conditions

These RFP Terms and Conditions (these “Terms”) govern the RFP. Any terms and conditions in RFP’s participants (the “Participants”) quotations or proposals that contradict these Terms will not apply.

1. Participants participate in the RFP at their own cost.

2. Nestlé makes no representation or warranty regarding the accuracy or completeness of the information contained in the RFP (including any attachments).

3. The RFP does not constitute any proposal or offer by Nestlé, and Nestlé has no obligation to award any business or project to Participants.

4. Participants must submit their proposals in the files provided or referred to in this email before the closing date of the RFP.

5. Nestlé is entitled to (a) cancel or change the requirements and/or other conditions of the RFP at any time, (b) reject any or all proposals received, (c) enter into and/or terminate negotiations with one or more Participants at any time without liability.

6. Nestlé has no obligation to provide any reason to Participants for any acceptance or rejection of any proposal.

7. Except in case of projects that are part of a joint proposal by two or more Participants, each Participant ensures that (a) all prices it presents are arrived at independently, without consultation, communication or agreement with any other proposer, and will not be disclosed to any other proposer, and (b) Participants made no attempt to induce any other person or entity to submit or not to submit a proposal.

8. These Terms and the RFP will be governed by and construed exclusively in accordance with the laws of Switzerland, excluding its conflict of laws principles, and the courts of Switzerland will have exclusive jurisdiction.

By engaging in any form in connection with this RFP (e.g., asking questions, participating in webinars, sending a proposal) Participant agrees to these Terms.

1. *Please see:* [Nestlé-net-zero-roadmap-en.pdf](https://www.nestle.com/sites/default/files/2020-12/nestle-net-zero-roadmap-en.pdf) [↑](#footnote-ref-2)
2. Focusing on the raw materials that contribute most to our footprint primarily: dairy products, fresh milk, cocoa, coffee, vegetable fats and oils (including palm oil), meat, cereals and grains [↑](#footnote-ref-3)
3. <https://sciencebasedtargets.org/> [↑](#footnote-ref-4)
4. See geographical representation of Nestlé supply chain at <https://experience.arcgis.com/experience/bb3874212b7f40eb806befb392c00670>. [↑](#footnote-ref-5)