



TERM OF REFERENCE

PREPARATION OF THE INTERNATIONAL STANDARD FOR SUSTAINABLE TERRITORIAL MANAGEMENT

LIFE-TM-IN-MP22-1.0-English

Version 1.0 International – English

(JUNE/2019)

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OBJECTIVE

This document aims to present the context, justification, and scope of the development of the International Standard for Sustainable Territorial Management – ISSTM.

APPLICATION

This document is applicable to Instituto LIFE and its partners for the preparation of the International Standard for Sustainable Territorial Management – ISSTM.

APPROVAL

Document approved by the Board of Directors of LIFE Institute.

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1. INTRODUCTION

The most significant challenges we face in the pursuit of sustainability are issues that occur on a large scale and go beyond the capacity for individual or organizational action. Similarly, important ecological processes occur at territorial levels and go beyond the limits of rural areas or even entire cities.

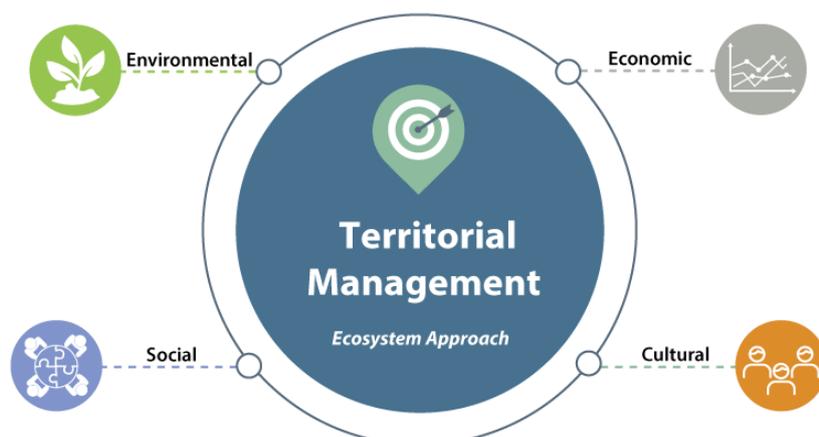
In order to efficiently deal with issues such as reducing deforestation, food safety, pest and disease control, urban sustainability, among other topics, always aiming at human well-being, it is necessary to expand the scale of analysis and involve several stakeholders.

Ensuring connectivity between environments and ecological integrity on a large scale is fundamental for the maintenance of the economy and the means of production, and for our very existence as a society.

Therefore, it is important to develop an International Standard for Sustainable Territorial Management (ISSTM) that comprehensively analyzes (Figure 01) and opens opportunities for the convergence of actions with positive social, cultural, economic, and environmental results for territorial sustainability.

The Standard will be developed through an agreement between Instituto LIFE, Itaipu Binacional and Fundação Parque Tecnológico Itaipu (FPTI), under the general technical coordination of Instituto LIFE, meeting the demand to integrate biodiversity issues and ecosystem services into all dimensions of sustainability on a territorial scale.

Figure 01 - Infographic of sustainable territorial management



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1.1 JUSTIFICATION FOR THE DEVELOPMENT OF THE STANDARD

Acting as a Standards Body since 2009, Instituto LIFE was responsible for the development of the LIFE Methodology for Business and Biodiversity with organizational application.

Given the interactions and synergies between processes that are internal and external to organizational boundaries, an interest in addressing sustainability issues, biodiversity conservation and ecosystem services from a territorial perspective emerged.

The main sustainability issues that fall within the scope of the standard were initially identified as: agricultural and industrial production; production chains; landscape management; sustainable cities; and public policies. These issues will be duly detailed in thematic axes, ensuring that territorial issues relevant to sustainability are fully addressed.

The express need that will be met is the availability of a territorial management tool for the market that addresses these issues in an integrated and comprehensive manner. Meeting this need is what motivated the current project to develop an International Standard for Sustainable Territorial Management.

Realizing the possibility of expanding the scope of analysis of the organizational performance to a territory-scale perspective, Itaipu Binacional and the Fundação Parque Tecnológico Itaipu (FPTI) signed a tripartite agreement with Instituto LIFE as a regulator for the development of this new Standard.

This Standard was developed due to the interest in obtaining a practical tool that could be applied internationally and that would evaluate regional performance as a result of socio-environmental investments made. The ISSTM may also be used to perform a territorial sustainability diagnosis after it is finalized, and to monitor standardized indicators in the company's broad area of activity.

The documentation of other standards that are operational or under development related to all or part of the expressed need was performed through an initial benchmarking, which guided the development of the work.

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1.2 OBJECTIVES AND SCOPE OF THE STANDARD

The International Standard for Sustainable Territorial Management aims to express territorial sustainability principles, criteria and indicators related to responsibilities, attitudes, and measures to be adopted by any public and private actors, which can be applied to urban and rural areas, based on the four scopes of sustainability (social, economic, environmental, and cultural).

The main objective of the Standard is to establish clear rules so that the players that influence territorial management can adapt and converge their actions, jointly promoting sustainability.

Although the pilot territory initially defined for the technical development phase is the area covered by Itaipu Binacional - over seventy municipalities in Brazil and Paraguay, the Standard will be universal, being developed for application in any territory, in any country, with the following objectives:

- Plan, diagnose and/or evaluate solutions capable of curbing the decline of ecosystem services in the evaluated territories.
- Identify and strengthen the roles of local actors responsible for sustainable territorial management.
- Recognize, disseminate, and create cooperation between best practices and initiatives implemented in the territory, in the social, cultural, economic, and environmental fields.
- Guide decisions related to public and private investments in the different areas of sustainability.
- Address the services of nature and their relationship with human welfare and society in an integrated way.

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1.3 EVALUATION OF THE DEMANDS FOR THE DEVELOPMENT OF THE STANDARD

In order to identify initiatives, systems, and management and certifications that are similar or on similar topics to the Sustainable Territorial Management Standard, a benchmarking was carried out at the beginning of the project.

Instituto LIFE's Sustainable Territorial Management Standard will be applied strategically, differentiating itself from existing operational initiatives that focus on specific activities, processes, or economic sectors. This is because the LIFE Standard will be a tool at the level of guidelines and recommendations of best practices that induce the quality of processes and actions, focused on the attitudes of local actors and their territorial management.

As a result of this benchmarking analysis, it was noticed that the existing initiatives identified did not have universal and multi-sector applicability, or were focused on collective management solutions, such as the formulation of public policies. Whereas the Standard presented by the Instituto LIFE allows an individual analysis by each actor in the territory, regardless of a collective adhesion to a specific project, which is built with the adhesion of each actor, gradually forming a network for territorial governance. Additionally, the project foresees the availability of software for the territory's actors, aimed at the individual and collective evaluation of their roles in this governance.

The thematic axes, identified during the benchmarking study, which will guide the development of the Standard, brought up issues relevant to sustainability at the territorial level in the social, cultural, environmental, and economic spheres. What was observed in this study was the inexistence of a complete and systematized management and certification system that encompasses the whole concept of territorial management, including all sustainability dimensions.

Therefore, the analysis showed how unprecedented the initiative of creating the International Standard for Sustainable Territorial Management is. This placed the project at a particularly important level in terms of international standards related to the environment and sustainability.

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2. DEVELOPMENT OF THE STANDARD

The structure and development process of the Standard will follow internationally established and consolidated parameters. The preparation of documents related to the Standard will follow the rules described in Instituto LIFE's Procedure for the Preparation and Revision of Normative Documents.

The language officially adopted during the Standard development activities will be Portuguese, and the documents published will also be translated into English and/or Spanish, according to the needs.

2.1 GENERAL STAGES OF THE PROJECT

The project for the development of the International Standard for Sustainable Territorial Management will have a duration of 4 years and will be executed according to the 4 stages, illustrated in Figure 2:

- I. **Development of the Standard** through technical and managerial instances.
- II. **National and international recognition** (engagement with a network of institutions in Brazil and abroad).
- III. **Development of software** for the operationalization and application of the Standard.
- IV. **Evaluation of the project's pilot territory** (area of influence of Itaipu Binacional).

Figure 02 - Project development stages



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2.2 INSTANCES INVOLVED IN THE ELABORATION OF THE STANDARD

The technical development process will rely on several participation instances, such as committees, an expert network and working groups, all of interdisciplinary nature, involving Brazilian and foreign organizations from different sectors (academia, civil society, government, and private sector).

The attributions of each of the different instances follow the Instituto LIFE's Procedure for the Preparation and Revision of Normative Documents.

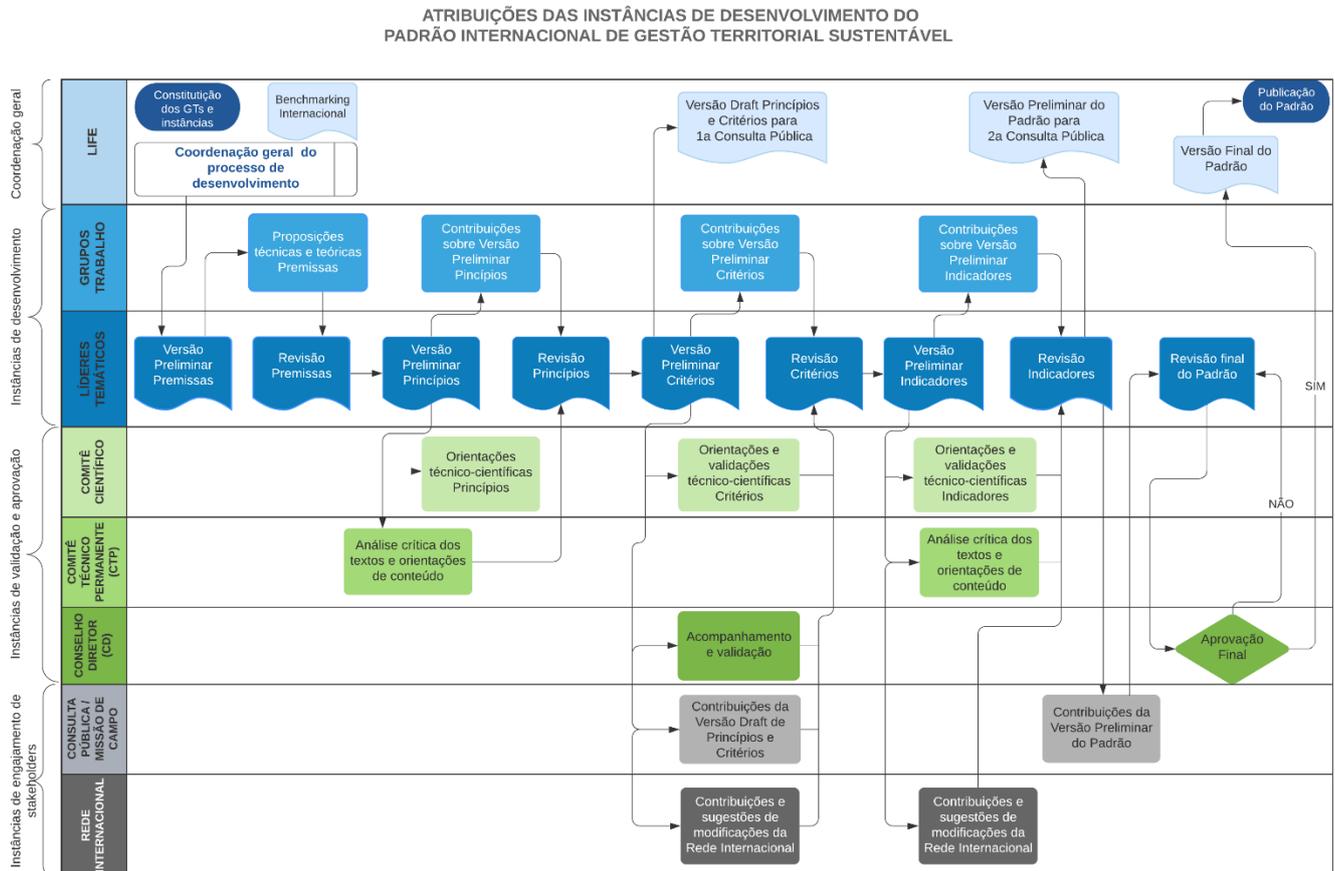
The following instances will be constituted in the development of the Sustainable Land Management International Standard, and the process is represented in Figure 03:

- General Coordination by Instituto LIFE
- Steering Committee (representatives of the 3 institutions of the agreement)
- Theme Leaders / Consultant Committee (4 Consultants, being: 1 environmental, 1 cultural, 1 economic and 1 social)
- 3 Working Groups (1 Environmental, 1 Economic, and 1 Social-Cultural)
- Scientific Committee
- LIFE Permanent Technical Committee
- LIFE Steering Committee

3 instances are foreseen for stakeholder engagement and to provide greater participation of identified stakeholders:

- International Network of Experts
- Public Consultations
- Field Missions

Figure 03 - Assignment of the instances of Standard development



2.3 STRUCTURE OF THE STANDARD

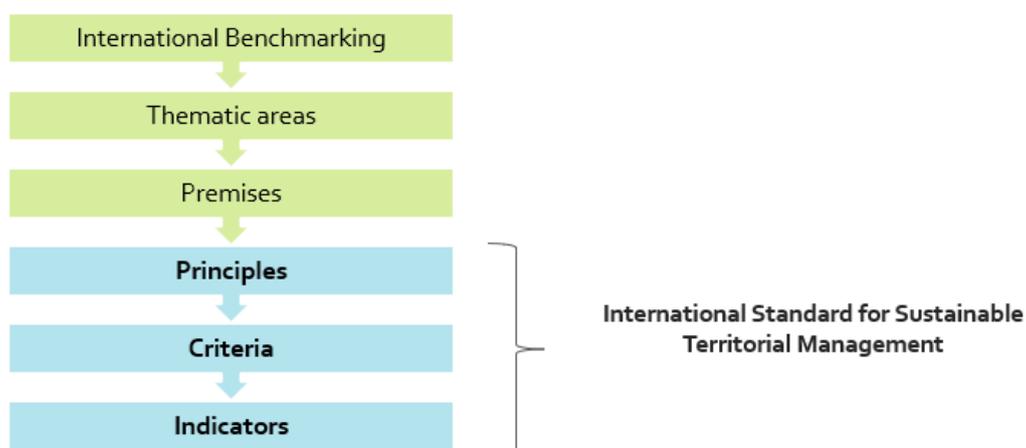
The document will present the Principles, Criteria, Indicators and Verifiers for sustainable territorial management, being:

- **Principle:** a question that grounds the concept of the LIFE Standard from its Premises.
- **Criterion:** description of a way to comply with a Principle.
- **Indicator:** information related to the fulfillment of a Criterion.
- **Verifier:** examples of records of the fulfillment of an indicator.

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The Standard will be structured (Figure 04) based on the thematic axes identified from the international benchmarking study. The identification of the most relevant themes for each dimension of sustainability will allow the definition of the basic premises for the definition of principles, criteria, and indicators.

Figure 04 - Structure of the International Standard for Sustainable Territorial Management



The indicators will be linked to specific initiatives and tools, in a document of their own and independent from the Standard, which will allow

- The recognition and dissemination of the main international initiatives and tools available for specific territorial sustainability issues,
- periodic updates, regardless of reviews undergone by the International Standard,
- sectorial and regional detailing.

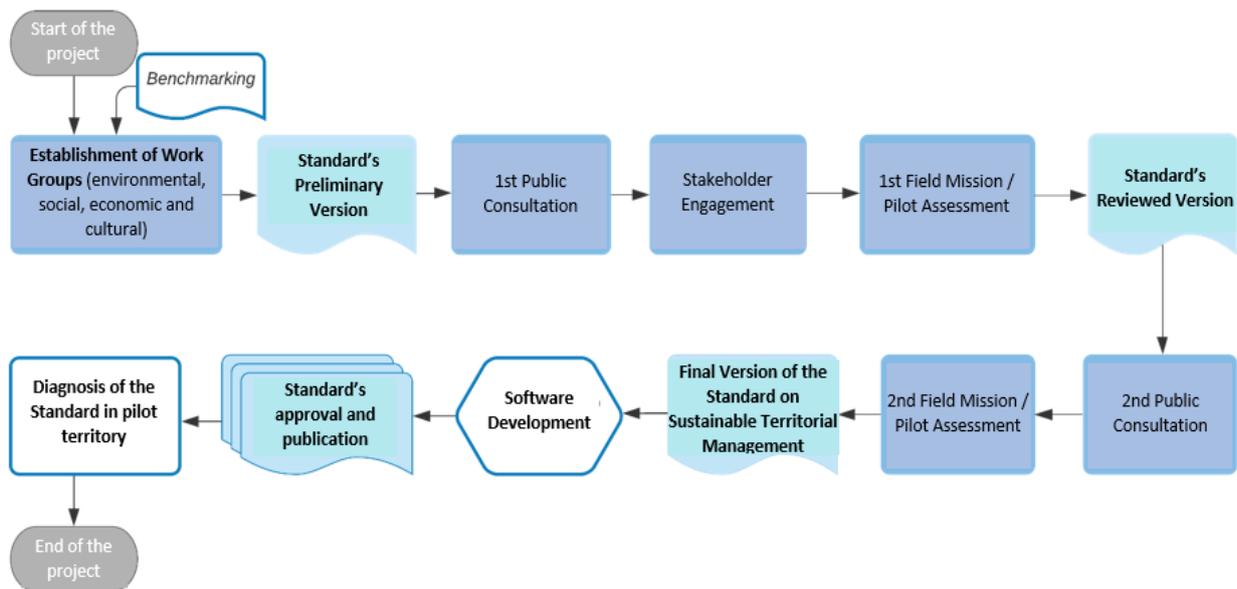
2.4 STANDARD DEVELOPMENT PROCESS

The project, object of the tripartite agreement between Instituto LIFE, Itaipu Binacional and FPTI, started in August 2018 and will end in August 2022.

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The main stages of the development process of the International Standard for Sustainable Territorial Management are presented in the flowchart in Figure 05.

Figure 05 - Process of preparing of the International Standard for Sustainable Territorial Management



The technical activities related to the preparation of the Standard are planned to take place according to the work plan presented in Table 01. Adjustments in the schedule may occur throughout the period.

Table 01 - Work Plan for the development of the International Standard for Sustainable Territorial Management

| Stages of Development | Description | Expected Term |
|-----------------------------------|--|---------------|
| Project Initiation | Project mobilization (tripartite agreement between Instituto LIFE, Itaipu Binacional and FPTI) and start of activities | August /2018 |
| International benchmarking | Conducting a study of existing sustainable territorial management initiatives, management systems and certification, or those considered similar to the theme. | February/2019 |

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| Constitution of the working groups and instances involved. | Technical development of the different components of the Standard by the working groups and through the participation of the bodies involved. | August /2019 to February/2021 |
| Workshops (7 face-to-face meetings) | Discuss the 4 scopes of sustainability (environmental, social, cultural, and economic) that will provide input for the content of the Standard. | 1st Workshop: 08/Aug/19 2nd Workshop: 10/Oct/19 3rd Workshop: 12/DEC/19 4th Workshop: 05/MAR/20 5th Workshop: 02/Jul/20 6th Workshop: 22/Oct/20 7th Workshop: 02/Feb/21 |
| Preparation of preliminary versions | Consolidate the main information and technical content to prepare the draft version of the Standard | April/2020 |
| 1st public consultation | Online consultation of the 1st draft version, aiming to facilitate stakeholder participation from anywhere in the world | April/2020 to June/2020 |
| Field missions / pilot assessments | Carry out joint field tests with local actors, to assess the applicability of the Standard. 02 field missions at Itaipu Binacional (55 municipalities in Brazil and 17 in Paraguay). | May/2020 and November/2020 |
| Expert Network Engagement (4 webinars) | Engage specialists in topics related to Sustainable Territorial Management and obtain the participation of stakeholders. | 1st webinar: April/2020 2nd webinar: May/2020 3rd webinar October/2020 4th webinar: March/2021 |
| 2Nd Public Consultation | Online consultation of the 2nd draft version, aiming to facilitate stakeholder participation from anywhere in the world | October/2020 to November/2020 |
| Final version of the Standard | Preparation of the final document of the Standard that will be submitted for approval and subsequent publication | February/2021 |
| Software development | Preparation of software dedicated to the Standard and its applicability by different public and private actors. | February/2021 |
| Standard Approval and Publication | Final approval of the International Standard for Sustainable Territorial Management by the Board of Directors of Instituto LIFE and publication. | February/2021 |

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| Territory diagnosis | Carrying out a diagnosis in the territory and area covered by Itaipu Binacional. | October/2021 |
| Project closure | Closing of project activities | August/2022 |

2.5 STAKEHOLDER ENGAGEMENT

The following stakeholders were initially identified in the preparation of the International Standard for Sustainable Territorial Management and their involvement during the project, as shown in Table 02:

Table 02 - Stakeholder identification

| Stakeholder | Description of involvement or how the stakeholder is affected |
|---|--|
| Itaipu Binacional | Project sponsor Recognized as an international model of sustainable land management Case study for the preparation of the International Standard |
| Instituto LIFE | Project coordination Affiliation with ISEAL, contributing to international recognition |
| Fundação Parque Tecnológico Itaipu (FPTI) | Project Support Support database for Work Group specialists |
| Local actors (cooperatives, municipalities, companies, etc.) - Brazil and Paraguay | Participation in meetings or technical consultations Possibility of using a system for the sustainable management of the territory Achievement of a consolidated Standard based on international benchmarking for territorial management |
| Society in General | Knowledge about Principles, Criteria, and sustainable territory management indicators Possibility of more sustainably managed territories |
| Local companies and producers | Possibility of obtaining recognition for their location or origin in a territory managed for sustainability |
| Indigenous Reserves | Insertion in a territorial development model that incorporates cultural value |
| Academy | Use of the territorial assessment system for sustainability assessment |
| Consultants and specialists of the Work Groups | Technical contribution to the development of the Standard Coordination of technical discussions to ensure product closure |
| Technical / Scientific Committee | Theoretical-scientific contribution to the project |

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| Municipalities in the region and Public Managers | Achievement of a consolidated Standard based on international benchmarking for territorial management Use of the territorial assessment system for sustainability assessment |
| Cities selected for diagnosis (Brazil and Paraguay) | Training in the Territorial Management System Achievement of territorial management diagnosis |
| Standardization Bodies and Certifying Bodies | Management and Certification Systems with interest in the theme of the Standard |
| ISEAL (International Social and Environmental Standards Alliance) | Assessment of processes for international recognition |

Local, regional, and international stakeholders will be identified during the Standard’s development stages. Representatives of the non-governmental organizations, private companies, government agencies, academia and civil society will be consulted. The criteria and selection are described in the procedure for the Preparation and Revision of Normative Documents of Instituto LIFE.

Contributions, observations, and suggestions can be sent at any time, by any stakeholder, through the email contato@institutolife.org or other communication channels indicated on page 2 of this term of reference.

Identified stakeholders with greater difficulty in accessing forms and communicating via the internet will be consulted and involved in the planned field missions and in-person workshops.

All interested parties involved in the development will be duly registered.

2.5.1 Field Missions / Standard Pilot Evaluation

Two (02) field missions are planned according to the work plan and will be organized with the aim of consulting stakeholders not involved in public consultations carried out with forms via the internet.

The General Coordination shall be responsible for organizing the missions, with the support of the Management Committee and visits will be made to the identified institutions, through interviews and/or face-to-face meetings. Questionnaires and forms may be developed to collect input from these stakeholder groups.

The operational applicability of the Standard will be assessed on a local scale based on the information gathered and data collected. Field missions, as well as public consultations, will provide subsidies for reviews and additions to the Standard. The second field mission will also be used to carry out a pilot assessment of the Standard, prior to final approval of the document.

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2.5.2 International Network of Specialists in Sustainable Territorial Management

The General Coordination will invite international institutions with relevant activities or interest in topics related to the Standard under development to form an International Network on Sustainable Territorial Management. The list of members will be maintained to identify the stakeholders represented. Participations and contributions can be made via webinars and public consultations.

Adherence to the Expert Network will follow the procedure described in the document on the Preparation and Revision of Normative Documents of Instituto LIFE.

2.5.3 Public Consultations

The International Standard for Sustainable Territorial Management will be submitted to two (02) rounds of public consultation, as described in the procedure for the Preparation and Revision of Normative Documents of Instituto LIFE.

In the first round, an online participation form and the draft version of the Standard will be made available for 60 days on the Instituto LIFE website for free access by any interested party. During this period, all interested parties may submit critique, suggestions, and comments on the submitted preliminary version.

A second round of 30-day public consultation will be held on the reviewed version of the Standard so that new contributions can be incorporated before the final version is approved.

The public consultation will be publicized through Instituto LIFE's website and its social media pages, partner institutions websites, emails, webinars, and other tools.

The comments received during the public consultation and considered in the preparation of the Standard will be compiled and published on the Instituto LIFE website, through a public feedback report.

2.6 DECISION MAKING AND PUBLICATION

The approval process will follow the decision-making steps described in the procedure for the Preparation and Revision of Normative Documents of Instituto LIFE, and the Board of Directors will be responsible for the document's final approval.

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Additionally, item 2.2 (Figure 03) presents the instances that participate in all phases of: discussion, recommendations, and validation.

In the case of this Standard specifically, the technical instance of validation is the Territorial Scientific Committee.

Once approved by Instituto LIFE's Board of Directors, the final version will be made official and published by Instituto LIFE on its website (<https://institutolife.org/>), publicly and free of charge.

All decisions made during the development of the normative document can generate appeals and complaints from stakeholders. In this case, claims must follow the Conflict Management procedure, available on Instituto LIFE's website.

2.7 DISCLOSURES AND COMMUNICATION ABOUT THE STANDARD

The Standard development project will be publicized at national and international events, and through publications in various media, digital or printed. All communication held during technical development will be recorded in project reports submitted to the sponsor. Interested stakeholders can follow-up through the links:

<https://www.facebook.com/lifecertification/>

<https://www.linkedin.com/company/institutolife/>

<https://institutolife.org/o-que-fazemos/padrao-internacional-de-gestao-territorial-sustentavel/>

3. EXPECTED RESULTS

Local, regional, and international actors are expected to have a tool capable of bringing the following benefits through the International Standard for Sustainable Territorial Management and the software developed:

- recognition and improvement of social, economic, environmental, and cultural development practices in the area of influence, considering the specificities of each region and/or country.
- Encouragement of nature conservation actions, integrating economic, social, and cultural issues.

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- Promotion of research and innovation in the territory, with an emphasis on sustainability.
- Supply of information and indicators that can be used by public and private organizations to carry out strategic actions in the territorial management of urban centers and rural areas.
- Promotion of the exchange of practices and experiences between the different actors that use the standard, with emphasis on the quality of life of the territory's population and on the conservation of biodiversity.
- Strengthening of initiatives such as: sustainable urbanization, best agricultural practices, revenue generation in the sustainability value chain, strengthening agroecology, improving human well-being, among others.
- Systematization of data from the applied assessments and their respective results, in order to allow analysis in all dimensions of sustainability (environmental, social, cultural, economic).
- Development and strengthening of a market for products originating in sustainable territories.
- Valorization and commercial recognition of sustainable local producers, industries, and commerce.

The finalized Standard will be used as a tool to carry out a complete diagnosis of the territory of Itaipu Binacional. This evaluation will aim to highlight the territorial management practices carried out in the study area.

4. RISK ANALYSIS

Instituto LIFE identified the following risks as the most significant. Mitigation measures will be adopted throughout the development of the Standard.

- Lack of theoretical basis in international benchmarking on territory management.
- Unavailability of expertise from professionals and consultants in technical development of international standards.
- Misalignment with strategic actors operating internationally may make it more costly, time-consuming, or even make the recognition of the Standard impossible.

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- Itaipu Binacional's sampling area may limit the replication of the Sustainable Territorial Management Standard to other territories.
- Problems in the identification and engagement of strategic regional actors may result in indicators that do not portray the reality of the territory.
- Tripartite management can lead to constant re-planning, delay in deliveries and waste of resources.
- Budget changes by Itaipu Binacional could make the project unfeasible.

The unexpected consequences of the project can be described as:

- Software dysfunctions.
- The impossibility of using the system developed for third-party evaluation purposes.
- Communication in a language that is not accessible to all may generate insufficient understanding of the Standard by the actors and managers involved, impacting both the expected results and the project deadline.

Possible corrections for these consequences would be:

- Corrections, improvements, and continuous development of the software.
- To develop a viable system for third-party evaluation.
- To review the form of communication to make it accessible, especially with the participation of actors that are less representative.

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