



**TENDER No. 2019/FAINS/FAINS/101724**

**25 April 2019**

## **REQUEST FOR PROPOSAL (RFP)**

**CLOSING DATE: 20 May 2019 – 17:00 hrs (Jakarta, Indonesia time)**

The Food and Agriculture Organization of the United Nations (“FAO” or “Organization”) is an intergovernmental organization with more than 194 member nations. Since its inception, FAO has worked to alleviate poverty and hunger by promoting agricultural development, improved nutrition and the pursuit of food security - defined as the access of all people at all times to the food they need for an active and healthy life.

To achieve its goals, FAO cooperates with thousands of partners worldwide, from farmers’ groups to traders, from non-governmental organizations to other UN agencies, from development banks to agribusiness firms (further and more detailed information on FAO can be found on the internet site: <http://www.fao.org>).

In preparing your offer, you should take into account the international status and activities of FAO by submitting your best commercial terms. You should also be aware that FAO enjoys certain privileges and immunities which include exemption from payment of Value Added Tax (“VAT” or “IVA”), customs duties and importation restrictions.

FAO requests the provision of the following services:

### ***“The Impact Monitoring of Indonesia’s Sistem Verifikasi Legalitas Kayu (SVLK) Implementation”***

The invitation is subject to the following procedures and conditions which you deemed to have accepted by participating in this tender:

#### **1. PROCEDURES**

- 1.1. You are invited to submit an offer for the above-mentioned services. A description of the requested services is provided in **Appendix A**;
- 1.2. In submitting your offer you are supposed to have considered all aspects relevant to the performance of the proposed contract and to have obtained all necessary information and data as to risks, contingencies and other circumstances which may influence or affect your offer;
- 1.3. It is understood that all documents, calculations, etc. which may form part of your offer will

- become the property of the Organization, who will not be required to return them to your firm;
- 1.4. The Organization may decide to make a partial award or no award at all should it consider that the results of this tender and/or any other related circumstance so require;
  - 1.5. All costs incurred to prepare your bid have to be borne by you; FAO will not be liable to reimburse any or all of such cost;
  - 1.6. The Organization reserves the right to publish the details of awards, including supplier name and country, total Contract value and a brief description of the services. In all cases, unsuccessful bidders will be notified;
  - 1.7. Consortium of firms will be accepted provided that the companies indicate which firm will be the main Contractor and will be responsible for the signature of the relevant contract. Bidders adhering to the Consortium will have to notify FAO of their acceptance to participate in the Consortium;
  - 1.8. Registration as a vendor in the UN Global Marketplace (UNGM), [www.ungm.org](http://www.ungm.org), is a prerequisite for receiving an award from FAO. Please register your firm with UNGM. If you have any difficulties registering, please contact UNGM team using the Help button on the web site [www.ungm.org](http://www.ungm.org).
  - 1.9. The Organization has adopted a zero tolerance approach to fraud, and it prohibits firms from engaging in corrupt, fraudulent, collusive, coercive, unethical and obstructive practices when participating in procurement activities. As provided by the Vendor Sanctions Procedures ([http://www.fao.org/fileadmin/user\\_upload/procurement/docs/FAO\\_Vendors\\_Sanctions\\_Policy\\_-\\_Procedures.pdf](http://www.fao.org/fileadmin/user_upload/procurement/docs/FAO_Vendors_Sanctions_Policy_-_Procedures.pdf)), if the Organization determines that a firm has engaged in such conduct, it will impose sanctions and may share information on sanctioned firms with other Intergovernmental or UN Organizations;
  - 1.10. A firm and its affiliates, agents and subcontractors should not be suspended, debarred, or otherwise identified as ineligible by any Intergovernmental or UN Organization, including any organization within the World Bank Group or any multi-lateral development bank, or by the institutions and bodies of economic integration organizations (e.g., the European Union). You are therefore required to disclose to the Organization whether your firm, or any of your affiliates, agents or subcontractors, is subject to any sanction or temporary suspension imposed by any such organization or National Authority at any time during the three years prior to the contract or at any time throughout the execution of the contract. You acknowledge that a breach of this provision will entitle FAO to terminate its contract with your firm, without any liability for termination charges or any other liability of any kind of FAO, and that material misrepresentations on your status constitute a fraudulent practice;
  - 1.11. Bidders must certify that their firm is not associated, directly or indirectly, with entities or individuals (i) that are associated with terrorism, as in the list maintained by the Security Council Committee established pursuant to its Resolutions 1267 (1999) and 1989 (2011), or (ii) that are the subject of sanctions or other enforcement measures promulgated by the

United Nations Security Council. Selected bidders also agree to undertake all reasonable efforts to ensure that none of the funds received from FAO under the awarded contract are used to provide support to individuals or entities associated with terrorism or that are the subject of Security Council sanctions. This provision must be included in any subcontracts, sub-agreements or assignments entered into under the awarded contract. The Bidder acknowledges and agrees that this provision is an essential term of the awarded contract and any breach of these obligations and warranties shall entitle FAO to terminate the Contract immediately upon notice to the Contractor, without any liability for termination charges or any liability of any kind of FAO;

- 1.12. Bidders must certify that their company and/or subcontractors are not associated, directly or indirectly, with the consultant or any other entity who prepared the terms of reference or other bidding documents for this tender;
- 1.13. Please note that Bidders who use an independent consultant to assist in the preparation of offers may risk engaging in unacceptable practices if the same consultant assists another Bidder to prepare an offer for the same tender. Bidders are reminded that they are fully responsible for the conduct of any consultant who may be used to prepare offers for FAO tenders and they should take all measures to ensure that any independent consultant engaged to assist in the preparation of an offer for an FAO tender has not and will not be involved in the preparation of an offer for another Bidder for the same tender process.

Bidders are kindly requested to disclose to the best of their knowledge whether their company has any personal or professional relationships with FAO. The disclosure shall include all relevant details and should include, but not be limited to:

- **ANY** current or past employment relationship with FAO of your company's representatives and employees;
- **ANY** current or past relationship with any FAO staff member (family members, spouses, etc.) of your company's representatives and employees.

- 1.14. Fairness and transparency are fundamental principles for FAO procurement activities. Firms that believe that the procurement process was not fair and transparent may request feedback from the office that issued the tender. If a satisfactory response is not received, a firm may present a protest following the bid protest procedures detailed in the following link: <http://www.fao.org/unfao/procurement/codedeconduitethique/protests/en/>. To report allegations of fraud or misconduct in the procurement process, bidders may submit information, also anonymously, to the Office of the Inspector General Hotline: <http://www.fao.org/aud/69204/en/>.

## **2. EVALUATION**

The offers received will be evaluated by applying the mandatory requirements indicated in paragraph 2.1 below and the qualitative evaluation criteria indicated in paragraph 2.2 below. Pass/Fail methodology will be used for the mandatory requirements, whilst the qualitative evaluation criteria

will be rated. **The qualitative criteria will have a weighting of 70% on the final evaluation results, and the price will have a weighting of the remaining 30%.**

FAO reserves the right to consider, and disqualify firms based on, documented prior poor performance, including but not limited to poor quality of goods or services provided, late delivery and unsatisfactory performance.

## 2.1 **Mandatory Requirements**

Bidders are required to fulfil the following mandatory requirements. **Failure to provide required information/documents will result in the disqualification of the bidder from the tender evaluation process.**

### **Administrative:**

- 2.1.1 The duly completed "**Proposal Summary**" form mentioned in paragraph 3.1 below.
- 2.1.2 Copy of **valid** business license or legal registration certificate indicating the business premises/address, proving that a firm is legally registered entity.
- 2.1.3 A valid Tax Clearance Certificate no older than **six (6) months** received from the Tax Authorities of the Country where the bidder operates, confirming that the Bidder has no outstanding tax obligations to the government.
- 2.1.4 Evidence that the bidder is impartial third party and independent from the Indonesia's Timber Legality Assurance System (TLAS) and forest regulatory authorities, and has systems in place to avoid any conflict of interest. Company shall declare any potential conflict of interest that may arise and demonstrate effective action to mitigate it.

### **Financial:**

- 2.1.5 Copy of independently audited financial statements for the **last two (2) fiscal years** (full report, including Audit Opinion Letter). FAO reserves the right to disqualify firms based on evidence of poor performance or financial standing. In case of Consortiums, the document is required from each entity in the Consortium.

### **Technical:**

#### 2.1.6 **Company's prior experience:**

- (i) Company profile, demonstrating **minimum of five (5) years of experience** as leading firm/organization in delivering and providing technical consultancy on impact monitoring, assessment and/or verification in Forestry and Natural Resource Management.
- (ii) Evidence is required of **at least two (2) contracts** in the **past five (5) years** for studies,

impact monitoring, assessment and/or verification in the field of Forestry and/or Natural Resource Management, each contract of similar value or above the financial offer submitted for this tender. Names of the clients and contact details shall be included for reference purposes.

#### 2.1.7 **Key Personnel:**

It is recommended that the Proposer shall provide a team with the following minimum composition. CVs of key personnel should be provided:

2.1.7.1 One (1) **Senior Specialist/ Team Leader.** At least Master's degree in forestry, environment, natural resources, or related field such as agricultural sciences. At least ten (10) years of proven experience as a team leader of assessment or monitoring with qualified knowledge of forestry, FLEGT-VPA process in Indonesia and its Timber Legality Assurance System (TLAS)/SVLK, and qualification equivalent to lead auditor/lead assessor SVLK or decision maker. Additional requirements detailed in **Appendix A.**

2.1.7.2 One (1) **Socio-economic Analyst:** At least Bachelor degree in economics, anthropology or related field. At least five (5) years of proven experience conducting study on socio-economic matters in context of natural resources management and forestry production with good understanding of monitoring data validation and impact analysis and qualification equivalent to SVLK auditor. Additional requirements detailed in **Appendix A.**

2.1.7.3 One (1) **Trade flow and market dynamics Analyst:** At least Bachelor degree in economics, business administration or related field. At least five (5) years of experience conducting study on trade flow and market dynamics in context of natural resources management (focusing on trade of SVLK products in domestic and international market) with good understanding on monitoring data validation and impact analysis. Additional requirements detailed in **Appendix A.**

2.1.7.4 One (1) **Forest and policy data analyst:** At least Bachelor degree in forestry, environment, natural resources or related field such as agricultural sciences. At least five (5) years of proven experience conducting study on forest and environment policy in context of natural resources management with advanced skills on statistical analysis, forest cover and spatial analysis, modelling forest cover change and linking it to policy implementation. Additional requirements detailed in **Appendix A.**

2.1.8 **Technical Proposal:** work plan, with clear timeline and detailing the methodology, practical and logical approach and implementation plan in order to complete the services described in **Appendix A** in maximum **nine (9) months** after contract signature. Please follow the **Appendix B**, which contains the documentation to be submitted as part of the Technical Proposal. Please do not include any information regarding costs; otherwise, your proposal will be disqualified.

2.1.9 **Financial Proposal:** as per **Appendix C** to the Letter of Invitation, “Financial Proposal Form”. This proposal shall be submitted as per paragraph 4.2.

## 2.2 Evaluation Criteria

Form No.	Summary of Technical Proposal Evaluation Forms	Score Weight	Points Obtainable
1.	Expertise of Firm / Organization	10%	100
2.	Proposed Methodology, Approach and Implementation Plan	35%	350
3.	Management Structure and Key Personnel	25%	250
<b>Technical proposal (Forms 1+2+3)</b>		<b>70%</b>	<b>700</b>
<b>Financial Proposal</b>		<b>30%</b>	<b>300</b>
<b>Total Combined Score</b>		<b>100%</b>	<b>1000</b>

<b>Technical Proposal Evaluation Form 1. Expertise of the Firm/Organization</b>		<b>Points obtainable</b>
1.1	Additional organizational experience in area of expertise such as Forestry in Indonesia, especially Timber Legality Assurance System (TLAS)/SVLK and FLEGT-VPA process and experience carrying out impact related monitoring beyond the minimum requirement (5 years)	60
1.2	Demonstrated experience in working with the Government of Indonesia especially with the Ministry of Environment and Forestry (MoEF) as well as other relevant Ministries such as Ministry of Finance and/or Ministry of Trade	40
<b>Total Part 1</b>		<b>100</b>

<b>Technical Proposal Evaluation Form 2. Proposed Methodology, Approach and Implementation Plan</b>		<b>Points Obtainable</b>
2.1	What is the overall quality of the technical proposal? <ul style="list-style-type: none"> <li>• To what degree does the applicant understand the task?</li> <li>• Is the technical proposal well defined and does it correspond to the TOR (Appendix A)?</li> <li>• Is the proposal coherent (sequence of activities logical, realistic and ensure efficient implementation of the project)?</li> </ul>	40
2.2	How robust is the methodology? <ul style="list-style-type: none"> <li>• Is the desk review method sufficiently described?</li> <li>• Have the indicators been developed clearly and logically within the methodology and addressed in sufficient detail?</li> <li>• Is the field monitoring plan clear and realistic?</li> <li>• Are means of integrating and/or liaising with key stakeholder groups in Indonesia relevant to the implementation of VPA clear?</li> </ul>	40
2.3	Is the proposed implementation plan realistic? <ul style="list-style-type: none"> <li>• Is the proposed timeline and budget realistic for the project and duration of the contract?</li> </ul>	65

<b>Technical Proposal Evaluation</b>		<b>Points Obtainable</b>
<b>Form 2. Proposed Methodology, Approach and Implementation Plan</b>		
2.4	Content of Technical proposal for achieving the deliverables of Task 1 “ <i>Review the past impact monitoring reports to inform and guide the development of Impact Monitoring Design for the 2<sup>nd</sup> Impact Monitoring of the SVLK Implementation.</i> ”	70
2.5	Content of Technical proposal for achieving the deliverables of Task 2 “ <i>Collect, analyse and validate impact monitoring data in consultation with the relevant stakeholders.</i> ”	70
2.6	Content of Technical proposal for achieving the deliverables of Task 3 “ <i>Present findings and recommendations to stakeholder consultations.</i> ”	65
<b>Total Part 2</b>		<b>350</b>

<b>Technical Proposal Evaluation</b>		<b>Points Obtainable</b>	
<b>Form 3. Management Structure and Key Personnel</b>			
<b>3.1</b>	<b>Senior Specialist/ Team Leader</b>	<b>Sub-Score</b>	<b>70</b>
	Academic background beyond the minimum requirement	10	
	Suitability for the Project:		
	Experience coordinating teams (leadership experience)	10	
	Knowledge of policy in contexts of Forest Governance, natural resources or environment management, FLEGT-VPA process in Indonesia, SVLK, and forest and timber industry in Indonesia	15	
	Demonstrated experience in timber legality assurance system in Indonesia/ SVLK and FLEGT related issues	15	
	Strong background in Monitoring Impacts and development of Indicators to monitor change	15	
	Demonstrated experience working with the Ministry of Environment and Forestry (MoEF)	5	
<b>3.2</b>	<b>Socio-economic Analyst</b>	<b>Sub-Score</b>	<b>60</b>
	Academic background beyond the minimum requirement	10	
	Suitability for the Project:		
	Experience conducting study on socio-economic assessment in context of natural resources management	15	
	Knowledge of FLEGT-VPA process in Indonesia and Indonesia Timber Legality Assurance System/SVLK	10	
	Demonstrate experience developing livelihoods and poverty indicators for monitoring	10	
	Demonstrate experience in field data collection and monitoring data validation and impact analysis	10	
	Skills in statistical analysis	5	
<b>3.3</b>	<b>Trade flow and market dynamics Data Analyst</b>	<b>Sub-Score</b>	<b>60</b>
	Academic background beyond the minimum requirement	10	
	Suitability for the Project:		
	Experience conducting study on trade flow and market dynamics in context of natural resource management, focusing on trade of SVLK products in domestic and international market	15	
	Knowledge of FLEGT-VPA process in Indonesia and Indonesia Timber Legality Assurance System(TLAS)/SVLK	10	

Technical Proposal Evaluation Form 3. Management Structure and Key Personnel			Points Obtainable
Demonstrated experience developing trade flow and market dynamic indicators for monitoring		10	
Demonstrated experience in field data collection and modelling of economic data and its links with policy impact		10	
Skills in statistical analysis		5	
<b>3.4 Forest and policy Data Analyst</b>			
Academic background beyond the minimum requirement		10	
Suitability for the Project:			
Experience conducting assessment on forest and environment policy in context of natural resources management, forest cover and spatial analysis, also modelling forest cover change and linking it to policy implementation		15	
Knowledge of policy in context of forest governance, natural resources or environment management, FLEGT-VPA process in Indonesia, SVLK, and forest and timber industry in Indonesia		10	
Demonstrated experience in developing forestry and forest policy indicators for monitoring		10	
Demonstrated experience in field data collection and monitoring data validation and impact analysis		10	
Skills in statistical analysis		5	
<b>Total Part 3</b>			<b>250</b>

### 2.3 Technical Evaluation

The Technical Proposal (TP) will be reviewed by applying the mandatory requirements indicated in **paragraph 2.3** below. Pass/Fail methodology will be used for the mandatory requirements. Only the TP complying with mandatory requirements will be further evaluated according to the qualitative evaluation criteria indicated in **paragraph 2.4** below.

**The assessment of the TP accounts for 70% of the overall evaluation.** The Rating of the TP will be obtained through the following formula:

$$TP = \frac{\text{Points awarded to the proposal}}{\text{maximum Rating points available}} \times \text{Weight of the technical proposal (60\%)}$$

Only the Bidder with a TP rating of 45% or above will be considered for the second stage of the evaluation process.

### 2.4 Financial Evaluation

The Financial Proposal (FP) of the Bidders with a Technical Proposal rated above 45% will be opened at this stage. **The FP has a weight of 30% of the overall evaluation.** The Rating of the Financial Proposal (FP) will be then obtained through the following formula:



$$FP \text{ Rating} = \frac{\text{Lowest Priced Proposal}}{\text{Price of the Proposal under review}} \times \text{Weight of the financial proposal (40\%)}$$

The proposal with the highest Total Combined Score would be considered as the proposal that provides the best value for the money and therefore, recommended for contract award. The Total Combined Score will be obtained through the following formula:

$$\text{Total Combined Score} = \text{TP Rating} + \text{FP Rating}$$

### 3 DOCUMENTS ENCLOSED

To facilitate preparing your proposal the following documents are enclosed:

- 3.1 The "**Proposal Summary**" form, to be used for submitting your proposal;
- 3.2 **Appendix A** to the Letter of Invitation, which provides the "**Terms Of Reference**" object of the tender;
- 3.3 **Appendix B** to the Letter of Invitation, which provides the "**Documentation to be Submitted as part of the Technical Proposal**";
- 3.4 **Appendix C** to the Letter of Invitation, which provides the "**Financial Proposal Form**";
- 3.5 The **draft Contract** FAO intends to award consisting of the Sections I and II, and relevant Annexes.

### 4 DOCUMENTS TO BE SUBMITTED

The proposal should be submitted in **two (2) separate parts** consisting respectively of **Part A) Technical Proposal** and **Part B) Financial Proposal**, which should be prepared as follows:

#### 4.1 Part A) Technical Proposal:

- 4.1.1 The duly completed **Proposal Summary** form detailed in paragraph 3.1;
- 4.1.2 Information or documents to support the **Mandatory Requirements** indicated in **paragraph 2.1** above; including the **Technical Proposal** requested in paragraph 2.1.9;
- 4.1.3 The **Technical Proposal** prepared in line with the information provided in **Appendix A** to this Letter of Invitation (paragraph 3.2 above).

#### 4.2 Part B) Financial Proposal:

4.2.1 The information requested in **Appendix C** to the Letter of Invitation (paragraph 3.4 above).

**5 FORM OF SUBMISSION AND CLOSING DATE**

5.1 Your **Technical Proposal** and **Financial Proposal** should be submitted as follows:

**TO ENSURE THE VALIDITY OF YOUR OFFER, IT MUST BE SUBMITTED AS FOLLOWS:**

**1. Uploading your Bid on UNGM:**

Please login and upload all the documents requested in paragraph 4 of this Letter of Invitation in the designated placeholders in the UNGM portal and within the indicated deadline.

It is the exclusive responsibility of the bidders to ensure that the files are uploaded before the tender deadline. The system will reject any bid received after the deadline.

Please follow the instructions below to upload the electronic files in the UNGM portal:

- a) Log in the UNGM website with your e-mail and password;
- b) Click on MY TENDERS and select the tender;
- c) Click on VIEW DOCUMENTS (green button on the left of the specific tender notice you are interested in);
- d) Click on the second tab of the tender notice;
- e) Click on the “OPT IN” button;
- f) To upload all the files, click on the relevant “UPLOAD DOCUMENT” red buttons under the “MY TENDER RETURN”.

**NOTE: It is highly recommended that the size of the files does not exceed 5MB.**

**IMPORTANT:** Once all files are uploaded, please remember to click on the red button “SUBMIT MY RETURN” to send your offer. If the submission is properly completed, you will be able to view and download a receipt under the “HISTORY” tab.

**Submissions by e-mail or fax are not allowed.**

**2. Modification or Withdrawal of Bid:**

A bidder may, without prejudice, modify or withdraw an offer before the deadline with the “MODIFY RETURN” function. No offer may be modified after the deadline for submission.

**3. No Bid Notice:**

In the event that your company is not interested to participate in this tender, the Organizations would appreciate your feedback with a brief explanation. In this case, you are kindly requested to click on the “OPT OUT” button displayed in the UNGM portal to send your reason for non-participation.

5.2 Your proposal should reach FAO not later than:

**Thursday, 20 May 2019, 17:00 hours (Jakarta, Indonesia time)**

## 6 COMMUNICATION CONCERNING THIS TENDER

- 6.1 All communications concerning this tender (questions, comments, requests) should mention the tender number (TENDER No. 2019/FAINS/FIELD/101642) and should be submitted as soon as possible through the UNGM portal under the “CORRESPONDENCE” tab.
- 6.2 Bidders are responsible for appropriately examining this tender. If the Bidder finds discrepancies in or omissions from the documents, or if their intent or meaning appear unclear or ambiguous, or if any other questions arise, the Bidder shall submit any request for clarification through the aforementioned “CORRESPONDENCE” tab.
- 6.3 In submitting a request for clarification, do not, under any circumstances, submit a copy of your offer or reveal any information about your intended quotation. This will invalidate your offer.
- 6.4 Responses to clarification enquiries will be issued by FAO through the UNGM portal simultaneously to all bidders. The system will send automatic e-mail notifications to all bidders every time a clarification, or any other change to the tender notice, is made.
- 6.5 All FAO’s responses to bidders’ questions will be uploaded under the “CLARIFICATIONS” tab of your Tender Management page and made available to all bidders. Please ensure to read all the clarifications as they become part of the technical specifications.

**IMPORTANT: Deadline for questions is 10 May 2019, 17:00 hrs (Jakarta, Indonesia time).**

- 6.6 FAO shall endeavour to provide answers to clarifications in an expeditious manner and not later than **five (5) days before the closing date**. Any delay in such response shall not cause an obligation on the part of FAO to extend the submission date of the Bid, unless FAO deems that such an extension is necessary.

## 7 COMPLETENESS OF PROPOSAL

A proposal will only be considered if it contains all of the above information and documents and observes the provisions of the enclosed draft contract. Incomplete proposals may be rejected as otherwise it will not be possible to evaluate all proposals on an equal basis.

## 8 PARTICIPATION BY FAO

You should examine carefully the nature and extent of the participation in the contract performance by FAO as set out in Part III of the “Proposal Summary” as it is assumed that all other requirements for its successful completion are provided at the cost of the contractor. **You should therefore state in the appropriate space any additions or modifications which you suggest for a satisfactory performance of the framework agreement.**

9 **PRIVILEGES AND IMMUNITIES**

FAO enjoys certain privileges and immunities which include exemption from payment of "IVA" (VAT), customs duties and importation restrictions.

10 **CURRENCY OF PROPOSAL AND OF CONTRACT**

Your proposal should be expressed in **Indonesia Rupiah (IDR)**.

May I take this opportunity of expressing our appreciation of your interest in assisting the Organization in the implementation of this undertaking.

Yours sincerely,



Stephen Rudgard  
FAO Representative for Indonesia

**PROPOSAL SUMMARY**

**Instructions:** Please complete the spaces left blank below. Prices should be quoted in Indonesia Rupiah (IDR) and all documents are to be provided in English.

**PART I: Mandatory Requirements**

- I certify to have submitted all the information/documents requested for the **Mandatory Requirements** set forth under **paragraph 2.1** of the Letter of Invitation.

**PART II: Commencement of Contract Performance**

- I undertake to commence the performance of the contract within **seven (7) calendar days** of the contract itself duly signed by FAO and complete the required services within **nine (9) months** from contract start date.

**PART III: Participation by FAO in the Contract**

Either:

- I certify that the inputs to be provided by FAO, as set out in the Letter of Invitation are adequate and sufficient for a satisfactory contract performance;

or

- For a satisfactory contract performance, the following would have to be provided (please indicate the related costs only in your financial offer):

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**PART IV: Financial Offer**

- I hereby confirm that I have completed **Appendix C** to the Letter of Invitation showing the costs proposed for the requested services.

**PART V: Completeness of Proposal**

- I certify that my proposal complies with **Appendix A** to the Letter of Invitation.
- I confirm having obtained all relevant data and information as regards risk, and any other circumstances which may influence or affect the performance of the contract, which have been duly taken into account in the formulation of this proposal.

**PART VI: Certification of Proper Procedures**

- I certify that my firm/organization (including all members of a consortium, if applicable) and its subcontractors are not associated, directly or indirectly, with the consultant or any other entity who prepared the terms of reference or other bidding documents for the project.
  
- I acknowledge that my firm is responsible for any consultant, including independent consultants, who assists in the preparation of offers and confirm that my firm has taken all measures to ensure that any independent consultant engaged to assist in preparing this offer has not and will not be involved in the preparation of another bid for another bidder for the same tender process.

**PART VII: Conflict of Interest Disclosure**

Either:

- To the best of my knowledge, I confirm that none of my firm’s representatives or employees has a current or former employment relationship with FAO, and none of my firm’s representatives or employees have a current or past relationship with an FAO staff member (family members, spouses, etc.).

or

- I have provided below details regarding the following representatives or employees of my firm who have a current or former employment relationship with FAO and/or who have a current or past relationship with an FAO staff member:

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**PART VIII: Contract Provisions**

- I confirm that I have read and that I accept the standard provisions set forth in the said General Terms and Conditions for Services and I do not have any reservation.
  
- I certify that my firm has not and will not engage in corrupt, fraudulent, collusive, coercive, unethical or obstructive practices during the selection process and throughout the negotiation and execution of the contract.
  
- I confirm that my firm, including any affiliates, agents or subcontractors, is not subject to any sanction or temporary suspension imposed by an Intergovernmental or UN Organization, including any organization within the World Bank Group or any multi-lateral development bank, or by an institution or body of an economic integration organization (e.g., the European Union). If my firm, or any affiliates, agents or subcontractors, has been subject to any temporary suspension or sanction by any such organization or a National Authority within the preceding three years, I have provided further information below:

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I certify that my firm is not associated with any individual or entity appearing on the 1267/1989 list of the UN Security Council or with any individual or entity subject to any other sanctions or enforcement measures promulgated by the UN Security Council.

I confirm that the terms and conditions of the draft contract as enclosed with this Letter of Invitation are acceptable except for the reservations explicitly set out in this Proposal Summary.

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**PART IX: Validity of Proposal**

This proposal is valid for acceptance for a period of TWELVE (12) MONTHS as from the deadline for the submission of the proposal indicated in the Letter of Invitation.

Name of Firm: \_\_\_\_\_

UNGM Number: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Tel: \_\_\_\_\_

Email: \_\_\_\_\_

Person(s) to contact:

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Name & Title: \_\_\_\_\_

Company seal: \_\_\_\_\_

## APPENDIX A

### TERMS OF REFERENCE

for

### The Impact Monitoring of Indonesia's Sistem Verifikasi Legalitas Kayu (SVLK) Implementation

#### 1. Background

The Forest Law Enforcement, Governance, and Trade Voluntary Partnership Agreement (FLEGT-VPA) between Indonesia and the European Union (EU) includes commitments for transparency and a mechanism to monitoring the economic, social and environmental impacts of the *Sistem Verifikasi Legalitas Kayu* (SVLK<sup>1</sup>) implementation. Indonesian should implement Article 12 stipulated in the Voluntary Partnership Agreement (VPA<sup>2</sup>) on Social Safeguards, especially the unintended impacts on the livelihood and welfare of vulnerable and marginalized groups. Potential negative impacts arising from FLEGT-VPA implementation (in the context of SVLK) needs to be anticipated by Indonesia and the European Union. Recommendations in the form of appropriate mitigation plan and activities based on the impact monitoring results are also expected.

In 2016, Indonesia through the Ministry of Environment and Forestry assigned an independent consultant and established a multi-stakeholder technical working group to develop and test a national VPA Impact Monitoring System (VPA IMS). A VPA IMS was developed and five key impact areas were identified. These are 1) institutional effectiveness and governance; 2) eradication of illegal logging, 3) forest condition; 4) economic and social development, and; 5) sustainability of community livelihoods. The Ministry of Environment and Forestry (MoEF) has adopted the VPA IMS as a means to measure the impact of SVLK implementation and mitigate possible adverse impacts in accordance to the mandate set forth in Article 12 of the FLEGT-VPA agreement.

As a follow-up to the 2016 VPA IMS, a baseline assessment was carried out in 2017. The five key impact areas identified were assessed against data/information from three years; (i) 2009 - after the implementation of Regulation of Minister of Forestry/Permenhut P.38/2009 (the legal basis of the SVLK), (ii) 2013 - after the V-Legal came into force, and (iii) 2016 - after the issuance of the FLEGT Licenses. This report represented the Baseline Data of Impact Monitoring of the SVLK Implementation.

Besides establishing a baseline for Impact Monitoring (IM), the 2017 IM Baseline Report proposed a large number of indicators to be monitored. A key recommendation in the 2017 baseline report was for the review of the methods and to refine the indicators identified for the next round of IM. In reviewing the 2017 Baseline Report, the Joint Implementation Committee (JIC) requested that

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<sup>1</sup> SVLK (*Sistem Verifikasi Legalitas Kayu*) is the acronym of Indonesia's national timber legality assurance system, which is mandatory legality and sustainability certification system built on a national multistakeholder consensus. It is aimed to ensure the legality of the forest management units, harvesting, transportation, processing, and trade of timber and timber products.

<sup>2</sup> VPA (Voluntary Partnership Agreement) is legally binding trade agreement between the European Union and a timber-producing country outside the EU. The purpose is to ensure that timber and timber products exported to the EU come from legal sources and help timber-exporting countries to stop illegal logging by improving regulation and governance of the forest sector.



the next assessment assess progress made to address the recommendations in the 2017 Baseline report and to carry out a rapid impact assessment using a selection of indicators proposed in the report.

The Indonesian Ministry of Environment and Forestry supported/assisted by FAO is seeking to contract a competent Service Provider (SP) to carry out the 2<sup>nd</sup> Impact Monitoring of Indonesia's SVLK Implementation using the Impact Monitoring work which was performed in 2016 and 2017 as the starting point for a more robust Impact Monitoring. The Contractor will be supervised by FAO and the Ministry that will report to the VPA Joint Implementation Committee (JIC) of Indonesia and European Union.

## **2. Objective**

To review Impact Monitoring baseline reports, refine the design, methods and indicators for Impact Monitoring, and to carry out the 2<sup>nd</sup> Impact Monitoring of Indonesia's SVLK implementation.

## **3. Tasks and activities**

There are three (3) core tasks which will be conducted by the Service Provider:

### ***Task 1: Preparatory phase***

Review of past Impact Monitoring reports to inform and guide the development of Impact Monitoring Design for the 2<sup>nd</sup> Impact Monitoring of the SVLK Implementation

- Extract relevant information and key findings from the report.
- Refine IM methodology for measuring impacts against the baseline condition; this includes refining of survey instruments and study design and indicators.
- Present the final review, design, methods and Indicators for consultation with MoEF and relevant stakeholders.

### ***Task 2: Assessment phase***

Collect, analyse and validate impact monitoring data in consultation with relevant stakeholders

- Carry out data collection following the agreed IM design.
- Analyse, cross check and validate impact data collected
- Write Impact Monitoring Report and recommendations (both in English and Bahasa Indonesia).

### ***Task 3: Consultation phase***

Present findings and recommendations to stakeholder consultations

- Organize inception/launching workshop
- Organize final workshop
- Organize at least two (2) national consultation workshops.

## **4. Description of activities**

***Task 1: Review of past Impact Monitoring reports to inform and guide the development of Impact Monitoring Design for the 2<sup>nd</sup> Impact Monitoring of the SVLK Implementation***

**i. Extracting the available information from the 2017 baseline Report**

A desk review of the Impact Monitoring System (2016) and Impact Monitoring Baseline (2017) is carried to first extract relevant information and findings on the report. Result from this extraction is important to develop further indicators and methodology for the IM in 2019. Final result of this desk study will be consulted closely and approved by MoEF.

**ii. Refine the methodology (such as survey instruments and study design, and review indicators) for measuring impact against the baseline condition, in support of a more robust second round of IM.**

As part of desk review, relevant and updated indicators to measure impact of SVLK will be developed under this activity. This desk review will also help refine the existing methodology such as survey instruments and study design in support of a more robust IM in 2019. The methodology should ensure that indicators selected would allow for impact data to be collected which can be monitored over time (against a baseline). The indicators must be able to answer the following overarching questions relating to changes in key areas of interest over time:

1. Are there any changes in the level of illegal logging and associated trade?
2. Are there any changes in the forest coverage and its quality?
3. Are there any changes in business profitability for small and medium enterprises and market entry for new businesses?
4. Are there any changes in social conflicts between communities and companies?
5. Are there any changes in people's livelihoods

**iii. Review and approval of the desk review**

The results from the desk review will be presented to a committee which would comprise of partners such as Indonesia's MOEF, European Union, FAO, and other relevant institutions for review and approval. A report which consists of key findings from the desk review i.e results of the 'rapid impact assessment' and refined IM design will be presented to the Joint Implementation Committee (JIC).

***Task 2: Collect, analyse and validate impact monitoring data in consultation with relevant stakeholders***

Data collection related to the impact of SVLK implementation is carried out on data providers from parties / government institutions that collect reports related to the implementation of SVLK at the central level, at the regional (provincial and district / city) level and to independent monitors who carry out regular monitoring of the area; conduct assessment of impact based on the agreed indicators through primary and secondary data collection and present this to MOEF. This includes observation or research on young generation and gender/woman impacts of the SVLK implementation.

**i. Data collection is carried out following the agreed IM design**

Data collection related to the impact of SVLK implementation will include primary data collection from potential data providers from government institutions, certification bodies who carried out the independent audit function of SVLK, independent monitors who carry out regular monitoring in the field, universities, research institutions and other community organizations, civil society

especially vulnerable groups, private sector (upstream and downstream businesses) and forest based associations. Secondary data will also be collected from reports, research results, and observation records. The Service Provider will involve relevant MoEF officials during the data collection.

**ii. Impact Data analysis and validation**

All primary and secondary data will be analysed and validated to ensure data accuracy. This validation process will include: initial review and feedback from MoEF, then preliminary findings will be presented relevant stakeholders during consultation workshop at the central and regional levels. Feedback from these consultations will also be an avenue for further refinement of the methodology and indicators proposed.

**iii. Impact Monitoring Report writing and recommendations**

A narrative report on the potential impacts of SVLK implementation will be developed with key recommendation on how the potential impacts will mitigated. The report will also include recommendations for the update/revision of the Impact Monitoring System developed in 2016 which will serve as the impact monitoring framework for Indonesia. The report are produced both in English and Bahasa Indonesia. The draft report and recommendations will be presented to the IM Technical Committee for final review before presented at a final workshop.

***Task 3: Present findings and recommendations to stakeholder consultations***

**i. Inception / launch workshop**

A launch workshop will be organised at the start of the project to inform stakeholders about the coming activity, future consultations to gather inputs and feedbacks from stakeholders and expectations with regards to data sharing and availability.

**ii. Final workshop**

A final workshop will be organized to deliver the result of impact monitoring to wider stakeholders as well as communication on the various ways in which these findings will be used in outreach to national stakeholders as well as international stakeholders such as buyers in the Europe and EU member states.

**iii Stakeholder consultation / validation workshops**

Organize at least two national consultation workshops; i) to validate the finding from desk review as well as the IM design and methodology; and ii) to validate the impact data collection (findings from the field). As the result of this workshop, the consultant will review and revise inputs and feedbacks to submit the revised version to MoEF.

**5. Key Deliverables and proposed timeline**

Based on the expected outputs and activities described in Section 4, the following are the expected key deliverables:

- i. An assignment plan which includes proposed work plan, timeline for delivery of key milestones, budget.
- ii. A report which includes a review of the past IM report and revised methods.
- iii. Impact Monitoring plan with well-developed methodology and study design (revised methods, indicators, survey instruments). The Proposer shall also develop appropriate methodologies and indicators to monitor the overarching questions relating to changes in five (5) key areas (mentioned in article 1 of this document – Background) of interest over time.
- iv. Presentation and report from the data collection, including the validated data.
- v. Draft report of Impact Monitoring describing initial finding to be presented to MoEF and relevant stakeholder for validation at a national workshop.
- vi. Final report – 2<sup>nd</sup> Impact Monitoring of the SVLK Implementation in Indonesia (both in English and Bahasa Indonesia).
- vii. Organise four (4) workshops:
  - a. **Inception/Launching workshop to introduce the coming Impact Monitoring activity at national level and to discuss what data to be collected for this purpose:**
    - This workshop will be organised at the start of the project to inform stakeholders about the coming activity, future consultations to gather inputs and feedbacks from stakeholders and expectations with regards to data sharing and availability. The one (1) day workshop will be conducted in Jakarta, Indonesia for approx. fifty (50) participants.
  - b. **Data workshop with relevant stakeholders who have the impact related data:**
    - This workshop will be organised to present preliminary result of data collection (primary and secondary data) to relevant stakeholders. The aim of the workshop is to obtain confirmation on the collected data and additional information that is not covered in the preliminary result. The one (1) day workshop will be conducted in Jakarta, Indonesia for approx. fifty (50) participants.
  - c. **National workshop to disseminate findings from the desk review, to obtain feedback on the proposed revised IM design and methods, and data validation:**
    - This workshop will be organised to present and disseminate findings of data collection to relevant stakeholders. The aim of the workshop is to obtain feedback on the proposed revised IM design and methods. The one (1) day workshop will be conducted in Jakarta, Indonesia for approx. one hundred (100) participants.
  - d. **Final National workshop to communicate findings from the 2<sup>nd</sup> Impact Monitoring:**
    - A final workshop will be organised to deliver the result of impact monitoring to wider stakeholders as well as communication on the various ways in which these findings will be used in outreach to national stakeholders as well as international stakeholders such as buyers in the Europe and EU member states. The one (1) day workshop will be conducted in Jakarta, Indonesia for approx. two hundred (200) participants.
    - In addition to those workshops/meetings, there would be a preliminary/ internal meetings between assigned consultants and MoEF steering team and other relevant

entities. These meeting would be beneficial to discuss any results obtained by consultants prior to share them externally.

- viii. Record of consultations and relevant correspondences with stakeholders throughout the lifetime of the project.

## **6. Schedule of performance and payment**

The overall duration of the contract will be **nine (9) months**.

<b>No.</b>	<b>Key Milestones / Deliverables</b>	<b>Deadline (number of months after contract signature)</b>	<b>Payment</b>
1.	<ul style="list-style-type: none"> <li>▪ Submission of final desk review report (review of past impact monitoring report and revised method) and impact monitoring plan with methodology and study design (revised methods, indicators, survey instruments) to FAO and MoEF for approval prior to consultation with stakeholders.</li> </ul>	2 months	20% of contract value after approval of the FAO Contract Manager
2.	<ul style="list-style-type: none"> <li>▪ Submission of report from data collection including validated data;</li> <li>▪ Draft report of Impact Monitoring describing initial finding to be presented to FAO and MoEF prior to stakeholder consultations and validation; and</li> <li>▪ Conclusion of Data Workshop.</li> </ul>	6 months	20% of contract value after approval of the FAO Contract Manager
3.	<ul style="list-style-type: none"> <li>▪ Conclusion of National workshop to disseminate findings from the desk review and to obtain feedback on the proposed revised IM design and methods;</li> <li>▪ Conclusion of Final National Workshop to communicate findings from the 2nd Impact Monitoring; and</li> <li>▪ Submission of records of consultations and relevant correspondences with stakeholders throughout the lifetime of the project.</li> </ul>	7 months	30% of contract value after approval of the FAO Contract Manager
4.	<ul style="list-style-type: none"> <li>▪ Submission of Final draft of the 2nd Impact Monitoring Report and Public summary report based on full report covering key findings; and</li> <li>▪ Submission of list of recommendations to FAO and MoEF.</li> </ul>	8 months	30% of contract value after approval of the FAO Contract Manager

## **7. Key Personnel**

The Specialists used for this project must hold a university degree from a recognized university with a major area of study in forestry, environment, economics, business administration/management or related fields. The personnel requirements include:

### **7.1 Senior Specialist/ Team Leader:**

- at least Master's degree in forestry, environment, natural resources, or related field such as agricultural sciences;
- at least ten (10) years of proven experience as a team leader of assessment or monitoring;
- qualified knowledge on policy in context of forest governance, natural resources or environmental management, FLEGT-VPA process in Indonesia, SVLK, and forest and timber industry in Indonesia;
- qualified skills in statistical analysis, monitoring impacts, and development of indicators to monitor change;
- qualification equivalent to lead auditor/ lead assessor SVLK/ decision maker;
- full understanding on timber legality system in Indonesia and FLEGT related issues;
- experience working with the Ministry of Environment and Forestry (MoEF);
- an experience in conducting similar work would be preferable; and
- good knowledge of English (written and spoken).

### **7.2 Socio-economic Analyst:**

- at least hold Bachelor degree in economic, anthropology or related field;
- at least five (5) years of experience conducting study on socio-economic matters in context of natural resources management;
- good understanding on VPA process, timber legality assurance system in Indonesia/SVLK, and FLEGT related issues;
- qualified experience on developing livelihoods and poverty indicators for monitoring, field data collection, data validation and impact analysis;
- good skills in statistical analysis;
- an experience in conducting similar work would be preferable
- qualification equivalent to SVLK auditor; and
- good knowledge of English (written and spoken)

### **7.3 Trade flow and market dynamics Analyst:**

- at least Bachelor degree in economics, business administration or related field;
- at least five (5) years of experience conducting study on trade flow and market dynamics in context of natural resources management (focusing on trade of SVLK products in domestic and international market);
- good understanding on VPA process, timber legality assurance system in Indonesia/SVLK, and FLEGT related issues.
- Qualified experience on developing trade flow and market dynamic indicators for monitoring, field data collection, data validation, impact analysis, and modelling of economic data and its links with policy impact
- good skills in statistical analysis;

- qualification equivalent to SVLK auditor;
- an experience in conducting similar work would be preferable; and
- good knowledge of English (written and spoken)

**7.4 Forest and policy Data Analyst:**

- at least Bachelor degree in forestry, environment, natural resources, or related field;
- five (5) years of experience conducting study on forest and environment policy in context of natural resources management, forest cover and spatial analysis, also modelling forest cover change and linking it to policy implementation;
- good knowledge on policy in contexts of forest governance, natural resources or environmental management, VPA process in Indonesia, SVLK, and forest and timber industry in Indonesia.
- Qualified experience on developing forest and forest policy indicators for monitoring, field data collection, data validation and impact analysis;
- good skill on statistical analysis;
- experience in conducting similar work would be preferable;
- qualification equivalent to SVLK auditor; and
- good knowledge of English (written and spoken)

**8. Supervision and Reporting**

The Contractor shall present all deliverables in line with the agreed timeline (see para. 5. Key deliverables and proposed timeline) to the FAO Contract Manager. The FAO Contract Manager will be ultimately responsible for the approval of the reports, deliverables and corresponding payments, but will consult a technical oversight with a committee which will be officially set up by the Directorate of Processing Forest Product and Marketing, Ministry of Environment and Forestry of Indonesia (MoEF). The committee will compose of key development partners involved in the support of the design and implementation of the Impact Monitoring of the VPA.

The Contractor shall agree to extend, complete and comply with any reasonable observations to reports at no additional cost, to ensure that the project is complete and satisfactory to the FAO.

## **APPENDIX B**

### **DOCUMENTATION AND FORMS TO BE SUBMITTED AS PART OF THE TECHNICAL PROOPSAL**

#### **A. Organizational Capacity**

This section should provide corporate information and a brief description of the Proposer's present activities. It should focus on services related to FAO requirements.

Proposer should describe its human and material resources that would contribute to successful performance of the Contract, in case of award (e.g. premises located in the area of activity).

The Proposer should also comment on its experience in similar projects with international and national organizations listing relevant projects conducted within the last five (5) years, providing the evidence required for this tender.

The Proposer may also provide reference letters from national or international companies/organizations for similar services accomplished.

#### **B. Key Personnel**

This section should fully explain the Proposer's resources in terms of personnel necessary for the performance of this requirement. Proposers should submit detailed CVs for the proposed personnel, including the key personnel:

1. Senior Specialist/ Team Leader;
2. Socio-economic Analyst;
3. Trade flow and market dynamics Analyst;
4. Forest and policy Data Analyst;

#### **Staff Time Allocation**

Provide a spreadsheet that includes activities of personnel and the time allocated of each team member for the activities detailed in **Appendix A**.

#### **C. Proposed Methodology**

##### **Approach and Understanding the Statement of Services**

This section should demonstrate the Proposer's responsiveness to the specification by identifying the specific components proposed, addressing the requirements, as specified, providing a detailed



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description of the essential performance characteristics, and demonstrating how the proposed methodology meets the specifications.

This section should include the methodology, approach and implementation plan in order to complete the services described in **Appendix A** in maximum nine (9) months from contract signature.

### Proposed timeline

Please provide a breakdown of all the activities you propose for the performance of the activities required together with the relevant information. The work plan should include all main activities and deliverables requested by FAO in **Appendix A**, as well as any additional value-adding activities and deliverables you are proposing. Your technical proposal shall contain at least the following:

### Quality Control and Assurance Mechanism

This section should demonstrate the Proposer's quality control and assurance mechanisms and certificates obtained, if any (e.g. ISO Certificate).

### Risks/Mitigation Measures

This section should include the details on identification of the potential risks for the implementation of this proposed methodology that may affect achievement of expected results, and describe measures to mitigate these risks. Proposer shall provide a risk matrix describing the potential risks and proposed mitigation measures.

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<b>FINANCIAL OFFER FORM</b>				
	<b>Unit</b>	<b>No. of Units</b>	<b>Cost per Unit (IDR)</b>	<b>Total (IDR)</b>
<b>1.1 PERSONNEL</b>				
Senior Specialist/ Team Leader				
Socio-economic Analyst				
Trade flow and market dynamics Analyst				
Forest and policy Data Analyst				
<b>TOTAL 1.1</b>				
<b>1.2 TRAVEL</b>				
Air/Bus/Train Ticket				
Vehicle rental + Fuel				
DSA (International)				
DSA (Local)				
Others (please specify by adding one line per cost item)				
<b>TOTAL 1.2</b>				
<b>1.3 WORKSHOPS</b>				
Inception workshop				
Data Workshop and Report presentation with stakeholders				
National workshop to disseminate findings from the desk review and data validation				
Final National Workshop				
Others (Please specify by adding one line per cost item)				
<b>TOTAL 1.3</b>				
<b>1.4 Others</b>				
Please specify by adding one line per cost item				
<b>TOTAL 1.4</b>				
<b>TOTAL FINANCIAL OFFER (in IDR)</b>				*

\* It is understood that this amount is a lumpsum and includes all costs incurred for the completion of all activities involved in the performance of this contract.

No other expenses will be considered by the Organization beyond this amount.