

Terms of Reference

Stichting IDH

Program Management for living income for Smallholder tea farmers

1. Introduction

Stichting IDH (“IDH”) accelerates and up-scales sustainable trade by building impact-oriented coalitions of front running companies, civil society, governments, knowledge institutions and other stakeholders in several commodity sectors. We convene the interests, strengths and knowledge of public and private partners in sustainability commodity programs that aim to mainstream international and domestic commodity markets. We jointly formulate strategic intervention plans with public and private partners, and we co-invest with partners in activities that generate public goods.

Based on these Terms of Reference (“ToR”), IDH aims to select a party (the “Consultant”) to contribute to the global tea program of IDH, specifically our Living Income work in East Africa, covering a period of maternity leave, ensuring that progress against our goals continues.

2. Background

IDH is looking for a Consultant to execute the development of our work on living income in the Kenyan tea industry.

Living Income is central to the tea program’s strategy for East Africa. In 2024, IDH completed a study in cooperation with the Kenya Tea Development Agency (KTDA) and some of its buyers on the potential for closing living income gaps for tea farmers.

As a follow up, a project is being designed in co-creation with KTDA, with an envisioned kick-off date of Q3 2024. This pilot project (2024-2025) aims to explore impactful / meaningful ways to increase resilience and increase incomes for tea farmer households. Specific interventions under the project are currently being designed and will most likely focus on:

1. Developing an evidence-based business cases aimed at increasing incomes for smallholder tea farmers and their households;
2. Enhancing value chain development of agribusiness ventures other than tea;
3. Establishing evidence for the potential of increasing farmer incomes through tea procurement practices

3. Assignment

Objectives

The overall objective of the assignment is to build on IDH’s existing work within the Global Tea program, but specifically on our Living Income work in Kenya. The Consultant will be expected to finalise the development and then implement a project designed in collaboration with KTDA and its European tea buyers.

Deliverables



The deliverables of this assignment will be:

Deliverables of assignment	Deadline
Building on existing work, finalize development a project together with KTDA and its affiliated European-based tea buyers, which incorporates a diverse set of strategies to close living income gaps, including pricing and procurement models.	August 2024
After the project development phase, manage implementation of the project with KTDA and KTDA Foundation. This includes a responsibility for ensuring budgets are adhered to, ensuring relevant M&E frameworks and methodologies are embedded in the project and overseeing the development of a living income baseline study for the project.	September-December 2024
Manage relationship with KTDA, KTDA Foundation and other key stakeholders to ensure effective implementation of the project, in consultation with the IDH Tea Senior Program Manager and the IDH Kenya Country Director.	Continuous
Where appropriate engage with relevant stakeholders in the Kenyan smallholder tea sector to move towards practices that contribute more effectively to a living income for smallholder tea farmers.	Continuous

4. Selection Procedure

The procedure will be as follows:

1. Publishing the tender **and/or** inviting interested parties to submit a proposal based on this ToR.
2. Evaluation of the proposals will take place by a committee made up of the existing members of IDHs Global Tea team, reviewing relevance of work experience and knowledge of the Kenyan Tea sector, smallholder livelihoods and mechanisms for reducing living income gaps.
3. Decision on selection of the Consultant.
4. Inception meeting with the selected Consultant.

The schedule below indicates the timelines for the tender procedure:

Tender process	Timeline
ToR published	15 th May 2024
Deadline for submission of proposals**	31 st May 2024, 5 p.m. CET
Selection of Consultant	7 th June 2024
Start of assignment	1 st July 2024



** Proposals submitted after the deadline will be returned and will not be considered in the tender procedure.

After the deadline to submit a proposal has passed, the selection committee will evaluate the proposals.

The proposals will first be tested for completeness:

- The absence of the documents referred to in Section 6 of this ToR can lead to exclusion from further participation in the tender procedure. This is also the case when minimum requirements listed in this ToR are not met.
- If the proposal is complete, the selection committee will evaluate the proposal based on the criterion as mentioned in Section 6.

The assignment will be awarded to the applicant (the “Applicant”) with the most economically advantageous tender. This is determined based on the evaluation criteria price and quality.

IDH will reject the proposal if any illegal or corrupt practices have taken place in connection with the award or the tender procedure.

5. Proposal requirements

IDH is requesting the Applicants to hand in the following documents:

Content:

- a. A succinct, well-documented proposal addressing the requirements and selection criteria set out this ToR and explaining the Applicant’s experience in the following:
 - Knowledge in agricultural value chains and/or value chain sustainability, specifically tea.
 - Knowledge of the tea industry and stakeholders within East Africa, in particular Kenya
 - Experience engaging with the private sector working with sustainability and procurement teams dealing with sustainable sourcing of agricultural commodities.
 - Understanding of the living income concept and how living income gaps are measured as well as potential actions for living income gap closure.
 - Experience in tackling sustainability issues across supply chains from the private sector perspective and awareness of public and private sector stakeholder positions on the topic.

The proposal must be handed in MS Word format and be no longer than 2 pages (excluding CV).

- b. A copy of the Applicant’s own CV.
- c. Maximum of three client references.
- d. Budget presented in Euros (ex VAT) with a break-down of hours/rate and the total figure for the duration of the assignment. **We expect this assignment to be completed within 1 or 2 days a week (8 to 16 working hours), for a maximum of 6 months.**



- e. Statement on Ground for exclusion (see Section 6 below).

Administrative:

- f. Completed detail request form (annex 1).
- g. Statement of acceptance draft contract (annex 4).

The proposal must be submitted to Judith Fraats at fraats@idhtrade.org and Marlies Huijssoon at huijssoon@idhtrade.org before 31st May 2024 at 5 p.m. CET.

6. Testing and weighing

The assignment will be awarded to the Applicant with the most economically advantageous tender. The most economically advantageous tender is determined based on the evaluation criteria of price and quality.

Grounds for exclusion

1. Applicants shall be excluded from participation in this tender procedure if:
 - a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
 - b) they or persons having powers of representation, decision-making or control over them have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata;
 - c) they have been guilty of grave professional misconduct proven by any means which the IDH can justify;
 - d) they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established, or with those of the Netherlands or those of the country where the contract is to be performed;
 - e) they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organization, money laundering or any other illegal activity.

Applicants must confirm in writing that they are not in one of the situations listed above.

2. Applicants shall not make use of child labor or forced labor and/or practice discrimination and they shall respect the right to freedom of association and the right to organize and engage in collective bargaining, in accordance with the core conventions of the International Labor Organization (ILO).
3. Scoring and weighing

The evaluation criteria are compared and weighed according to the procedure below. This concerns a general outline of the scoring methodology and an explanation how the service provider can demonstrate compliance with the requirements.



Step 1 - Criterion Quality

Evaluation scores will be awarded for each of the components. The evaluation committee will score each component unanimously.

The proposal will be assessed based on the following selection criteria:

Component	Criteria	Max. Grading
1	Proposal overall	5
2	Track record	5

The evaluation committee will unanimously score each component by assigning scores from 1 to the maximum grading, with the maximum grading representing optimal performance on the component and 1 representing extremely poor performance on the respective component.

Step 2 - Criterion price

A combined price in Euros (ex VAT) is to be presented.

The criterion of assessment is as follows: the budget with the lowest price will receive the maximum points. All other budgets will receive points to the lowest offer (for example, Offer A: 5K, Offer B: 7K, Offer C 10K. Offer A receives 5 points; Offer B receives $(5/7)*5 = 3,6$ points; Offer C receives $(5/10)*5 = 2,5$ points). All scores will be rounded to the first decimal point.

Step 3 - Weighting

The final score will be weighted 67% on Quality and 33% on Price.

If scores of Applicants are equal, priority will be based on the total scores that were given for the Criterion Quality. The assignment will be awarded to the service provider that has received the highest score for the Criterion Quality. If the evaluation of the Criterion Quality does not lead to a distinction, the score for the component "Proposal overall" will be decisive. If this does not lead to a distinction, the ranking will be determined by the drawing of lots.

Award



Once IDH has decided to which Applicant it intends to award the assignment, a written notification thereof is sent to all Applicants participating in the tender procedure.

The selected Consultant is contracted via a letter of assignment, following IDH's template ([Annex 2](#)).

7. Communication and Confidentiality

The Applicant will ensure that all its contacts with IDH, with regards to the tender, during the tender procedure take place exclusively in writing by e-mail to Judith Fraats via Fraats@idhtrade.org. The Applicant is thus explicitly prohibited, to prevent discrimination of the other Applicants and to ensure the diligence of the procedure, to have any contact whatsoever regarding the tender with any other persons of IDH than the person stated in the first sentence of this paragraph.

The documents provided by or on behalf of IDH will be handled confidentiality. The Applicant will also impose a duty of confidentiality on any parties that it engages. Any breach of the duty of confidentiality by the Applicant or its engaged third parties will give IDH grounds for exclusion of the Applicant, without requiring any prior written or verbal warning.

All information, documents and other requested or provided data submitted by the Applicant will be handled with due care and confidentiality by IDH. The information provided will after evaluation by IDH be filed as confidential. The provided information will not be returned to the Service provider.

8. Disclaimer

IDH reserves the right to update, change, extend, postpone, withdraw, or suspend the ToR, this tender procedure, or any decision regarding the selection or contract award. IDH is not obliged in this tender procedure to make a contract award decision or to conclude a contract with a participant.

Participants in the tender procedure cannot claim compensation from IDH, any affiliated persons or entities, in any way, in case any of the afore-mentioned situations occur.

By handing in a proposal, Applicants accept all terms and reservations made in this ToR, and subsequent information and documentation in this tender procedure.

9. Annexes

Annex 1: Detail request form

Annex 2: Letter of Assignment

Annex 3: IDH General Terms and Conditions for Services

Annex 4: Statement of acceptance draft contract