

September 2020

Invitation to Tender – Partnerships for Forests Procurement for an External Grants Auditor

Project:	Partnerships for Forests (P4F)
Tender for:	An Auditor to verify that each P4F Grant and select Subcontracts have been expended in accordance with the terms of their Grant Agreement or Subcontract
Activity Number	N/A
The Company:	Palladium International Ltd
Closing Date and Time:	17:00 BST on 01/10/2020
Contact Person:	Charlotte Woodland Charlotte.woodland@partnershipsforforests.com Heather Nunney-Boodan Heather.Nunney@partnershipsforforests.com

Details for submission:

ITT made available:	03/09/2020
Deadline for receipt of Clarifications:	24/09/2020
Deadline for receipt of Tenders:	17:00 on 01/10/2020
Evaluation of Tenders:	02/10/2020 to 15/10/2020
Notification of Award:	19/10/2020
Confirm Contract Award and Contract Start Date:	16/11/2020

Tender Validity Period:

Number of Hard Copies of Tender:	N/A
Delivery Address:	N/A
Jurisdiction	England & Wales

Thank you for your interest in the above procurement. As the managing contractor for the Project, the Company invites you to tender for this activity. This pack includes:

- ❏ Part 1: Terms of Reference (TOR)
- ❏ Part 2: Conditions of tender
- ❏ Part 3 and 4: Technical and financial selection criteria
- ❏ Part 5: Client Terms and Conditions
- ❏ Part 6: Standard contract template which the successful tenderer is required to sign once the agreed commercial terms have been included.
- ❏ Part 7: Declaration by Tenderers

Please forward your Tender in accordance with the Details for Submission above by the Closing Date and Time to charlotte.woodland@partnershipsforforests.com.

I look forward to your response. If you have any queries, please do not hesitate to contact me by e-mail charlotte.woodland@partnershipsforforests.com / heather.nunney@partnershipsforforests.com.

Yours sincerely,

Heather Nunney-Boodan, Funding Manager

Charlotte Woodland, Funding Analyst

Part 1 – Terms of reference

1. Background

Partnerships for Forests (P4F) supports investment models in which the private sector, public sector and communities can achieve improved returns from sustainable forests and sustainable land use. By creating market-ready 'Forest Partnerships' that offer an attractive balance of risks and benefits for the private sector, public sector and communities, the programme aims to mobilise significant investment, principally from the private sector.

Through grants and technical assistance, the programme helps selected partners move through the stages required to get to market – from idea development and memorandum of understanding (MOU), to business planning, to deal negotiation and piloting, and finally to commercial scale-up. The programme also supports demand side measures that strengthen demand for sustainable commodities, and activities to create the right enabling conditions for sustainable investment

P4F operates according to a principle of additionality. This means that grants and TA must not substitute or replace organisation's core funding, or subsidise activities that private sector companies or other partners should undertake themselves.

The eight-year programme is funded by the UK Foreign Commonwealth and Development Office (FCDO) and the UK Department of Business, Energy and Industrial Strategy (BEIS), as part of its commitment to help countries mitigate and adapt to climate change. FCDO has contracted Palladium to manage the £56 million P4F technical assistance and grant-making facility.

P4F currently operates in five 'P4F Regions':

East Africa - P4F Team in Addis Ababa, with recipients of grant funds based in Ethiopia, Kenya, Tanzania, Mozambique, Rwanda, Uganda and Madagascar.

West & Central Africa - P4F Team in Accra, with recipients of grant funds based in Cameroon, Côte d'Ivoire, the Democratic Republic of Congo, Ghana, Gabon and Liberia.

South East Asia – P4F Team in Jakarta, through our consortium partner SYSTEMIQ, with recipients of grant funds based in Indonesia and Singapore.

Latin America – P4F Team in Sao Paulo and Bogota, with recipients of grant funds based in Brasil, Colombia and Peru.

Global – P4F Team in Bristol (UK) with recipients of grant funds based in the UK, EU and USA.

As managers of P4F, Palladium is responsible for ensuring that each recipient of grant funds expends those funds in accordance with the terms of their Grant Agreement and in accordance with P4F and FCDO requirements. So as to verify that recipients of grant funds have expended those funds appropriately, Palladium seeks to procure an Auditor to conduct audits on a number of Grants expected to complete between 2020 and 2023.

P4F is procuring an Auditor for all of the regions where P4F operates (East Africa, West & Central Africa, South East Asia, Latin America and Global – the P4F Regions). The Auditor will be contracted through a Framework contract. Therefore, bids must cover all of the P4F Regions.

2. Objectives of the assignment

The objective of this assignment is for the Auditor to carry out the specific tasks listed in the **Scope of the assignment** (below) and upon completion to submit to Palladium a report of factual findings. The Auditor will provide an overall assessment of whether the Grant or Subcontract was expended in accordance with the terms of its Grant Agreement or Subcontract by the partner.

A single organisation or consortium should submit a bid covering all five P4F Regions. Tenderers should submit separate Technical and Financial Submission for each P4F Region. Only bids that cover all of the P4F Regions will be considered.

Although the intention is to contract only one Auditor for all P4F Regions, Palladium retains the right to contract multiple Auditors for each P4F Region if it decides that no single organisation or consortium would offer sufficient coverage across all the countries or across all P4F Regions.

Please see Part 3 and Part 4 for details relating to preparation and evaluation of the technical submission.

3. Scope of the assignment

3.1 Preparatory

The Auditor will obtain a familiarity with P4F and a general understanding of the terms and conditions of the P4F Grant Agreement and Subcontract template prior to conducting any call down audit assignments. Note that the contracts differ for a Grant Agreement and Subcontract. It is not expected that any time spent on this will be billable to Palladium.

3.2 Each Audit Assignment (Task Order)

The engagement will be governed by an umbrella framework agreement, under which each Grant or Subcontract audit assignment will be called down throughout the term of the contract. Each audit assignment will form an individual Task Order that will contain detail and terms specific to that assignment.

3.3 Task Order minimum service delivery framework

The following framework will govern the call down assignment delivery and structure.

The Company will identify relevant Grants and Subcontracts that require auditing and will submit a Task Order request to the Auditor, subject to a minimum notice period.

Each Task Order will define an assignment timeline and the Auditor will flag reasons why particular Task Orders will require a longer or shorter timeline, if different to the standard proposal. If deliverables exceed the stipulated timeline, payment for producing the deliverables may be reduced proportionally. Payment structures will be set out in each Task Order.

During the notice period, the Auditor is expected to begin preparation for the Task Order assignment and to ensure that there is sufficient staff capacity to conduct the audit engagement in order to meet the delivery timeline.

After 12 months there will be a review point in the contract to enable the Company to assess the quality of the Auditor's assignments and to assess the Auditor's meeting the TOR.

3.4 Description of activities required for each audit assignment

The Auditor will obtain an understanding of the terms and conditions of the specific P4F Grant Agreement or Subcontract between Palladium and a Grantee or Subcontractor, by reviewing the Grant Agreement or Subcontract template and all other relevant policies and report templates and by pre-engagement meetings with Palladium, as the first step after being engaged on a call down audit assignment.

3.4.1 Financial Report and Financial Systems

- The Auditor will reconcile a reasonable sample of expenditure line items in the Financial Report to the Grantee or Subcontractor's accounting system and records.
- The Auditor will examine a reasonable sample of expenditure line items in the Financial Report to confirm:
 - Costs actually incurred: The Auditor will verify that the expenditure was actually incurred by and pertains to the partner (or relevant Downstream Associate) and that the monetary value noted in the Financial Report conforms to the related documentation. For this purpose the Auditor will substantiate that the expenditure is evidenced by supporting documents (e.g. invoices, contracts) and proof of payment (e.g. bank statements).
 - Necessary for Implementation: The Auditor will verify that the expenditure was incurred during the term of the Grant Agreement or Subcontract and whether it is plausible that the expenditure was necessary for the implementation of the relevant activities (e.g. through confirming with the partner that cost pertains to an activity detailed in the workplan set out in the Grant Agreement or Subcontract).
 - Compliance: The Auditor will examine whether the expenditure was incurred in accordance with any applicable requirements in the [P4F Guidelines for Using Grant Funds](#) and/or ancillary policies and procedures (including but not limited to: the [P4F Summary of Procurement Guidelines](#) and the [P4F Grantee Downstream Due Diligence Guidance](#)).
- The Auditor will examine whether the Grantee or Subcontractor has complied with the rules relating to Taxes, Duties and Government Charges in Clause 4 of the Grant Agreement or Schedule B Clause 2 of the Subcontract.
- The Auditor will examine whether the Grantee or Subcontractor has complied with the rules relating to Record Keeping in Clause 7 of the Grant Agreement or Clause 26 of the Subcontract.
- The Auditor will examine whether the Grantee has complied with the rules relating to Additional Funding in Schedule C of the Grant Agreement.
- The Auditor will examine whether the Grantee has complied with the rules for the management of the Grant funds in Schedule D of the Grant Agreement.
- The Auditor will examine whether the Grantee has complied with the rules relating to accounting for the Grant funds in Schedule E of the Grant Agreement.
- The Auditor will examine whether the Subcontractor has complied with the rules relating to Payment Terms in Schedule B of the Subcontract.
- The Auditor will examine whether the Subcontractor has complied with the rules relating to Insurance in Schedule C of the Subcontract.
- The Auditor will examine whether the Subcontractor has complied with the rules relating to Prevention of Fraud and Bribery in Schedule D, Section 1 of the Subcontract.

3.4.2 Project Budget

- The Auditor will reconcile the Financial Report against a copy of the Budget in Schedule I of the Grant Agreement or Subcontract and verify whether the expenditure incurred was as indicated in the Budget.
 - Where there has been an over/under spend the Auditor will verify that the Grantee or Subcontractor has followed the procedures in Schedule D for transferring funds around the Budget.

- The Auditor will verify whether there have been amendments to the Budget of the Grant Agreement or Subcontract (where amendment is defined as relating to a change to the scope of the activities rather than an over/under spend).
 - Where this is the case the Auditor will verify that the Grantee or Subcontractor has requested a Change Request from Palladium and obtained an amendment to the Grant Agreement or Subcontract.

3.4.3 Downstream Associates

- The Auditor will verify that during the term of the Grant Agreement or Subcontract, the Grantee or Subcontractor has complied with Clause 18 of the Grant Agreement or Schedule C of the Subcontract and had in place such insurance(s) and legal or regularly approvals as is necessary for the normal conduct of its activities and to be in compliance with the laws of its country of registration and also the country of implementation.
- The Auditor will examine whether the Grantee or Subcontractor has complied with Clause 3.3 of the Grant Agreement or the relevant Clause of the Subcontract and sought Palladium's prior written consent before assigning, transferring or subcontracting any right, obligation or service to a Downstream Associate.
- The Auditor will examine whether the Grantee has complied with Clause 10 of the Grant Agreement and conducted due diligence on all Downstream Associates to a satisfactory standard (i.e. in accordance with the [P4F Grantee Downstream Due Diligence Guidance](#)) or the relevant Clause of the Subcontract.
- The Auditor will examine whether the Grantee or Subcontractor has complied with Schedule G of the Grant Agreement or Clause 14 of the Subcontract and (where relevant) conducted a procurement of a satisfactory standard (i.e. in accordance with the [P4F Summary of Procurement Guidelines](#)) prior to contracting any Downstream Associates. This should include examining whether:
 - Transparent and open systems were in place to ensure that the procurement & negotiations were competitive and assured good value for money.
 - Appropriate procedures were in place to document and manage conflicts of interest.
- The Auditor will examine whether the Grantee or Subcontractor has entered into a binding Agreement with all Downstream Associates in accordance with Clause 9 that passes on all the relevant requirements of the Grant Agreement. This includes, but is not limited to, Clause 5, Clause 7, Clause 9, Clause 10, Clause 12, Clause 14, Clause 15, Clause 17, Clause 21, Clause 22, Schedule G and Schedule H.

3.4.4 Significant Assets

- The Auditor will reconcile all Significant Assets listed on the Project Asset Register to the related expenditure in the Financial Report.
- The Auditor will examine a reasonable sample of Significant Assets listed on the Project Asset Register to confirm:
 - Existence: The Auditor will verify that the Significant Asset is at the (exact) current location listed on the Project Asset Register.
 - Condition: The Auditor will verify that the condition of the Significant Asset is accurate to the information on the Project Asset Register.
 - Identification: The Auditor will verify that the Significant Asset is tagged appropriately and in a way that matches the Project Asset Register (tags should be clearly visible).

- Value: The Auditor will verify that the value of the Significant Asset has been correctly recorded and is been updated in accordance with the [P4F Asset Management & Reporting Guidance](#) and any local accounting, legal or regulatory requirements.
- Maintenance: The Auditor will verify that the Significant Asset was procured and is been held, maintained and used in accordance with the P4F Asset Management & Reporting Guidelines and Schedule G of the Grant Agreement or Clause 14 of the Subcontract, and the Grantee or Subcontractor's own Asset Management policies and procedures.
- The Auditor will examine whether the Grantee or Subcontractor has all relevant documents of transfer and/or of use where a Significant Asset is been held, maintained and/or used by a Downstream Associate.
- The Auditor will examine whether the Grantee or Subcontractor has all relevant insurances and warranties (as is legally required and is deemed prudent) for all Significant Assets.
- The Auditor will verify whether any Significant Assets that have been lost, stolen, or broken since the start of the Grant or Subcontract have been correctly reported to Palladium and that the process in the P4F Asset Guidance has been followed.

3.4.5 Audit deliverables

The Auditor will compile and submit to Palladium a report of their factual findings, that contains sufficient detail to enable Palladium to understand the nature and extent of the tasks performed by the Auditor and their finding in relation to each task. The Auditor's report will also conclude whether the Grant or Subcontract was expended in accordance with the terms of its Grant Agreement or Subcontract by the Grantee or Subcontractor.

3.5 Auditor Specification

The Auditor is required to meet the following minimum specifications:

- Preference will be given to Auditors with a physical presence (a functioning commercial office) in one or more of the countries within each P4F Region.
- The Auditor will be sufficiently experienced, qualified and familiar with local laws, practises and regulations to be able to conduct audit assignments to the auditing standards of each country in the P4F Regions.
- The Auditor will have sufficient staff capacity to be able to conduct an audit assignment within 30 days of the call down.

In addition, the Auditor is required to meet one of the following minimum specifications:

- The Auditor is a member of a national accounting or auditing body or institution which in turn is member of the International Federation of Accountants (IFAC).
- The Auditor is a member of a national accounting or auditing body or institution. Although this organisation is not member of the IFAC, the Auditor commits him/herself to undertake this engagement in accordance with the IFAC standards and ethics.
- The Auditor is registered as a statutory auditor in the public register of a public oversight body in an EU member state in accordance with the principles of public oversight set out in Directive 2006/43/EC of the European Parliament and of the Council (this applies to auditors and audit firms based in an EU member state).

- The Auditor is registered as a statutory auditor in the public register of a public oversight body in a third country and this register is subject to principles of public oversight as set out in the legislation of the country concerned (this applies to auditors and audit firms based in a third country).

The Auditor is expected to provide details and CVs for the Nominated Personnel. The Nominated Personnel will be the partner(s) or other senior person(s) within the Auditor's organisation who is accountable for the engagement and for the report that is issued to Palladium upon completion of each audit assignment. Each Nominated Personnel is expected to have:

- Experience in carrying out audits of FCDO and/or other Donor Government (e.g. USAID, European Union, AFD etc.) or Multilateral funded international aid projects that include a grant component.
- The necessary qualifications, certifications and registrations to oversee the conducting of audit assignments in each of the countries within the P4F Region(s).

4. Duration and phasing

The engagement is to commence by 16 November 2020 and end in November 2023.

The engagement will be on a Framework contract – consisting of an overarching or 'umbrella' agreement that sets out the terms and conditions (including amount payable for each audit assignment) under which multiple audit assignments ('call downs') can then be made from the Auditor throughout the term of the agreement.

Though there will be no guarantee as to the amount of call down audit assignments, there are expected to be at least 5 per P4F Region.

As stated in the delivery framework, the Auditor will be expected to agree to a 12 month review point.

Please refer to Part 7 for the standard contract template.

5. Financial component

Please refer to Part 5 for details relating to preparation of the financial submission.

6. Responsibilities of the Company

To be available to a reasonable extent to the Auditor during the preparatory phase of the engagement.

Make available all templates, policies, procedures and access to the P4F Dashboard to the Auditor.

To give the Auditor the agreed minimum notice period before the commencement of a call down assignment.

Introduce the Grantee or Subcontractor to the Auditor following the commencement of a call down audit assignment and ensure the Grantee or Subcontractor is aware of their responsibility to maintain and provide all documents, papers, records etc. that are pertinent to the Grant or Subcontract, to allow the Auditor unhindered access to their premises, and for being available to the Auditor during the call down audit assignment.

7. Contractor responsibilities

- To be prepared to sign the Standard Contract Terms.
- To have in place insurance policies covering Professional Indemnity and Public Liability.
- To have any relevant registrations (including tax registrations) in the activity Jurisdiction.

To hold any regulatory permits or approvals required to provide the services, either as an individual or through a registered entity.

To be registered in a Jurisdiction that is acceptable to the Company.

To actively communicate issues or delays to the engagement to the Company, ensuring that any such issues or delays are identified and managed as soon as is reasonably possible.

Part 2 – Conditions of tender

1. Tender content

- 1.1. The tender must contain the following:
 - 1.1.1 a cover letter (no longer than 1 page) to the tender for the activity (specify the Activity number), including the signed declaration contained in Part 7;
 - 1.1.2 a technical submission (in the form detailed in Part 3);
 - 1.1.3 a financial submission (in the form detailed in Part 4).
- 1.2. Every Tender needs to state in the submission:
 - 1.2.1 in the case of an individual, full or given names, surname and address;
 - 1.2.2 in the case of a trust, the full names and addresses of each trustee of the trust;
 - 1.2.3 in the case of a company, NGO or other registered entity, the full name of the entity, the address of the registered office of the entity, the relevant registration number and a copy of the certificate of registration; and
 - 1.2.4 If relevant, a list (including CVs if requested) of all the nominated personnel expected to contribute to the performance of the TOR, including their names, surnames, title of their position and their proposed level of effort.
- 1.3. Tenders are to be written in English, Arial font 12
- 1.4. 'The Tenderer' (where capitalised) means the person or organisation to whom this invitation has been sent, the person or organisation responding to this invitation (as applicable). Depending on the context, an uncapitalised version of 'tenderer' may also refer to the Tenderer.

2. Tender Assessment Process

- 2.1. Tenders must comply with the requirements of the TOR. Failure to submit a Tender including the information required by the TOR (or this Tender generally) will factor into The Company's assessment of the level of compliance of the Tender and may result in rejection of the Tender.
- 2.2. The Company will evaluate Tenders on the following basis:
 - 2.2.1 a technical assessment;
 - 2.2.2 a financial assessment;
 - 2.2.3 any other factors which may impact on the Tenderer's potential performance.
- 2.3. The Company reserves the right:
 - 2.3.1 to accept or reject any tender, and to annul the tendering process thereby rejecting all tenders, at any time prior to the award of contract at its sole discretion;
 - 2.3.2 to cancel or vary the Invitation to Tender process at any time whether before or after the closing date;
 - 2.3.3 to reject any tender that does not adhere to the structure and content requirements as outlined in these Terms and Conditions;
 - 2.3.4 to recall tenders from any source including those tenderers who have already submitted tenders, without thereby incurring any liability to the affected Tenderer or Tenderers or any obligation to inform the affected Tenderer or Tenderers of the grounds for this action;
 - 2.3.5 to accept Tenders for the whole or any part of the requirement;
 - 2.3.6 to require that tenderers submit to the Company's Due Diligence process prior to or after the submission of Tenders; and
 - 2.3.7 to negotiate with the most favourable tenderer should it be deemed that the offered prices are unreasonable or greater than the targets set in the planning process.
- 2.4. The Company shall not be bound by any advice given or information furnished by it.
- 2.5. The conduct of this Invitation to Tender is not intended to give rise to any legal or equitable relationship.
- 2.6. Any inducements and rewards intended to influence the outcome of the Tendering process will result in Tenderer's immediate suspension from the process.
- 2.7. Your Tender will be valid for the Tender Validity Period specified on p.1.

3. Technical Assessment

- 3.1. The Technical Assessment will be undertaken by an internal procurement committee.
- 3.2. The Company may specify weighting for assessment criteria in Part 4.

4. Financial Assessment

- 4.1. Following consideration of the technical merit of Tenders, a like-for-like price assessment may be undertaken by The Company of the Tenders assessed as technically suitable.
- 4.2. Tenderers should note that financial submissions for those Tenders assessed by the Procurement Committee as not technically acceptable will not be subject to financial assessment.
- 4.3. Unless otherwise specifically stated, prices quoted must be provided as a fixed maximum price and show the tax exclusive price, the tax component and the tax inclusive price.

- 4.4. The contract price, which must include any and all other charges and costs, will be the maximum price payable by the Company for the Goods and/or Services.
- 4.5. Additionally, if requested by the Company, potential suppliers must be able to demonstrate their financial stability and ability to remain viable as a provider of the Goods and/or Services over the term of any agreement.
- 4.6. If requested by the Company, the potential supplier must promptly provide the Company with such information or documentation as the Company reasonably requires in order to evaluate the potential supplier's financial stability.

5. Acceptance of Tenders

- 5.1. The Company is not bound or required to accept the lowest priced Tender or any Tender.
- 5.2. A Tender will not be deemed to be accepted unless and until a Contract in the form listed in Part 7 is signed by the Company and the Tenderer (with the agreed commercial terms included).
- 5.3. The Company reserves the right to enter into negotiation with any other tenderer if contract negotiations cannot be concluded with the preferred Tenderer.

6. Alternative Tenders

- 6.1. The Company reserves the right to accept and consider alternative Tenders providing they:
 - 6.1.1 are submitted with a compliant Tender;
 - 6.1.2 clearly identify the differences and improvements offered.

7. Non-Compliant Tenders

- 7.1. Tenders will be regarded as non-compliant if they do not comply with any part of the requirements of this Invitation to Tender.
- 7.2. The Company may, however, in its absolute discretion evaluate any non-compliant Tender.

8. Lodgement of Tenders

- 8.1. It is the responsibility of the Tenderer to ensure that the Tender is received by the Company by the closing date and time prescribed in this Invitation to Tender. A Tender lodged after the closing date is a late Tender.
- 8.2. A late Tender will normally not be considered unless it can be demonstrated by the Tenderer that the Tender would have arrived at the tender point by the required date and time as prescribed in this Invitation to Tender but, for reasons proven by the Tenderer, it did not. The Company may allow a late Tender to be assessed at its absolute discretion.
- 8.3. The Company will not consider or entertain any queries about a decision to assess or reject a late Tender.

9. Tenderer Costs

- 9.1. Tenderers are responsible at their own cost to:
 - 9.1.1 make all arrangements and obtain and consider all information relating to the TOR;
 - 9.1.2 prepare, deliver and lodge their tender;
 - 9.1.3 deal with any issues, including disputes, that may arise out of the tendering process.

10. Confidentiality

- 10.1. The Tenderer acknowledges that in the course of this Tender, it may become acquainted with or have access to the Company's Confidential Information (including the existence and terms of this Tender and the TOR). It agrees to maintain the confidence of the Confidential Information and to prevent its unauthorised disclosure to any other person.
- 10.2. The Tenderer will not disclose or use any Confidential Information except to the extent that such disclosure or use:
 - 10.2.1 is strictly necessary for submitting the Tender;
 - 10.2.2 is required by relevant laws;
 - 10.2.3 is authorised by prior written approval from the Company; or
 - 10.2.4 occurs after the Confidential Information already is or comes into the Tenderer's possession (or in the public domain) otherwise than pursuant to this Tender, pursuant to a separate confidentiality undertaking by the Tenderer or a third parties' (or that parties') unauthorised disclosure.
 - 10.2.5 If the Tenderer is required to disclose Confidential Information due to a relevant law or legal proceedings, it will provide reasonable notice of such disclosure to the Company.
 - 10.2.6 The parties agree that this obligation applies during the Tender and after the completion of the process.

11. Request for Information

- 11.1. Any prospective tenderer may within a reasonable time before the closing date request information on any point of clarification in this Tender. The information requested shall be given in writing by the Company as soon as practicable. Where in the opinion of the Company the information could have an effect on other tenderers, that information may at the Company's sole discretion be given in writing to all known prospective tenderers.

12. Business Partner Code of Conduct

- 12.1. Tenderers shall comply with the Company's Business Partner Code of Conduct in the submission of any tenders. The Code is currently available at thepalladiumgroup.com/policies.

13. Unsuccessful Tenders

- 13.1. Unsuccessful Tenders will be notified in writing and shall be entitled to feedback regarding their tender.

14. Tenderer Acceptance of Conditions

- 14.1. A Tender lodged in response to this Invitation to Tender does so with agreement to these Conditions of Tender unless any departures from these Conditions are detailed in the cover letter of the submission. The Company reserves the right to reject any departure from these Conditions of Tender, and thereby determine that the tender submission is non-conforming for that reason.

15. Conflict of Interest

- 15.1. Tenderers must notify the Company immediately if any actual, potential or perceived conflict of interest arises (a perceived conflict of interest is one in which a reasonable person would think that the person's judgement and/or actions are likely to be compromised, whether due to a financial or personal interest (including those of family members) in the procurement or the Company).

16. Inconsistencies

- 16.1. If there is inconsistency within this ITT, the following order of precedence shall apply:

- 16.1.1 these Terms and Conditions;
- 16.1.2 the Cover Page of this ITT; and
- 16.1.3 Part 5 – Client Terms
- 16.1.4 Part 6 – Standard Contract
- 16.1.5 Part 1 – Terms of Reference
- 16.1.6 Part 4 – Financial Assessment Selection Criteria
- 16.1.7 Part 3 – Technical Assessment Selection Criteria
- 16.1.8 the Schedule

so that the provision in the higher ranked document will prevail to the extent of the inconsistency.

17. Jurisdiction

- 17.1. This Tender process shall be subject to the laws of the Jurisdiction.
- 17.2. The Supplier and the Company will use their best efforts to settle amicably any dispute, controversy, or claim arising out of, or relating to this Agreement or the breach, termination, or invalidity thereof.
- 17.3. If no agreeable settlement can be found, any dispute, controversy, or claim arising out of or relating to this Agreement or the breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules in effect on the date of this Agreement. The appointing authority shall be the Secretary-General of the Permanent Court of Arbitration. The Parties will be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute.
- 17.4. The place of arbitration shall be the headquarters location of Company at the time the claim is filed and the language of the arbitration will be English. The relevant laws shall be the laws of the Jurisdiction.
- 17.5. Should the claim involve a State, a State-controlled entity, or an intergovernmental organization, the case shall be administered by the International Bureau of the Permanent Court of Arbitration.

Part 3 – Technical assessment selection criteria

Requirements for the Technical Submission

The Technical Submission must:

1. be in a type font of no less than 12 points;
2. be in a single column format;
3. be ten pages or less in length;
4. have attached up-to-date CVs relevant to the activity of the preferred consultant/s (no longer than 4 pages), including contact details for two referees who can comment on recent experience relevant to the application.

1. Technical Submission.

1.1 The Technical Assessment places emphasis on the degree of confidence the Procurement Committee has in the Tender content and the Tenderer's ability to deliver the services effectively. A high degree of confidence is gained where:

- 1.1.1 A deep understanding of key issues is clearly demonstrated. Merely providing general statements of information and a can-do attitude will not generate high scores.
- 1.1.2 A convincing methodology is provided to achieve results, whilst ensuring optimal value for money over the lifetime of the contract. The methodology should include clear links between performance outputs and pricing mechanisms (such as milestones for payment linked to clear deliverables).
- 1.1.3 The methodology includes monitoring & performance management tools where appropriate, such as: critical path analysis, risk strategies/mitigation plans, communications plans etc.
- 1.1.4 A detailed Work Plan is provided that breaks down activities and outputs, which are clearly cross referenced (where appropriate) to the level of effort of Nominated Personnel, payment mechanisms and governance/quality assurance mechanisms to ensure effective delivery on time and within budget.
- 1.1.5 Strong examples demonstrate the proposed methodology has been applied successfully in environments relevant to this ITT.
- 1.1.6 A well balanced team of Nominated Personnel is proposed that provides the right mix and level of skills, with assured availability at the right time and with the right number of days.
- 1.1.7 Greater effort has been made to provide certainty in the Tender detail so that it can be relied on from a contractual perspective (for example, poor management processes, lack of performance measures and vague terminology represent a potential performance risk).

1.2 The following selection criteria and weighting will be used in the assessment process to assess the technical capacity of the Tenders.

Scoring Methodology for the technical submission	
5	Excellent, addresses the requirements of the TOR and all ITT issues, and where relevant demonstrates fine tuning, to make a match with Client expectations, and is of a quality and level of detail and understanding that provides confidence in certainty of delivery and permits full contractual reliance (where applicable).

4	High degree of confidence that they can meet the requirements of the TOR (and where relevant strong evidence they have tailored their response to meet these). Demonstrates they have a thorough understanding of what is being asked for and that they can do what they say they will; translates well into contractual terms (where applicable).
3	An understanding of all issues relating to delivery of the TOR and tailoring the response to demonstrate that proposals are feasible so that there is a good level of confidence that they will deliver; can be transposed into contractual terms (where applicable).
2	Understands most of the issues relating to delivery of the TOR and addresses them appropriately with sufficient information, but only some relevant tailoring and so only some confidence that they will be able deliver in line with expectations.
1	Some misunderstandings of the issues relating to delivery of the TOR and a generally low level of quality information and detail. Poor appetite to tailor when asked and so fails to meet expectations in many ways and provides insufficient confidence.
0	TOR issues are scantily understood and flimsy on quality information, with minimal tailoring if anywhere relevant. Provides no confidence that the issues will be addressed and managed at all in line with expectations.

1.3 Technical Submissions **MUST** follow the question structure below, addressing each question separately and distinctly.

NB: Please note that one Technical Submission must be submitted to cover EACH of the P4F Regions

Form of Technical Submission		Page limit (pages)	Weight	Score (0 – 5)	Max Weighted Score	Minimum Score Requirement
1a)	<u>Quality of Nominated Personnel</u> Tenderers should describe, referring to the CVs submitted to evidence any statements, how the Nominated Personnel fulfil each of the relevant criteria set out in the Specification of the Advisory Support in the TOR and are sufficiently skilled staff to over	1	3		15	3/5

	see all aspects of the Scope of the Assignment .					
1b)	<u>Quality of Auditor</u> Tenderers should describe how they (the Auditor) and any consortium partners fulfil each of the relevant criteria set out in the Specification of the Advisory Support in the TOR.	1	3		15	3/5
2)	<u>Methodology and Approach to Delivery of TOR</u> 2.1) Tenderers should describe from their own understanding of the Objectives of the Assignment and the Scope of the Assignment in the TOR, as well as the context of the project, how they and any consortium partners will facilitate delivery of the tasks set out in the Scope of the Assignment . (6/10). 2.2) Tenderers should describe their approach to ensuring optimal value for money. This includes, but is not limited to, how Tenderers will limit the amount of reimbursable expenses charged, how cost savings will be achieved whilst working across multiple country offices and how staff will be utilized to maximize value for money. (2/10) 2.3) A half (0.5) page anticipated Workplan for an audit assignment based on the Tenderers understanding of tasks listed in the Scope of the Assignment in the TOR, plotting the delivery of the tasks using the methodology mentioned above. The Workplan must identify the number of days to be worked by each individual staff role, and should directly relate to the information provided in the Financial Submission. (2/10)	3	10		50	3/5
3)	<u>Relevant Experience</u> Tenderers should identify 2 assignments undertaken within the last 3 years similar to and relevant to the TOR and the Partnerships for Forests context. A brief summary of each of the	1	4		20	3/5

	assignments should be provided, as should the name and contact details for referees who can verify the Tenderers performance on the assignment.					
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2. Up-to-date CVs relevant to the activity of the consultant/s including the names and contact details of two referees must be attached (no longer than four pages in length).
3. The technical submission format **must** clearly address the criteria above as this will impact on the assessment process. Please remember the technical submission should not exceed ten pages.

Part 4 – Financial assessment selection criteria

The Financial Submission will be a comparative assessment of an average of each Tenderer's expected costs for an audit assignment in each of the countries within the P4F Regions.

This will require each Tenderer to set out each of the staff roles expected to undertake work on an audit assignment, each of their daily fee rates, and the number of days that each is expected to spend on an audit assignment. Each Tenderer should set this information out for each of the countries within the P4F Regions. These will be the staff roles, the daily fee rates, and the number of days that will be entered into the Framework contract of the successful Tenderer(s) and which will be used to form the basis of the amount payable for each call down audit assignment.

The Tenderer should detail fee rates for staff in each country AND the fee rates if the audit work is conducted by staff in HQ (UK), if the assignment is conducted remotely.

1. The Financial Submission must:

- 1.1. Using the below format state the daily fee rates (based on an 8 hour working day for one person) for the Nominated Personnel and any other staff roles expected to be deployed on an audit assignment conducted in accordance with the tasks listed in the **Scope of the Assignment** in the TOR.

Using the below format state the number of days each of those staff roles will contribute while deployed on an audit assignment conducted in accordance with the tasks listed in the **Scope of the Assignment** in the TOR.

Fee rates should include all costs that are not reimbursable. Fee rates must be in Pound Sterling (GBP) and **must be inclusive of all relevant taxes**.

The staff roles and number of days stated here should **correspond directly** to those listed in the Workplan provided as part of the Technical Submission.

The staff roles, the fee rates and number of days should be set out for **each of the countries within the P4F Regions**.

These will be the staff roles, the fee rates and the number of days that are entered into the Framework Agreement and which will be used, unless the terms of reference for a specific call down audit assignment differs significantly from the TOR, to form the basis of the amount payable for each call down audit assignment.

The average of the '**Total Price**' for each of the countries within the P4F Region will form the '**Tender Price**' and will be basis of the comparative tender assessment. For example, if bidding for the East Africa P4F Region and the Total Prices are Ethiopia (£100), Kenya (£200), Tanzania (£100), Mozambique (£100) and Rwanda (£100), the Tender Price will be £120 (£600/5).

Audit Assignment in Country 1 (Add more tables so that there is one for each country within the P4F Region)			
Staff Role	Daily Fee Rate	Number of Days	Daily Cost
E.g. Staff Role A	e.g. £100	e.g. 1	e.g. £200 (2x£100)
E.g. Staff Role B	e.g. £50	e.g. 10	e.g. £500 (10x£50)
Total Price			e.g. £700

- 1.2. One Financial Submission **MUST** be submitted for each P4F Region, meaning the tenderer must submit five Financial Submissions.

1.3. Prior to each call down audit assignment the Auditor and the Company will agree a budget for any expected reimbursable expenses (see 3 below for eligible expenses). These should not form part of the Total Price and will not be considered in the comparative price assessment.

2. The following financial aspects need to be taken into consideration:

- 2.1. The daily fee rates should be based on the number of days set out in the Workplan in the Technical Submission for an audit assignment based on the tasks listed in the **Scope of the Assignment** in the TOR;
- 2.2. The daily fee rates are to be inclusive of all relevant taxes but exclusive of any reimbursable costs;
- 2.3. All activity preparation costs (including those listed as Preparatory **Scope of the Assignment** in the TOR) are the responsibility of the Auditor;
- 2.4. One Financial Submission must be submitted for each P4F Region.

3. Standard reimbursable expenses (**for reference only**):

- 3.1. To be eligible for reimbursement all expenses must be incurred in accordance with the P4F Guidelines for Using Grant Funds.

Category and Allowance (per Call Down Audit Assignment)	
Flights (Economy Class Only)	Return airfare can be reimbursed when flying is the most effective transportation option.
In-country travel	In-country ground transportation (taxis, trains, buses, car rental etc.) costs can be reimbursed as long as the costs are not part of normal 'business as usual' travel.
Accommodation, meals and other living / travel expenses	Hotel accommodation, meals and other living/travel expenses can be reimbursed as long as staff are travelling away from their normal place of business and/or area of residence.

4. Following consideration of the technical merit of Tenders, a like-for-like price assessment will be undertaken by the Company of the Tenders assessed as technically suitable. The like-for-like price assessment will represent 20% of the overall score.

4.1. The following formula for the scoring and ranking of Tenders on the basis of price will be used:

$$\text{Price Score} = \frac{\text{Tender Price of Lowest Priced Technically Acceptable Tender}}{\text{Tenderer's Tender Price}} \times 20\%$$

- 4.2. Tenderers should note that financial submissions for those Tenders assessed by the Procurement Committee as not technically acceptable will not be subject to financial assessment.
- 4.3. The financial component of the Tender must be submitted as set out in Part 5 and must be an unconditional offer and fixed for the duration of the engagement.
- 4.4. The Tenderer may include per diem rates as an estimate, however the Company shall only reimburse actual expenditure upon presentation of receipts.

5. Insurance cover:

- 5.1. Preferred Tenderers contracted by the Company as individuals shall be added to the Company's corporate travel insurance policy and/or expatriate travel insurance policy as required. Policy details available upon request.

- 5.2. Preferred Tenderers contracted by the Company as a registered entity shall be required to evidence Professional Indemnity and Professional Liability insurance, and provide their consultants with the appropriate level of cover regarding work-related travel.

Part 5 – Client Specific Provisions

FCDO:

Subcontractors and Consultants will be required to comply with the terms of the Head Contract for the Project, including the FCDO Standard Terms and Conditions and any additional terms advised by the Company.

Part 6 – Standard Contract Template

Subcontractor Agreement

Part 7 – Declaration by Tenderers

Tenderers shall submit their tender with the following declaration:

I declare that to the best of my knowledge the answers submitted and information contained in this document are correct and accurate.

Where requested by the Company, I/We will promptly provide the certificates or other documents referenced in this ITT.

I/We understand that any information given by us will be relied on and used by the Company to assess my/our suitability to participate further in this potential procurement.

I understand that the Company may reject my/our Tender if it is non-compliant, or false/misleading in any way.

Where this statement is being provided by an individual on behalf of the Company, that individual has the necessary corporate authorisation to provide the declaration on behalf of the Company.

I / We have not communicated to any person other than the Company the amount of any tender, adjusted the amount of any tender by arrangement with any other person, made any arrangement with any other person about whether or not I / we or that other person should tender, or otherwise colluded with any other person in any manner whatsoever, and undertake that at any time thereafter in the tendering process for the above.

I/We have not engaged in any behaviour which has or could contravene Bribery Act 2010 (UK), the Foreign Corrupt Practices Act (US) or any similar legislation.

I/We have not provided or offered any payment, gift, item, hospitality or any other benefit to the Company, its employees, consultants, agents, subcontractors (or any other person involved in the decision-making process relating to this tender) which could give rise to a perception of bribery or corruption in relation to the Tender or any other dealings between the parties.