

10 July 2017

THE TREE FUND FOR AFRICA

REQUEST FOR PROPOSAL

Part 1 Tender Details and Request

Project:	The Tree Fund for Africa	
The Company:	The Nature Conservancy	
Closing Date and Time:	[11 August 2017, 11pm EAT]	
Contact Person:	Edward Hewitt (edward.hewitt@tnc.org)	
Timetable:	RFP made available:	14/07/2017
	Deadline for receipt of Clarifications:	01/08/2017
	Deadline for receipt of Tenders:	11/08/2017
	Evaluation of Tenders:	Upon receipt-18/08/2017
	Interviews with top candidates	21-25/08/2017
	Due Diligence	21-30/08/2017
	Notification of Award:	30/08/2017
	Signed contract and Contract Start Date:	15/09/2017
Not to exceed total bid	220,000 Great British Pounds (GBP)	

Thank you for your interest in the Tree Fund for Africa. This is an opportunity to help The Nature Conservancy (hereinafter referred to interchangeably as ‘the Company’ and ‘TNC’) develop an innovative new financing facility with the potential to revolutionise forestry across the continent. TNC is one of the world’s leading conservation organizations working to protect ecologically important lands and waters for nature and people. We address the most pressing conservation threats at the largest scale and are impacting conservation in more than 70 countries.

The following pages include the Terms of Reference (TOR), the technical and financial selection criteria and the conditions of tender.

Please submit your Tender by email to Edward Hewitt (edward.hewitt@tnc.org) by no later than 11 August 2017, 11pm East Africa Time (EAT).

I look forward to your response, and if you have any queries, please don’t hesitate to contact me on the email address above.

Yours sincerely,

Edward Hewitt

Tree Fund Project Lead

Part 2 Terms of Reference (TOR)

Background

The Nature Conservancy is developing an innovative new finance mechanism designed to stimulate tree planting in Africa by providing low-cost financing for growing trees at scale. The ‘Tree Fund’ will provide long-term loans at affordable interest rates, backed by trees as collateral. The next step is to build a detailed business plan including detailed risk modelling for the fund. The goal is to establish and capitalise the Tree Fund in Kenya in 2018 and then roll it out across the East African region and beyond.

Africa is the world’s largest consumer of wood driven by widespread use of firewood and charcoal for energy. As a result, many parts of the continent face a huge wood shortage contributing to the continent currently having the world’s highest deforestation and forest degradation rates. The annual demand for wood in Africa is forecast to almost double to 1.2 billion m³ in the next fifteen years as population and economic growth fuel the need for wood energy, construction materials, furniture and other products. The total market size for wood products (including woodfuel) is forecast to reach \$100billion by 2050.

The only way to meet the demand without further destruction of natural forests and woodlands is to plant new trees at scale. Tree planting brings multiple environmental co-benefits, including the sequestration of carbon, protection of watersheds, and conservation of soils. This is recognised by governments and, collectively, African countries have pledged to restore 100 million hectares of degraded land (mostly with trees) by 2030 as part of the ‘AFR100 Initiative’.

We believe that unlocking tree planting by the smallholder farmers sector is a key contributor to meeting this demand. Establishing new trees at scale in publically-funded or commercial plantations is often hampered by a lack of availability of suitable land and community conflicts associated with land in many parts of Africa. This problem can be overcome by tapping into the millions of African farmers who seek additional sources of income and diversified farming portfolios through adoption of smallholder forestry either in woodlots or agroforestry systems.

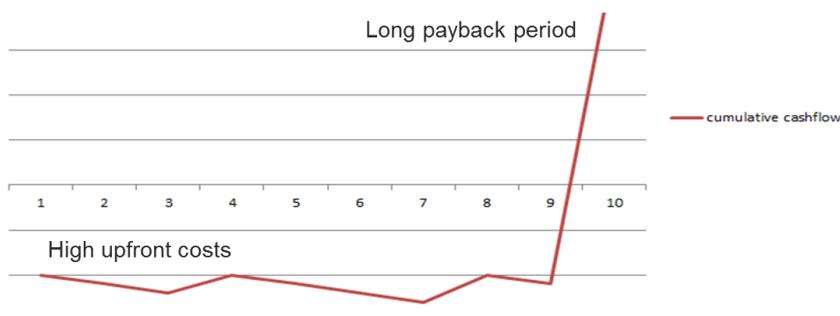
To help develop the Tree Fund, TNC has developed a partnership with East Africa’s largest smallholder forestry company - Komaza. Komaza will supply TNC with data and operational insights in order to help develop the Tree Fund.

Leveraging finance to incentivize tree planting at scale – The Tree Fund

Despite huge demand for wood, tree planting rates across Africa remain low. Currently only around 15,000 hectares are planted each year by private companies. The public sector has largely stopped planting and individual farmers are not planting in sufficient quantity or quality. We calculate that between one and two million hectares per year of tree planting is needed across the continent between now and 2030 if the growing demand for wood is to be met sustainably. We have identified a lack of long-term finance as a key barrier to scaling tree planting both for companies and farmers.

Planting new trees to supply wood products is characterized by high establishment costs and a long time gap between investment (tree planting) and return (grown tree selling), which can span 10 to 20 years, or longer.

Figure 1: Indicative cumulative cash flow of Tree Farming operation



Currently few institutions provide finance for tree planting given this cashflow profile. Existing loan products in Africa are typically characterized by high interest rates and short payback periods. Equity investment is difficult to come by and few grants or subsidy schemes are available at scale. As a result, tree growers (both organisations and individuals) cannot obtain the financing they need to expand. Something new is required!

The Tree Fund is an innovative finance mechanism that will be designed to incentivize forestry organisations and smallholders to plant trees for commercial use by providing finance at an affordable rate and for a long time horizon. A key innovation is that the Tree Fund will take planted trees as collateral against loans. Through this, it is envisaged that the Fund would be able to provide loans at much lower interest rates than unsecured loans. It is planned that amounts lent will never exceed an agreed fraction of the value of the planted trees, and the Fund will be managed to ensure that its collateral value always exceeds its loan book.

Need for assistance now

TNC has developed the Tree Fund concept to date with support from the Shell Foundation. We now require specialised assistance to define the mechanics of how the Tree Fund will operate in practice and create a fully-fledged investment proposition. This will require the completion of several interrelated streams of work over the course of 2017 and the first half of 2018. Funding for this contract is being provided by Partnerships for Forests (P4F). P4F is a DFID funded programme administered by Mckinsey and Palladium.

Key workstreams

- 1) Product design, wood market and pipeline analysis for East Africa
 - a. Building on TNC's initial analysis, assess practical feasibility of the tree fund financial product. Assess viability of using trees as collateral. Provide recommendation on whether to focus tree fund exclusively on smallholder sector or

whether to also engage with commercial or government tree planting organisations. Work with tree growers including plantation forestry companies, outgrower forestry companies, tree growers associations and individual tree growers to design product (including use of proceeds) which meets the needs of both Tree Fund borrower and investor.

- b. Working with Komaza and other tree growers, together with analysis of existing 3rd party reports, build data library of the economics of tree growing and markets for wood products in East Africa (with a focus on Kenya). Data library should include tree establishment costs, tree growth rates by species and region, market prices for logs, sawn lumber, charcoal, firewood etc.
- c. Conduct market survey of potential demand (pipeline) for the Tree Fund in East Africa (with an initial focus on Kenya)

2) Economic modelling and risk framework creation using trees as collateral

- a. Develop detailed financial model for Tree Fund loan book
- b. Stress test Loan Book and document key sensitivity factors
- c. Develop risk mitigation strategies
- d. Develop provisional lending guidelines
- e. Propose lending due diligence framework
- f. Propose collateral management guidelines, including monitoring, audit and valuation
- g. Working with TNC and others, input into design of contractual agreements for loans and tree collateral
- h. Work with legal experts to develop legal framework for lending and using trees as collateral
- i. Identify key criteria for lending, e.g. credit history, legal entity, balance sheet, environmental safeguards, etc.
- j. Desk research other specialized collateralized lending (e.g. microfinance loans) for comparative analysis with Tree Fund

3) Fund structuring and establishment

- a. Provide recommendations on Tree Fund structure (e.g. nest in existing fund or standalone)
- b. Set out regulatory issues impacting the Tree Fund
- c. Create client acquisition and marketing strategy
- d. Provide suggestions on potential fund managers and establish selection criteria
- e. Recommend capital structure (e.g. tiered capital structure, equity and debt ratios, etc.)
- f. Work with TNC fundraising team to create funding strategy
- g. Outline organisational structure and personnel requirements
- h. Recommend monitoring and reporting regime (including Key Performance Indicators)
- i. Work with TNC team to establish governance structure
- j. Set out budget detailing fund administration costs

4) Draft Investment Memorandum (IM)

Combining the above, prepare investment memorandum to include:

- a. Market fundamentals – demand drivers, regulatory drivers, potential clients/borrowers;
- b. Product design – clear articulation of Tree Fund product design and why it was chosen
- c. Outline of the Tree Fund structure – fees, capital structure, management organisation, etc. (to include a recommendation on fund manager)
- d. Financial return – detailed return expectations for investors
- e. Explanation of lending criteria – e.g. financial due diligence, environmental plan, etc.;
- f. Explanation of risk management plan – detailed explanation of how the Tree Fund will measure collateral risk and what happens in the event of default
- g. Monitoring & Evaluation and reporting criteria for the Tree Fund

The IM will be used to engage potential equity and mezzanine investment for the Tree Fund. We would be targeting an initial raise of GBP 50m – 100m. Additionally, the Tree Fund will in future require debt funding (possibly secured against its loan portfolio).

Tender requirements

TNC requires a team with combined expertise in analysing wood markets in Africa, asset-backed finance and establishing and structuring new funds. We appreciate that these are different skillsets and may not be available in total from one organisation. We are open to receiving proposals which represent a ‘consortium’ of different organisations to fulfil the various project skills and tasks. We are also open to receiving proposals for particular components of these workstreams and then matching different consultants together. Please see further information in Part’s 4 and 5 relating to assessment criteria.

For avoidance of doubt, we are not expecting legal set up fees of the fund itself to be included in the proposal, although we acknowledge that some legal advice will be needed to advise on securities laws in countries where the fund will operate.

Project Management & way of working with TNC

TNC’s Tree Fund project is led by Ed Hewitt, who is based in Nairobi. Ed will be devoting around 50% of his time to this initiative. Ed has been at TNC for 2 years looking at business models for forestry and wood energy. He has a strong finance background having previously spent 5 years at BP Alternative Energy as a commercial advisor. Support and guidance will also be offered by an immediate working group consisting of Stuart Clenaghan (TNC senior advisor – 25 years investment banking experience), JC Danilovich (TNC NatureVest) and Meera Shah (Shell Foundation). TNC will also be developing an environmental assessment criteria for the fund and will provide both in-house and can advise on outside legal support. Additionally, TNC has strong relationships with a number of other experts in the sector whom we can call upon for advice. A steering committee is currently being established.

It is expected that the contractor will be in close communication with the TNC project lead throughout the contract length – with communication (by phone or email) expected on a weekly basis

Deliverables and Timeline

. . The final deliverable of this contract (Draft Investment Memorandum) is due by June 15, 2018. We expect to see a high level outline for the product design and draft economic model by December 10, 2017 and a draft investment memorandum including outline of fund structure by March 15, 2018. In addition quarterly progress and financial reports will be due to ensure the project is on track. We are open to receive offers which concentrate work over a shorter time period, otherwise this timeline should be reflected in the proposed methodology and pricing

The objective is to have the fund capitalised and operational by early 2019. A decision will be made at the end of this contract regarding whether additional support is required in the second half of 2018.

Contractor responsibilities

- To be prepared to sign TNC's Standard Contract for Service (see Part 7 of this RFP for information on how to receive a copy of the template).
- To have in place insurance policies covering Professional Indemnity and Public Liability.
- If unable to supply the above, to provide sufficient justification as to why you cannot be employed as a sub-contractor or service provider.
- Organise appropriate travel, accommodation and travel insurance arrangements using TNC's systems (if applicable).
- To hold any regulatory permits, approvals or registrations required to provide the services, either as an individual or through a registered entity
- To complete quarterly progress and financial reports and activity completion report in the format and on the dates to be specified in the contract signed by TNC and the successful Tenderer.
- To attend in person workshops and meetings on as 'as required' basis by TNC

Part 3 Conditions of Tender

1. Tender content

1.1. The Tender must contain the following:

1.1.1. a cover letter from the Tenderer for the activity , including the declaration contained in Part 8;

1.1.2. a technical submission;

1.1.3. a financial submission.

1.1.4. A list of at least 2 references for each area of expertise required in Part 4

1.1.5. Initial due diligence form (Part 6)

1.2. Every Tender shall state in the cover letter:

1.2.1. the Tenderer's nominated contact person;

1.2.2. in the case of an individual, full or given names, surname, date of birth and permanent address;

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 names of all proprietors or directors, the relevant registration number and a copy of the certificate of registration; and

1.2.4. in the case of a trust, the full names and addresses of each trustee of the trust;

1.2.5. a list of all the nominated personnel expected to contribute to the performance of the Terms of Reference (TOR), including their names, surnames and title of their position.

1.2.6. specification of which tasks they are responding to as set out in Part 2

1.3. Tenders are to be in English.

2. Tender Assessment Process

2.1. Tenders must comply with all requirements of this RFP. Failure to submit a Tender including the information required by this RFP 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. TNC will evaluate Tenders on the following basis:

2.2.1. a written technical assessment;

2.2.2. a financial assessment;

2.2.3. An assessment of references

2.2.4. An in person (or by phone) interview

2.2.5. A due diligence assessment

2.2.6. other factors, which may impact on the Tenderer's performance.

2.3. TNC will assess Tenders based on the Technical Assessment Selection Criteria specified in Part 4 and will provide a list of ranked technically suitable tenders.

- 2.4. TNC will undertake a financial assessment in accordance with Part 5
- 2.5. This procurement will follow a structured and transparent process to ensure that a fair and level playing field is maintained at all times, and that all Tenderers are treated equally. The indicative key dates for this procurement as they are currently anticipated to be are set out in the Timetable in the Tender Particulars.
- 2.6. TNC reserves the right:
- 2.6.1. 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;
 - 2.6.2. to cancel or vary the Request for Proposals process at any time whether before or after the closing date;
 - 2.6.3. to reject any tender that does not adhere to the structure and content requirements as outlined in these Terms and Conditions;
 - 2.6.4. 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;
 - 2.6.5. to accept Tenders for the whole or any part of the requirement;
 - 2.6.6. to make whatever changes it sees fit to the Timetable, structure or content of the procurement process, depending on approvals processes or for any other reason;
 - 2.6.7. to require that tenderers submit to the Company's Due Diligence process prior to or after the submission of Tenders; and
 - 2.6.8. 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, as per Part 6.
- 2.7. TNC shall not be bound by any advice given or information furnished by it.
- 2.8. The conduct of this RFP is not intended to give rise to any legal or equitable relationship.
- 2.9. A Tender will not be considered if the Tenderer or a representative of the Tenderer gives or offers anything to an employee or agent or subcontractor of TNC as an inducement or reward, which could in any way tend to influence the actions of that employee or agent.
- 2.10. Technical Assessment
- 2.11. The Technical Assessment will be undertaken by an internal Procurement Committee.
- 2.12. The Technical Assessment of the Tender will account for 80% of the overall score using the following formula:
- $$\text{Technical Score} = \frac{\text{Tender's Weighted Technical Score}}{\text{Highest Possible Weighted Technical Score}} \times 80\%$$
- 2.13. The Procurement Committee, in assessing the technical part of the Tender, will consider the Selection Criteria specified in Part 4.
- 2.14. Tenderers should note that technical submissions for those Tenders assessed by the Company as not acceptable on due diligence grounds (as set out in 2.3) will not be subject to technical or financial assessment.
- 2.15. The Technical Submission must:
- 2.15.1. be in a type font of no less than 12 points;

2.15.2. be in a single column format;

2.15.3. be no more than ten pages in length;

2.15.4. have attached up-to-date CVs of the preferred consultant/s (which do not count toward the page limit noted above) relevant to the activity (no longer than 4 pages each),

3. Financial Assessment

3.1. Following consideration of the technical merit of Tenders, a like-for-like price assessment will be undertaken by TNC of the Tenders assessed as technically suitable. For those bidding on all workstreams, total costs should not exceed 220,000 GBP. The like-for-like price assessment will represent 20% of the overall score.

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

$$\text{Price Score} = \frac{\text{Tenders Bid Price}}{\text{Not to exceed bid price}} \times 20\%$$

3.3. 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.

3.4. 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 Project.

3.5. The Tenderer may include per diem rates as an estimate, however the Company shall only reimburse actual expenditure upon presentation of receipts.

4. References assessment

The technical and financial assessment will be undertaken first to determine the top applications. TNC will then contact top applicants' named references to check validity of statements in technical submissions. The number of top applicants to be screened for references assessment, as well as the interview assessment and due diligence steps below, will be determined by TNC in its sole discretion based on the size and quality of the applicant pool.

5. Interview assessment

Interviews will be held (either in person or by phone) for top applicants. These will be used to clarify any questions TNC may have in the applications, to re-assess written scoring criteria and to evaluate the ease of communication between tenderer and TNC teams and the operational logistics of working together.

6. Due diligence

In addition to Part 6, further due diligence in accordance to TNC and funder requirements will be necessary for top applicants who are invited to interview

6. Acceptance of Tenders

6.1. The Company is not bound or required to accept the lowest priced Tender or any Tender.

6.2. A Tender will not be deemed to be accepted unless and until a Contract is signed by The Company and the successful Tenderer.

6.3. The Company reserves the right to enter into negotiation with any other tenderer if contract negotiations cannot be concluded with the preferred tenderer.

6.4. The Company has a preference to employ a tenderer (or consortium of tenderers) who are able to fulfil all requirements set out in Part 2 and Part 4. However, we are open to

matching different tenderers who possess certain skillsets very strongly. Tenderers who are only applying for certain requirements of the work will only be scored on the specific requirements for which they apply.

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 Request for Proposals.

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 Request for Proposals. 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 Request for Proposals but for unforeseen circumstances preventing this. The Company may allow a late Tender to be assessed at its absolute discretion.

8.3. Tenders are to be in English and all pricing and costs are to be in Pound Sterling (GBP).

9. Tenderer Costs

9.1. Tenderers are responsible at their own cost for:

9.1.1. making all arrangements and obtaining and considering all information relating to the TOR;

9.1.2. the preparation, delivery and lodgement of their tender;

9.1.3. dealing with any issues, including disputes, that may arise out of the tendering process.

9.1.4. Attending any in person interview requirements (within 500 miles of tenderer location). Interviews beyond this distance of if logistically impossible will be conducted by phone.

10. Basis of Payment

10.1. Payments currency will be defined during the contract negotiation, and will be made within 30 days of receipt of an acceptable invoice and subject to performance as identified by milestones or deliverables specified in the Contract.

10.2. All Tenderers should be aware that agreed pricing shall be Withholding Tax (WHT) and Value Added Tax (VAT) inclusive, as per the Company's standard contract templates.

10.3. Reimbursement shall be on the basis of actual expenditure evidenced by receipts providing that expenditures are in line with the following guidelines
<https://partnershipsforforests.com/resources/guidelines-using-grant-funds/>:

11. Confidentiality

11.1. 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.

11.2. The Tenderer will not disclose or use any Confidential Information except to the extent that such disclosure or use:

11.2.1. is strictly necessary for submitting the Tender;

- 11.2.2. is required by relevant laws;
- 11.2.3. is authorised by prior written approval from the Company; or
- 11.2.4. 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.
- 11.2.5. 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.
- 11.2.6. The parties agree that this obligation applies during the Tender and after the completion of the process.

12. Request for Information

- 12.1. Any prospective Tenderer may until Deadline for receipt of Clarifications set out in Part 1 request information on any point of clarification in this Tender. The information requested shall be given in writing by TNC as soon as practicable, and where in the opinion of TNC the information could have an effect on other tenderers, that information may at TNC's sole discretion be given in writing to all known prospective tenderers.

13. Business Partner Code of Conduct

- 13.1. Tenderers shall comply with the Business Partner Code of Conduct found at [<http://thepalladiumgroup.com/policies>] in the submission of any tenders. Compliance with such Code of Conduct is a requirement of the entities providing the funding to TNC for this engagement.

14. Unsuccessful Tenders

- 14.1. Unsuccessful Tenders will be notified in writing

15. Tenderer Acceptance of Conditions

- 15.1. A Tender lodged in response to this Request for Proposals does so with agreement to these Conditions of Tender unless any departures from these Conditions are detailed in the tender submission. TNC 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.

16. Publicity

- 16.1. No publicity regarding the procurement or the award of any Contract will be permitted unless and until TNC has given express written consent to the relevant communication. For example, no statements may be made to the media regarding the Request for Proposals, its contents or any proposals relating to it without the prior written consent of TNC, which TNC may choose to withhold in its sole discretion.

17. Client Specific Provisions

- 17.1. The funding for this work is DFID Partnerships for Forests funding being provided to TNC via a Head Contract between TNC and P4F. Subcontractors and Consultants will be required to comply with certain terms of the Head Contract for the Project that are expressly applicable to such subcontractors and consultants, including the DFID Standard Terms and Conditions and any additional terms advised by the Company. Please email edward.hewitt@tnc.org if you would like to see a copy of the standard Head Contract template.

Part 4 Technical Assessment and Selection Criteria

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 RFP.
- 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 matrix for the technical submission	
5	Excellent, addresses the requirements of the TOR and all RFP 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 be assessed against the following criteria. We suggest making these criteria explicitly clear in the format of the technical submission

Assessment criteria		Weight (1-3)	Score	Max points
1	<p><u>Methodology and Approach to Delivery of TOR</u></p> <p>Tenderers should describe from their own understanding of the TOR, as well as the context of the project, how their Nominated Personnel will facilitate delivery of the tasks set out in the assignment. Tenderers are also expected to describe their approach to ensuring optimal value for money.</p> <p>A half page anticipated Workplan, plotting the delivery of the tasks mentioned above linked to the level of effort of each of the Nominated Personnel, should also be provided. This Workplan must identify proposed output based payment deliverables, dates and amounts.</p>	2	[0 to 5]	10

2	<p><u>Demonstrated experience in asset securitisation and associated financial modelling</u></p> <p>Tenderers should identify 1-2 assignments undertaken within the last 5 years which demonstrate hands on experience of asset securitisation. We also expect to see demonstrated competency in the financial modelling of asset based securities. A brief summary of each of the assignments should be provided including, where possible, specific details of transactions, and the name and contact details for referees who can verify the Tenderers performance on the assignment.</p>	3	[0 to 5]	15
3	<p><u>Demonstrated experience in fund structuring and establishment</u></p> <p>Tenderers should identify 1-2 assignments undertaken within the last 5 years which demonstrate hands on experience with structuring and establishing new funds. This could include a brand new fund or working with an established fund manager. A brief summary of each of the assignments should be provided including, where possible, specific details of transactions, and the name and contact details for referees who can verify the Tenderers performance on the assignment.</p>	3	[0 to 5]	15
4	<p><u>Demonstrated experience in forestry and wood markets</u></p> <p>Tenderers should identify 1-2 assignments undertaken within the last 5 years which demonstrate detailed knowledge of forestry and wood product market. We do not expect operational forestry experience, but we expect to see strong knowledge of how the forestry sector works. A brief summary of each of the assignments should be provided as should the name and contact details for referees who can verify the Tenderers performance on the assignment.</p>	2	[0 to 5]	10
5	<p><u>Demonstrated experience of working on African projects</u></p> <p>Tenderers should identify 1-2 assignments undertaken within the last 5 years which demonstrate</p>	2	[0 to 5]	10

	their understanding of the African business and operating environment. These does not have to be limited to the forestry sector. A brief summary of each of the assignments should be provided as should the name and contact details for referees who can verify the Tenderers performance on the assignment.			
6	<p><u>Quality of Personnel and/or Partners</u></p> <p>Tenderers should describe, referring to the CVs submitted to evidence any statements, how the Nominated Personnel fulfil each of the criteria set out in the RFP and are sufficiently skilled staff to undertake all aspects of the Scope of the assignment.</p>	3	[0 to 5]	15

2. The Tenderer must provide a CV (including the names and contact details of two references must be attached) for all Nominated Personnel expected to contribute to the performance of the TOR (no longer than [four pages] in length for each CV).
3. The technical submission format **must** clearly address the criteria above as this will impact on the assessment process.
4. The technical submission should not exceed [ten pages] (excluding CVs).
5. If the Tenderer does not possess relevant experience all of the criteria expected above, this does not invalidate your proposal. Although we have a preference to employ a tenderer (or consortium of tenderers) who have all relevant skills, we are open to matching different tenderers who possess certain skillsets very strongly. Please state clearly if you would need external expertise to meet certain aspects of the criteria above. Please note, that we would expect the total bid amount to be less to reflect that TNC would have to pay for additional skills to be obtained from elsewhere.
6. Based on evaluation of the technical and financial tenders, successful applicants will be invited to an interview (either in person or by phone). At the interview, TNC will be looking to refine and test initial scoring judgements made on the basis of written responses as well as adding a further category of 'ease to work with tenderer'. This category is subject to the following description and scoring:

<u>Assessment criteria</u>	Weight	Score	Max points
<p>6</p> <p><u>Ease to work with tenderer</u></p> <p>During interviews TNC will make an assessment of how easy it is to work with the tenderer. Aspects to be considered will include details such the ease of communication, ability to attend regular face to face meetings with project lead, and the operational</p>	3	[0 to 5]	15

	logistics of working together.			
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Part 5 Financial Assessment and Selection Criteria

1. The financial component must:

1.1. Using the below format state the daily fee rates (based on an 8 hour working day for one person) for all the Nominated Personnel. 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. This will form the basis of the comparative price assessment.

Consultant	Daily Fee Rate	Number of Days	Cost
E.g. Consultant A	e.g. £100	e.g. 2	e.g. £200 (2x£100)
E.g. Consultant B	e.g. £50	e.g. 3	e.g. £150 (3x£50)
Total Tender Price			e.g. £350

1.2. Using the below format provide a budget and total value of all expected reimbursable expenses (see Sections 2-4 below for eligible expenses) in the format below. Tenderers should note that the Financial Limit of this Tender is £220,000 and that the Tender Price plus (+) the Total Reimbursable Expenses cannot exceed the Financial Limit. Where the Financial Limit is exceeded, TNC reserves the right not to accept the Tender.

Reimbursable Expenses Line Item	Units	Price	Cost
E.g. International Flight to [X] from [X]	E.g. 2 (if 2 consultants)	e.g. £100	e.g. £200 (2 x £100)
Total Reimbursable Expenses			e.g. £200

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

- 2.1. the rates should be based only on the number of days specified in the Terms of Reference;
- 2.2. the rates are to be inclusive of relevant taxes.
- 2.3. all activity preparation costs are the responsibility of the Tenderer;
- 2.4. a requirement is for the preferred Tenderer to submit a quarterly Progress and Financial Report and an Activity Completion Report at the end of the activity. All costs associated with the preparation and submission of these reports are the responsibility of the preferred Tenderer.
- 2.5. though per diems may be used to illustrative the expected amount of reimbursable expenses, only actual expenditure accompanied by receipts can be reimbursed.
- 2.6. payment of fees and reimbursable costs may be withheld due to non-approval by the Regional Programme Manager of the Progress / Financial / Activity Completion Report.

3. Insurance cover:

- 3.1. Preferred Tenderers contracted by TNC shall be responsible for obtaining their own travel and health insurance, as they deem appropriate, for travel undertaken as part of the work. Tenderers will not be added to any of TNC's corporate insurance policies.
- 3.2. Preferred Tenderers shall be required to evidence Professional Indemnity and Professional Liability insurance at the limits set forth in TNC's standard contract for services.

Part 6 Due Diligence Assessment Form

Please provide a completed version of the below Due Diligence' table within your response.

Additional Due Diligence			
1. Has the Tenderer failed to fulfil obligations relating to the payment of taxes and/or social security contributions under the law of the relevant jurisdiction in which it is established? If YES, please supply details.			YES/NO
2. Has the Tenderer had its statutory audited accounts (or its parent, ultimate parent, or subsidiaries' accounts) qualified in any of the last 3 years? If YES please provide details.			YES/NO
3. Has the Tenderer ever engaged in any anticompetitive behaviour, collusion, or any attempt to distort the market in any way? If YES please provide details.			YES/NO
4. Are you aware of any conflicts of interest between the Tenderer and TNC and Partnerships for Forests (including DFID, Mckinsey & Palladium) If YES to either part please provide details and explain how you propose to remedy the situation			YES/NO
5. Please let us know how you would deal with any potential conflict of interest which may arise in the future.			
6. Has the Tenderer had any contracts which have been terminated for poor performance or has a court awarded any damages against the Tenderer for poor performance under a contract within the last 3 years? If YES, please provide details below.			YES/NO
Client name and address	Contract reference and brief description of services provided	Date of claim/ contract termination	Reason for claim/ contract termination
7. In the last 3 years has the Tenderer been - or is the Tenderer in the process of being - the subject of formal investigation by the Equality and Human Rights Commission or equivalent body in any jurisdiction on the grounds of alleged unlawful discrimination in the employment field? If YES, please provide details.			YES/NO
8. Has the Tenderer been responsible directly or indirectly for any material environmental incidents in the last 3 years, irrespective of whether they were the subject of an official investigation? If YES, please provide details.			YES/NO
9. If the answer to either question 7 or 8 is YES, please explain what steps have you taken as a result of that finding or investigation?			

Part 7 – TNC Standard Contract Templates

Please email edward.hewitt@tnc.org if you would like to see a copy of our standard contract template

Part 8 – 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 TNC I/We will promptly provide the certificates or other documents referenced in this RFP.

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 TNC 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.