EUROPEAN FOREST INSTITUTE

TENDER SPECIFICATIONS

PROCUREMENT REFERENCE NUMBER (12-12.5-2022 KAMI)

JURISDICTIONAL SOURCING AND TRACEABILITY INFORMATION FOR SUSTAINABLE PALM OIL IN INDONESIA

1. TERMS OF REFERENCE

1.1 Context and rationale

The palm oil industry is a major contributor to the economy of Indonesia and in 2018, 36.6 million tonnes of palm oil were produced, accounting for 56% of global supply in 2018. More than 80% of the palm oil was exported, valued at USD 18.2 billion. Palm oil has helped lift more than 10 million Indonesians out of poverty since 2000 and the industry supported the livelihoods of 23 million people in 2018, 4.6 million of them involved in independent smallholdings.

Palm oil production has been linked to legal and illegal deforestation, degradation of peatlands and other negative impacts. In recent years, improvements in laws, monitoring and enforcement have led to reductions in deforestation and other improvements. However, with growing demand for palm oil, deforestation concerns have persisted, including among investors and buyers seeking to mitigate risks attached to deforestation. A wide range of stakeholders have been working to quantify, slow and halt palm oil-linked deforestation, to improve sector sustainability and image. The response to these efforts has been mixed, partly due to divergent views on palm oil-related deforestation.

Key challenges for reducing deforestation from, and improving sustainability of, palm oil value chains include:

- Overlapping and conflicting responsibilities for land and forest management. Governance challenges and recurring adjustments have resulted in spatial plans that are often misaligned at different levels. Different ministries also have overlapping and conflicting regulations and use different maps.
- Lack of land and forest tenure clarity, poorly demarcated state land and local claims mean that some stakeholders may be classed as illegal. Lack of clear tenure has created complex legal situations in which vulnerable actors such as smallholders and indigenous groups have sometimes been disadvantaged.
- Governance challenges and limited accountability in private sector sustainability efforts have disempowered smallholders, labourers and local communities. Certification of plantations has improved management within many concessions, but externalities have sometimes been pushed to smaller, less accountable stakeholders.

Palm oil supply chain actors are under increasing pressure to prove that their product is produced and processed without causing deforestation, violating human or labour rights, breaching laws or resulting in unsustainable impacts. As such, traceability is one of the prerequisites in demonstrating sustainability and, along with monitoring and verification, is necessary to validate sustainability claims and provide assurance to consuming markets.

Palm oil traceability in Indonesia is hampered by the complexity of the supply chain, which includes many informal actors, such as independent smallholders and traders. Independent smallholders often don't have contracts with palm oil mills or a unique identification that allows buyers to verify the origin, sustainability and legality of fresh fruit bunches (FFB).

These informal, dynamic, complex and often opportunistic relationships among independent smallholders, traders and mills impede collection of reliable local-level supply chain traceability data. Consequently, consumer goods companies rely mainly on suppliers' self-declarations with limited scope for verification of any claims made. Therefore, even with good spatial monitoring capacity and clear information on concession boundaries, consumer goods companies often do not have sufficient supply chain information to evaluate the legality and sustainability of all suppliers and raw materials.

To achieve traceability, it is also important that actors along the supply chain share information that allows tracking and tracing of components used in producing goods. However, companies tend to be reluctant to share information and this adds to palm oil supply chain traceability challenges.

The jurisdictional approach proposed in the Terpercaya initiative under Bappenas' leadership gives subnational governments a central role in driving sustainability. It can provide a response to overcome some palm oil traceability-related challenges in the near to medium term before full traceability is likely to be feasible. According to this approach, local governments can support data collection and reporting processes necessary to achieve jurisdictional and potentially full traceability, while also supporting a local transition to

sustainability. The Terpercaya initiative provides a national information platform, as a reference source of information on district-level progress towards sustainability based on 23 indicators of environmental, social, economic, and governance performance. To date, however, the Terpercaya online data platform lacks data and information on traceability for palm-oil producing districts.

The EU-funded KAMI[1] project, which is implemented by EFI, aims to reinforce EU-Indonesia and EU-Malaysia partnerships by supporting national processes and international dialogue on the sustainable use of natural resources, with a specific focus on palm oil. The specific objective is to develop an understanding of national, international and EU policies towards the establishment of sustainable and inclusive value chains, to take stock of progress achieved in this sector, and to promote cooperation and exchange with international, national and sub-national stakeholders in Indonesia and Malaysia, including palm oil producers, on the different aspects of sustainability, at meaningful scale, in line with the priorities set within the Communication (2019) 352 on Stepping up EU Action to Protect and Restore the World's Forests.

In the above context, KAMI encompasses support for policy dialogue and collection and dissemination of agreed, objective subnational level sustainability and traceability information.

Two initial scoping exercises were conducted under KAMI with direct relevance for this assignment. Outputs from the work included two briefs:

- Jurisdictional palm oil traceability in Indonesia
- A model for sourcing palm oil from sustainable jurisdictions in Indonesia

These two briefs are published on the KAMI website (https://efi.int/partnerships/KAMI) and are to be considered in implementing this assignment.

In the above context, EFI will engage a service provider to undertake the following assignment:

1.2. Objectives of the assignment

The objectives of this assignment are:

1. Support the Indonesian government to maintain the Terpercaya online data platform.
2. Test a pragmatic jurisdictional approach to traceability to support the assessment of sustainability risks in palm oil sourcing, considering smallholder inclusivity.
3. Support the Indonesian government to compile and process traceability data in the palm oil sector to verify areas and production in support of sustainability goals.

This assignment seeks to complement existing national efforts on palm oil traceability (e.g., the emerging Indonesian Sustainable Palm Oil (ISPO) information system) and bring additional visibility and transparency with a view to helping smallholders and market actors in the face of increasing due diligence requirements imposed in consumer markets.

1.3. Scope and tasks

The scope of this assignment covers the palm oil sector, palm oil supply chain traceability, and monitoring of sustainability and forest and land use governance at company and district level in Indonesia in the context of domestic and international efforts to achieve sustainable commodity production.

The assignment will comprise the following tasks and activities:

A. Consult and support Terpercaya Advisory Committee members and members of the Terpercaya Working Group on Indicators on topics of traceability and jurisdictional sourcing

The Terpercaya Advisory Committee (AC) advises on the implementation of KAMI activities as per work plans approved by the KAMI Indonesia Strategic Country Board (SCB). The Advisory Committee comprises representatives of major palm oil and forest related stakeholder groups including state and non-state actors.

[1] KAMI ("Us/ We" in both Indonesian and Malaysian languages) - Keberlanjutan sAwit Malaysia dan Indonesia (Sustainability of Malaysian and Indonesian palm oil).

The Terpercaya Working Group (WG) on Indicators comprises a selection of stakeholders committed to providing technical support for the Terpercaya initiative at the district level.

Contractor will:

1. In coordination with EFI, organise regular consultations with AC and WG members and/or other relevant stakeholder groups on the topics of palm oil supply-chain traceability and jurisdictional sourcing, in the form of focus group discussions or presentations at AC and/or WG meetings, and develop relevant background materials for such consultations.
2. Provide briefings as necessary to the Terpercaya AC co-chairs (Government of Indonesia and European Union) on strategic insights and recommendations on the topics of palm oil supply-chain traceability and jurisdictional sourcing.

B. Support the Indonesian Government to maintain the Terpercaya online data platform

The Terpercaya data platform is hosted on Bappenas servers and receives information from a variety of Indonesian ministries and agencies, predominantly under data sharing agreements. Data is updated annually.

Contractor will:

1. In coordination with Bappenas Data and Information Center (PUSDATIN) IT specialists and other relevant stakeholders, develop a Terpercaya data platform maintenance masterplan covering points 2-5 below and other identified activities, to be implemented by the service providers and other stakeholders during the period of this assignment and beyond.
2. Maintain and update the Terpercaya data platform and data collection and analysis systems, ensuring the availability, integrity, confidentiality and security of all data and metadata as necessary, including the following:
    a. Support further development of systems for collection of Terpercaya indicator data from ministries, districts and relevant agencies, and update and maintain SOPs to improve data quality and reliability for all indicators.
    b. Ensure data is collected from relevant official data holders having data sharing agreements with Bappenas for the existing Terpercaya indicators and update data in the platform considering the format and structure of the data as described in technical SOPs.
    c. Develop data platform functionalities to graphically display multi-year trends in indicator data.
    d. Explore potential for data from past years to be submitted so that relevant trends can be demonstrated e.g., reductions in Indonesian deforestation rates, and collect data if available.
3. In consultation with the WG and EFI and based on information collected under other tasks, propose a district-level indicator on palm oil traceability progress for which data can be reported annually for inclusion on the Terpercaya data platform. For example, the indicator could show the proportion of district oil palm producers or oil palm production area for which full traceability is possible building on Terpercaya traceability-related indicator 12 on smallholder registration/STDB progress, and indicator 16 on sustainability certification.
4. Provide a Terpercaya data platform maintenance service to carry out functions including:
    a. Maintain the integrity of the system, including but not limited to the update and upgrade of plugins, forms and database management system (DBMS).
    b. Update the web core server, develop new content and update information as necessary, ensuring design consistency across all web pages.
    c. Improve website speed, ensuring each page loads optimally,
    d. Maintain hardware and equipment, including tune-up service, removal of temporary files, updating virus and malware protection, etc.

e. Periodically back up data, information, and metadata to a secure location and execute data retrieval to confirm backups are accessible.

f. Enable helpdesk access for routine questions to be resolved.

5. Prepare quarterly reports on Terpercaya data platform status and activities.

C. Pilot the proposed Terpercaya pragmatic due diligence approach in two districts

The Terpercaya data platform is designed to allow identification of districts where there is a low risk of oil palm related deforestation and low risk of labour or human rights abuses versus other districts. Over time, the goal is to encourage districts to qualify for the low-risk category, making market visibility a factor of change. Consultations with Terpercaya AC members have indicated that until sufficient progress is made in registering smallholders and certifying smallholders and companies, collation and dissemination of legality and sustainability related information according to the risk profile of the district could significantly simplify market actors' due diligence processes, as outlined in Figure 1. below. The establishment of district registries containing information on company ISPO and other sustainability certification and their legal compliance would allow operators to quickly assess the performance of individual producers in a district as well as assessing the performance of the district overall. Currently, districts lack capacity to effectively implement such registries.

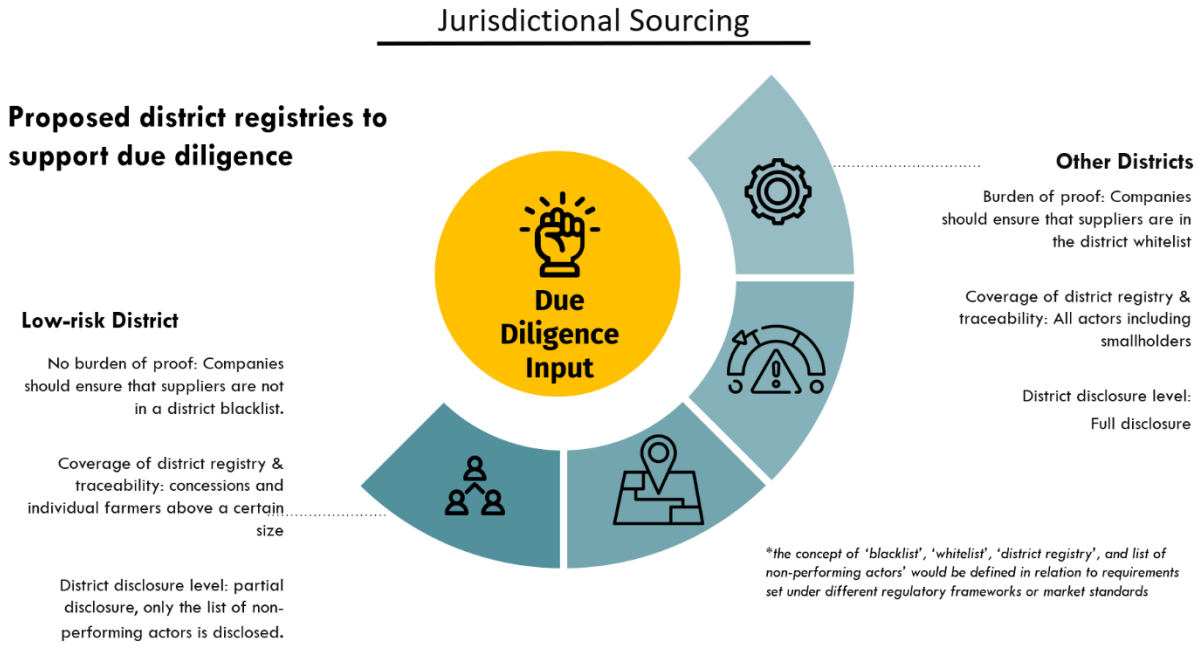

Figure 1. Proposed role for Terpercaya in facilitating jurisdictional sourcing

This approach is about focusing tracking efforts according to the district profile: tracking risky operators in low-risk districts, and tracking responsible operators in high-risk districts, with a view to implementing a pragmatic approach to information collection and due diligence where information on smallholders remains scarce and costly to compile. Under this proposal district blacklists and district whitelists of companies are proposed as follows:

- District blacklist: A list drawn up by the local government identifying companies that are not performing at the expected standard, or with ambiguous or pending legal issues. These could include companies that continue to clear forest areas within their concessions, concessions overlapping with forest areas, or companies currently subject to criminal or civil proceedings. These blacklists would be required in districts defined as low risk.

- District whitelist: A list drawn up by the local government identifying companies that are legally compliant and performing according to relevant environmental and social standards. The district would be required to create a whitelist when the entire district cannot be classified as low risk.

A regulatory basis of district registries assessing performance of companies for legal compliance already exists in Indonesia (Pedoman Penilaian Usaha Perkebunan (PUP)). Ministry of Agriculture Regulation Permentan 7/2009 allows the agricultural service or plantation service to conduct annual assessments of companies, classified in four levels – A, B, C and D. However, districts have lacked capacity to effectively implement this regulation. ISPO and other certifications building on legality and sustainability principles also provide a ready basis for assessing company performance in relation to respective certification standards.

Contractor will:

1. Conduct consultations with relevant district level stakeholders on potential implementation of district level company registries as outlined above.
2. Support the implementation of such registries in two districts to be selected in consultation with EFI, with a specific focus according to the district profile:
    a. Test the feasibility of the district blacklist in a district that may be considered as low risk.
    b. Test the feasibility of the district whitelist in a district that is unlikely to be classified as low risk.
3. Design a district registry functionality to be accessed from the Terpercaya data platform (e.g. from the districts' profile page) to allow users to access information on company performance across Indonesian districts.
4. Present a mock-up version of the district registry functionality for consultation and feedback on functionality, front-end features, user-friendliness, etc.
5. Produce a first version of the district registry functionality to be accessed from the Terpercaya data platform.
6. Document estimated costs for districts to develop such registries taking into consideration e.g., their profile (low-risk or not), prevalence of smallholders, progress regarding smallholder registration and certification (ISPO in particular), etc.

The choice of the two pilot districts is to be agreed with EFI and is to be based on district authorities' understanding and interest in piloting such an approach, as well as private sector interest. The emphasis is on testing the approach to inform further discussion and it is not necessarily expected that districts will initially disclose information for district registries. For implementation of the task, criteria used to identify districts' blacklists or whitelists should be based on company sustainability certification and/or Permentan n°7/2009, Penilaian Usaha Perkebunan (PUP) and guidance from the Terpercaya AC and/or WG.

D. Develop a traceability module for the Terpercaya data platform

Palm oil supply chain information is essential in reducing supply chain deforestation, supporting districts and companies to gain visibility for sustainable and deforestation free palm oil production in domestic and international markets, and in assessing and verifying leakage risk i.e., sourcing of palm oil from non-low-risk districts.

Contractor will:

1. In liaison with Bappenas Data and Information Center (PUSDATIN) IT specialists, design a new traceability visualization module to be accessed from the Terpercaya data platform, focusing on palm oil traceability and jurisdictional sourcing. The module should include the following specifications:
    a. A database management system compliant with Pusdatin/Bappenas technical SOP.
    b. Minimum information to track companies' sourcing in low-risk districts (against total district production) to help verify and give credibility to claims of sourcing from low-risk districts.

c. Webpages and a map view to display information by district.

d. Link to district registries outlined under section 3.C.

e. A registration form for companies and external users.

f. An option for companies and external users to submit information and enter data online through digital forms and common formats, for example on volumes purchased from a district or production area.

g. Other relevant sources of traceability information (e.g., 2020 Indonesia palm oil data from the Trase supply-chain tracking information system).

2. Develop a mock-up version of the traceability visualization module for consultation and feedback on functionality, front-end features, user-friendliness, etc.

3. Produce a first version of the traceability visualization module to be accessed from the Terpercaya data platform together with forms and database, and SOP/guidelines describing module use, maintenance, problem resolution, and backup/restore plan for the website and the database.

E. Develop a proposal for a regulation/s on traceability data collection to fill supply chain information gaps

Efforts to improve palm oil traceability should avoid exclusion of actors and portions of the supply chain from markets for legal, sustainable and deforestation-free palm oil. This will require extensive collection and collation of currently unavailable data. Interviews with representatives of companies in the palm oil supply chain, however, revealed widespread reluctance to share supplier information due to commercial confidentiality concerns.

Government and private sector Terpercaya Advisory Committee members have expressed willingness to explore ways to overcome these concerns by agreeing to collate and control relevant data, ensuring that sensitive information is protected. Ministries at the national level working in partnership with subnational governments can mandate submission of data necessary to accelerate progress towards full traceability, while traceability to the district level may provide an interim means of identifying and reducing supply chain risk regarding deforestation, illegality, and/or labour or human rights violations.

KAMI work on jurisdictional palm oil traceability in Indonesia identified the information that should ideally be maintained and disclosed along the supply chain (see Table 1).

Table 1. Traceability information that should be compiled and maintained along the supply chain.

Farmers	Trader	Plantation companies	Mills and crushers	Refinery	Consumer good companies
- Farmer ID - Field ID (STDB)	- Traders' ID - Location (residence) - Location (sourcing villages) - Farmers' ID for each supplier - List of mills selling to	- Mill ID -Concession boundaries - Volume supplied to the mill	- Mill/Crusher ID - Aggregate farmer ID including sourcing region (village/subdistrict) - Aggregate trader ID - Percentage of supply from own plantations, third party supplier and independent smallholders - Total volume of production and sales with each buyer or	- Individual mill/crusher ID (for each supplier) - Aggregate mill/crusher ID (that refers to all the individual mills' ID) - Percentage of supply from each mill/crusher/region	- Refineries - All mills/crushers supplying to the refineries - All mills supplying CPO/PKO to manufacturers

			shipped to another region - Proof of compliance with regulation (retains all necessary data)		

Contractor will:

1. Consult with relevant Ministries (including Bappenas, Ministry of Agriculture, Ministry of Environment and Forestry, Ministry of Home Affairs, Ministry of Trade and Ministry of Investment), EFI and supply-chain actors to identify gaps and opportunities that could be addressed with specific regulation(s) to mandate reporting of supply chain data (e.g., by mills and refineries)
2. Draft a regulation proposal/s in consultation with the authorities with responsibility for relevant supply chain segments, and relevant members of the Terpercaya AC and WG.
3. Prepare a presentation based on the regulation proposal/s and hold consultations with relevant ministries, KAMI partners and supply chain actors to finalise the proposal/s.

F. Provide training for relevant ministries on data improvement and collection (2.C.3)

To support efficient and effective functioning of the Terpercaya data platform relevant staff from ministries and other national and subnational agencies will need to understand the purpose of the platform and their roles and responsibilities in maintaining the constituent system.

Contractor will:

1. Assess training needs for staff from ministries and other national and subnational agencies relevant to the operation of the Terpercaya data platform and its different modules and develop a capacity building plan.
2. Design tailored modules and guidance (e.g., documents, presentations, and videos) to train relevant staff in collecting, submitting, and analysing data and maintaining respective modules of the Terpercaya data platform drawing on indicator data guidelines and SOPs, the traceability data regulation, and inputs from relevant stakeholders including SCB members, KAMI implementing partners, and relevant Terpercaya AC and WG members.
3. Organise training sessions for relevant staff from ministries and other national and subnational agencies relevant to the operation of Terpercaya data platform modules.

1.4. Methodology

Methods used to undertake the assignment will include the following:

- Organisation and implementation of consultations, meetings and workshops with stakeholders at national, province and district level across geographical regions in Indonesia as appropriate.
- Technical assessment of traceability information systems in the palm oil sector.
- Data compilation, processing and development of data visualization solutions in relation to the Terpercaya platform and districts' registries.
- Training and capacity building.

- Organisation of relevant meetings, workshops, consultations and capacity building to disseminate information, seek stakeholder inputs and build interest among stakeholders as the work progresses;
- Participation in relevant meetings and workshops to disseminate information, seek stakeholder inputs and build interest among stakeholders;

- Liaison with members of the Terpercaya Working Group on Indicators and other KAMI partners and service providers to ensure coherence of activities with other work,
- Development of materials to support implementation of events and activities;
- Collation of information related to district-level sustainability and subsequent analyses, including spatial analysis.

1.5. Timetable and reporting

The Contractor will submit the following deliverables:

No.	Task	Description	Timing
1	-	Work plan and timeline.	Within 1 month of contract entering into force.
2	-	Monthly updates on project implementation, including reporting on Terpercaya data platform status and activities, through virtual meetings and/or email.	Monthly following contract entering into force.
3	A.1	At least ten focus group discussions/consultation meetings with AC and WG members and/or other relevant stakeholder groups at times and dates agreed with EFI together with presentations and meeting reports/minutes.	At least 10 meetings within 10 months of contract entering into force.
4	A.2	Briefings to the Terpercaya AC co-chairs (Government of Indonesia and EU).	As necessary.
5	B.1	A Terpercaya data platform maintenance masterplan.	Within 2 months of contract entering into force.
6	B.2	Updated Terpercaya data platform and data collection and analysis systems and maintained platform infrastructure.	Throughout contract period.
7	B.3	Brief outlining key details of proposed district traceability indicator and justifying the choice of indicator and a presentation given to the Terpercaya working group on Indicators.	Within 4 months of contract entering into force.
8	C.1, C.6	Report on the technical and political feasibility of setting up district-level registries with recommendations for up-scaling including estimated costs of setting up district level company registries.	Within 4 months of contract entering into force.
9	C.2	Two pilot district level company registries to support palm oil due diligence	Within 5 months of contract entering into force.
10	C.3, C.4, C.5	District registry functionality to be accessed from the Terpercaya data platform	Design brief within 6 months, mock up within 8 months and first version within 10 months of contract entering into force
11	D.1, D.2, D.3	Traceability module for the Terpercaya data platform together with forms and database, and SOP/guidelines describing module use, maintenance, problem resolution, and backup/restore plan for the website and the database	Mock-up within 5 months, beta version within 8 months and final version within 10 months of contract entering into force.
12	E.1	Draft proposal/s for a regulation/s on traceability data collection, and justification and briefing/presentation provided to EFI, relevant	Within 6 months of contract entering into

		authorities and relevant stakeholders.	force.
13	F.1	Capacity building plan to support Terpercaya data collection and data platform maintenance, and improvement of data systems.	Within 2 months of contract entering into force.
14	F.2	Training sessions delivered to relevant staff from ministries and other national and subnational agencies as agreed in the capacity building plan. Training materials, including presentations, videos, links, attendance sheets and results of the training to be shared with EFI within 5 days of each session.	At least 5 training sessions within 10 months of contract entering into force.
15	-	Final report on implementation of tasks and key needs in furthering jurisdictional sourcing and palm oil traceability in Indonesia.	Within 10 months of contract entering into force

All reports/deliverables are to be produced in Bahasa Indonesia and English and the final reports will consider comments provided by EFI on the draft reports. Language used in reports/deliverables must be at the quality standard required for a public dissemination and must follow characteristics included in the guideline "Linguistic and formatting requirements for the deliverables" provided by EFI at the inception of the assignment unless otherwise indicated for all reports and products developed under this assignment.

Publication of materials produced through implementation of the contract can be done only if approved in writing by EFI. EFI will need to seek the approval from the KAMI Strategic Country Boards (SCBs). The SCBs are given prior notification and a no-objection period before any project deliverable is published.

1.6. Human and financial resources

The assignment will be implemented over a maximum period of 10 months, provisionally from September 2022, by a team of at least seven experts for a minimum total of 470 working days with one of the experts also assuming the Team leader function.

The contractor will have available a "work plan budget" to cover costs related to the organization of meetings, workshops, consultations, and the implementation of capacity building and field activities (including per diems, transport, accommodation, etc.) for a maximum of 58,000 Euro. This provision should be integrated as part of the total financial proposal.

The use of "work plan budget" resources by the contractor will be subject to EFI approval based on planned expenditures included in a quarterly work plan budget reported to EFI. All expenditures need to be approved by EFI before costs are incurred.

2. TENDER DOCUMENTATION

2.1. Administrative Documentation

The tender shall include the following documentation, properly filled out and signed:

- Cover letter (Annex 1)
- Identification form (Annex 2) including supporting documentation
- Bank identification form (Annex 2a)
- Declaration on Exclusion Criteria and Absence of Conflict of Interest (Annex 3)
- Nomination of Experts form (Annex 4)
- Minimum criteria declaration (Annex 5)

The consortium agreement (Annex 6) shall be included, properly filled out and signed, if the tender is submitted jointly by a consortium of economic operators. The consortium agreement (Annex 6) shall not be included if the tender is submitted by a single Tenderer proposing subcontracting of tasks.

2.2. Technical Proposal

In order to evaluate the tender against the minimum criteria and the award criteria A.I. – A.II. in section 3.1. and 3.2., the Tenderer shall submit a technical proposal consisting only of the following elements:

1) A **nomination** of the following Experts to carry out the tasks in the Terms of Reference:

- **Team Leader (expert)**
- **Supply-chain traceability expert**
- **Legal Expert**
- **Senior Web Developer**
- **Data processing/GIS expert**
- **User Experience/User Interface (UX/UI) designer**
- **Business Intelligence/Analytic Report Developer**

The Technical Proposal shall include CV's of the nominated Experts.

The Tenderer shall be able to certify the information contained in the CV's for the nominated Experts at EFI's request.

The CV shall have all the information as in the EuroPass CV https://europass.cedefop.europa.eu/documents/curriculum-vitae

The Tenderer can use the EuroPass CV template or its own CV template.

Optionally

- **one or more additional experts relevant for the implementation of the service**

The Technical Proposal shall include CV's of the nominated Experts.

The Tenderer shall be able to certify the information contained in the CV's for the nominated Experts at EFI's request.

2) **A description** of no more than three (3) pages in English, making reference to the **Terms of Reference and the previous experience of the Experts** showcasing understanding of:

- the aims and the context of the assignment

and addressing the following topics:

- Challenges and opportunities in piloting district level information systems on palm oil jurisdictional sourcing and supply chain traceability in Indonesia.

3) A **presentation** of no more than four (4) pages in English on the Tenderer's methodology for the assignment – building upon the **Terms of Reference and the previous experience of the Experts** – addressing the following elements under separate headings:

- Approach for supporting the Indonesian government to maintain the Terpercaya online data platform
- Approach to test a pragmatic jurisdictional approach to traceability to support the assessment of sustainability risks in palm oil sourcing, considering smallholder inclusivity
- Approach to support the Indonesian government to compile and process traceability data in the palm oil sector to verify areas and production in support of sustainability goals
- Timing and sequence of activities and tasks, indicating the organization of the delivery and the approximate allocation of time of the nominated Experts

2.3. Financial Proposal

The Tenderer shall submit a financial proposal, which shall be completed by using the form in annex 7 and by following the instructions therein.

The full general conditions applicable to the payment of fees and per diem as well as the reimbursement of costs can be found in annex 8 (model contract).

3. EVALUATION OF TENDERS AND AWARD OF THE CONTRACT

3.1. Minimum Criteria

The **Team leader (expert)** nominated must meet the following criteria:

N°	Criteria description
M.I.	Advanced university degree (Master's degree or equivalent) in economics, supply chain management, natural resources management, environmental policy, or a relevant directly related discipline.
M.II.	At least five years' experience leading and/or coordinating projects in Indonesia on sustainable commodity production, forest and land use governance or similar areas.
M.III.	Involvement in supporting at least 2 multi-stakeholder processes balancing the interests of international, national and local stakeholders representing civil society, private sector and government in Indonesia.
M.IV.	Understanding, speaking and writing English and Indonesian language as demanded with respect to all tasks covered by the Terms of Reference.

The **Supply-chain traceability expert** nominated must meet the following criteria:

N°	Criteria description
M.V.	University degree in supply-chain management, natural resource management, forestry, agriculture, economics, or a relevant, directly related discipline.
M.VI.	At least five years' experience in supply-chain traceability, including at least two years' experience related to the palm oil supply chain.
M.VII.	Understanding, speaking and writing English and Indonesian language as demanded with respect to all tasks covered by the Terms of Reference.

The **Legal Expert** nominated must meet the following criteria:

N°	Criteria description
M.VIII.	University degree in public law, environmental policy, or a relevant, directly related discipline.
M.IX.	At least five years' experience in public law in Indonesia, including experience in the agriculture and/or environment sector.
M.X.	Understanding, speaking and writing English and Indonesian language as demanded with respect to all tasks covered by the Terms of Reference.

The **Senior Web Developer** nominated must meet the following criteria:

N°	Criteria description
M.XI.	Master's degree in software engineering or equivalent;
M.XII.	At least five years of experience in web development including database development and management, and data analytics;
M.XIII.	At least five years 'experience working with SQL relational database systems;
M.XIV.	Understanding, speaking and writing English and Indonesian language as demanded with respect to all tasks covered by the Terms of Reference.

The **Data processing/GIS expert** nominated must meet the following criteria:

N°	Criteria description
M.XV.	Bachelors' degree in spatial analysis, data processing or discipline involving significant data processing applied to forest and land use planning and management;
M.XVI.	Five years' experience in conducting data processing and spatial analysis including GIS work in the context of forestry and/or land use in Indonesia.
M.XVII.	Understanding, speaking and writing English and Indonesian language as demanded with respect to all tasks covered by the Terms of Reference.

The **User Experience/User Interface (UX/UI) designer** nominated must meet the following criteria:

N°	Criteria description
M.XVIII.	Bachelors' degree in visual design, communications, computer science, or related field;
M.XIX.	At least three years' experience in the IT industry or with a design agency;
M.XX.	Understanding, speaking and writing English and Indonesian language as demanded with respect to all tasks covered by the Terms of Reference.

The **Business Intelligence/Analytic Report Developer** nominated must meet the following criteria:

N°	Criteria description
M.XXI.	Bachelor's degrees (or higher) in software engineering or equivalent;
M.XXII.	At least three years' experience in Business Intelligence project development including working on public data and/or with public sector databases
M.XXIII.	At least three years' experience working with complex SQL relational databases and/or Data mart, and/or Data Warehouse;

Tenders not fulfilling the minimum criteria will be rejected.

3.2. Award Criteria

Tenders which fulfil the minimum criteria will be evaluated using the following award criteria:

A. Technical component (maximum 75 points)

N°	Award criteria	Max points
A.I.	**Understanding of:**	**30**
i.	The aims and the context of the assignment	*15*
ii.	Challenges and opportunities in piloting district level information systems on palm oil jurisdictional sourcing and supply chain traceability in Indonesia.	*15*
A.II.	**Proposed methodology for the implementation of the tasks**	**45**
i.	Approach for supporting the Indonesian government to maintain the Terpercaya online data platform	*10*
ii.	Approach to test a pragmatic jurisdictional approach to traceability to support the assessment of sustainability risks in palm oil sourcing, considering smallholder inclusivity	*10*
iii.	Approach to support the Indonesian government to compile and process traceability data in the palm oil sector to verify areas and production in support of sustainability goals	*15*
iv.	Timing and sequence of activities and tasks, indicating the organization of the delivery and the approximate allocation of time of the nominated Experts	*10*

The Technical component (TC) is calculated according to the following formula:

TC = A.I. + A.II.

Tenders must receive a score of more than half of the maximum Technical component to be considered qualitatively acceptable.

Tenders not considered qualitatively acceptable will not be considered further.

B. Financial component (maximum 25 points)

Tenders presenting a total financial proposal (Fo) superior to the maximum contract value of EUR 150,000 (including the work plan budget) will not be considered further.

For tenders being considered, the Financial component (F) is calculated according to the following formula:

$$F = (Fmin / Fo) \times 25$$

where

Fmin is total sum in the tender in the evaluation with the lowest total financial proposal; and

Fo is the total sum in the financial proposal being considered.

C. Most economically advantageous tender

A combined score (CS) will be calculated according to the following formula:

$$CS = TC + F$$

The Tenderer with the highest combined score (CS) for Technical component (TC) and Financial component (F) will be awarded the Contract.

Where two or more tenders have an equal combined score the contract will be awarded according to the highest score for the financial component (F).

ANNEXES

Annex 1	Cover letter
Annex 2	Identification form
Annex 2a	Bank identification form
Annex 3	Declaration on exclusion criteria and absence conflict of interest
Annex 4	Nomination of Experts form
Annex 5	Minimum criteria declaration
Annex 6	Consortium agreement
Annex 7	Financial Proposal form
Annex 8	Model contract