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**EUROPEAN FOREST INSTITUTE**

**TENDER SPECIFICATIONS**

**PROCUREMENT REFERENCE NUMBER 9-15.2-2021-SIDA**

National MSME coordinator in Vietnam

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## **1. TERMS OF REFERENCE**

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### **1.1 Background**

Micro, small, and medium enterprises (MSMEs) in Vietnam, in particular micro- and small-scale processors, are often poorly organized and not accustomed to advocate for regulatory reforms. They also lack specialized training and do not have the knowledge and the tools to improve their practices, grow sustainably and fully comply with all relevant laws and regulations. Traceability of timber used, access to legal timber, access to finance, sustainable forest management, business administration and development are some of the key challenges faced by MSMEs in Vietnam. With growing demands to demonstrate legality, these MSMEs increasingly need to show they fully conform to all aspects of regulatory requirements.

The European Forest Institute (EFI) has been testing approaches to enable forest- and timber-based MSMEs in the Mekong region to operate legally and sustainably since 2015. In Vietnam, EFI is conducting a pilot project in three wood villages: Lien Ha, Dong Ky and Van Diem. The pilot started in Lien Ha in 2018 and was extended to Dong Ky and Van Diem in late 2019. The pilot aims to test approaches and methods to build the capacity of MSMEs on production management, occupational health and safety (OHS) and business administration. In Dong Ky and Van Diem, the pilot is also learning how MSMEs in the wood villages will be affected by the enforcement of import controls for timber legality and test whether they will be able to adapt to the new circumstances by learning to work with alternative low-risk species and diversifying their market.

As part of the pilot, technically oriented trainings on work safety, workshop arrangement, production management, continuous improvement, waste reduction, accounting and marketing were given to MSMEs. Trainings were attended by timber processing workshop owners who then applied what they learnt in their own production setting. Study tours were also organized to trade fairs and more established companies. Through the pilot, MSMEs in Lien Ha established connections with members of the Handicraft and Wood Industry Association of Ho Chi Minh City (HAWA). As the result of these connections, some MSMEs became sub-contractors of larger companies, which brought MSMEs additional income opportunities and knowledge transfers. More established companies started supplying low-risk engineered materials to MSMEs, which enhanced efficiency, reduced waste and increased legal timber use. Moreover, a joint stock company (JSC) of 8 MSMEs (3 enterprises and 5 households) was established in Lien Ha to market the wood village's furniture in the south of Vietnam in cooperation with a large enterprise. Finally, gender aspects were integrated into the pilot's activities. An in-depth gender analysis was conducted in Dong Ky and Van Diem and technical trainings on production management were used as entry point for raising awareness about gender issues in the workplace.

With this tender, EFI is seeking a national MSME coordinator to support the upscaling of the approach and the lessons learnt from the work in Vietnam.

### **1.2 Objectives**

The primary objective of this tender is upscaling the approach, the achievements and the lessons learnt from the pilot in Vietnam.

Related objectives are:

- Improved awareness about lessons learnt from EFI's pilot and the situation of MSMEs among policy makers and other stakeholders engaged in the EU-Vietnam VPA process
- Improved legal compliance in supply chains for timber products from tree growers to processors and markets
- Improved awareness about gender equality among MSMEs, industry associations and local government authorities

### 1.3 Scope and tasks

The national MSME coordinator will contribute to the SIDA funded work of EFI in Vietnam by carrying out the following tasks:

- Upscale the pilot by contributing to the development of legal supply chains for timber products:
  - Collaborate with the Vietnam Forest Owners Association (VIFORA) to:
    - Strengthen the association to enable the representation of their members' interests at policy level.
    - Provide capacity building opportunities for their smallholder members.
    - Create market linkages and opportunities between smallholder plantations, traders and processors.
  - Inform traders about the VNTLAS and increase their knowledge about its requirements in collaboration with the Vietnam Timber and Forest Products Association (VIFORES). Traders are important middlemen between producers and processors, and between importers and processors
- Upscale the approach, the progress, the achievements, and the lessons learnt from the pilot by cooperating with VIFORES, VIFORA and CSOs to feed lessons learnt and information about the situation of small-scale processors to policy makers and other stakeholders engaged in the EU-Vietnam VPA process.
- Improve the technical and operational skills and legal compliance of MSMEs in Dong Ky and Van Diem through technical trainings building on the experience in Lien Ha. Upscale the pilot's approach by collaborating with the local authorities and building their capacity to support the MSMEs in particular in the context of the import controls.
- Establish collaborations with the Bank for Social Policies, the Agricultural Bank and other financial institutions to encourage the creation of financial opportunities for tree growers and women-led MSMEs and identify the banks' needs and constraints.
- Closely collaborate with and support EFI's gender expert in strengthening gender-related aspects in the pilot by:
  - Supporting the collection and analysis of gender-related data on the small-scale forest sector in Vietnam and supporting the development of relevant knowledge products.
  - Establishing collaborations with industry associations, CSOs, and district, provincial and national authorities to help promote gender equality in the Vietnamese forest sector.
  - Supporting capacity building of the women's unions at district and commune level.
  - Supporting the organization of gender workshops for VIFORA and smallholder farmers.
  - Integrating gender concepts into technical trainings for wood processors in the wood villages.
  - Promoting women's economic empowerment by coaching women-led MSMEs and supporting the organisation of trainings tailored to the needs of women within MSMEs.

- Work closely with EFI's private sector experts in Kuala Lumpur to analyse lessons learnt from pilots for sharing them regionally and internationally.

#### **1.4 Timetable and reporting**

The indicative start of the contract is January 2021 with a duration of two years, up to 315 working days. The national MSME coordinator shall be based in Vietnam, preferably Hanoi with frequent engagement and travel to wood villages and tree growers in the north of Vietnam.

The national MSME coordinator will have available a "work plan budget" to cover costs related to regional and domestic travel, costs of meetings and workshops, and all expenses associated to trainings and coaching for a maximum of 40,000 Euro. This provision should be integrated as part of the total financial proposal. The total budget for this assignment which includes fees and work plan budget will not exceed 100,000 Euro.

All travel and related costs needs to be approved by EFI prior to departure. The maximum amount of daily per diem for Vietnam is 50 EUR. The MSME Coordinator will prepare within four weeks after the signing of the contract, and every six months thereafter, a detailed work plan estimating the number of work days and the missions during that period.

The contractor will regularly report on progress related to above listed tasks by email/skype/personal meetings/videoconferencing to the EFI's private sector experts. The contractor prepares monthly update reports on the implementation of this contract. A final report covering all interventions during the period of assignment shall be prepared by the end of the contract at the latest. All reports are to be produced in English and must be approved by EFI.

## **2. TENDER DOCUMENTATION**

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### **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 Expert to carry out the tasks in the Terms of Reference:

- **one MSME Coordinator (Expert)**

The Technical Proposal shall include CV of the nominated Expert.

The Tenderer shall be able to certify the information contained in the CV for the nominated Expert 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.

**2) A description of no more than three pages, making reference to the Terms of Reference and the previous experience of the Expert** showcasing understanding of the aims and the context of the tasks and **addressing the following topics:**

- The situation of MSMEs (tree growers and timber processors) in Vietnam with a focus on legal compliance, access to finance and markets.
- Challenges and opportunities for promoting gender equality and women's economic empowerment in Vietnam's forest sector.

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

- Approach to improving legal compliance and creating market opportunities for MSMEs (tree growers and timber processors) in Vietnam.
- Approach to collaborating with government authorities to promote gender equality and women's economic empowerment in Vietnam.
- Timing and sequence of tasks and deliverables, and analysis of risks and mitigation measures (including in relation to eventual COVID-19 impact) on the implementation of the service.

### **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 Expert nominated must meet the following criteria:

N°	Criteria description
M.I.	University degree in natural resource management, forest products marketing and trade, business administration or related disciplines.
M.II.	Seven (7) years' demonstrated experience engaging in timber supply chains, forest products marketing and trade, capacity-building on business administration, production management and related technical topics.
M.III.	Excellent network with industry associations and civil society organizations at national level and MSMEs and local authorities at local level in Vietnam's wood villages.
M.IV.	Demonstrated experience engaging MSMEs and industry association in the wood processing sector and familiar with working with the relevant government authorities. Familiar with the laws and regulations that apply to the wood processing sector in Vietnam.
M.V.	Understanding, speaking, and writing English and Vietnamese as demanded with respect to all tasks covered by the Terms of Reference. Native speaker of Vietnamese preferred.

**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.	<b>Understanding of:</b>	
i.	The situation of MSMEs (tree growers and timber processors) in Vietnam with a focus on legal compliance, access to finance and markets.	15
ii.	Challenges and opportunities for promoting gender equality and women's economic empowerment in Vietnam's forest sector.	10
A.II.	<b>Proposed methodology for the implementation of the tasks</b>	
i.	Approach to upscaling the approach, the achievements and the lessons learnt from the pilot in Vietnam	15

ii.	Approach to improving legal compliance and creating market opportunities for MSMEs (tree growers and timber processors) in Vietnam.	15
iii.	Approach to promoting gender equality and women's economic empowerment in Vietnam.	10
iv.	Timing and sequence of tasks and deliverables, and analysis of risks and mitigation measures (including in relation to eventual COVID-19 impact) on the implementation of the service.	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 100,000 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**

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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