

Terms of Reference

IDH Sustainable Trade Initiative

Living wage and Responsible Purchasing Practices Vietnam

1. Introduction

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

On basis of these Terms of Reference (“ToR”) IDH aims to select a party **to support the IDH branch in Vietnam (“IDH Vietnam”) and the IDH Textile and & Manufacturing Business Unit (IDH T&M BU) in the development of a living wage strategy for the apparel and footwear sector in Vietnam. This strategy is an integral part of the larger IDH T&M BU Wages and Responsible Purchasing Practices (WARP) strategy..**

1.1 Background

Based on IDH’s experience and best practices on Living Wage (including the living wage roadmap, the salary matrix and the living wage action guide), a targeted program has been developed to address wages in the apparel and footwear sector through collective action.

WARP is structured to complement and build on existing experience and tools on wage measurement and wage improvement within companies and leading initiatives like the Social & Labor Convergence Program (SLCP), Fair Labor Association (FLA), Sustainable Terms of Trade Initiative (STTI), Fair Wear Foundation (FWF), The Industry We Want (TIWW) and ACT (Action, Collaboration, Transformation).

In order to achieve system change, WARP will support brands to align on and commit to buyer support for increased wages, by creating common grounds for:

- Brand responsible purchasing practices
- Measuring (Living) Wage Benchmarks and Actual Wages
- Producer-level wage improvement interventions
- Facilitation of dialogue with local stakeholders, including through multi company collective bargaining agreements (MCCBA’s)
- Transparent progress reporting both at an individual level and as a collective

The program includes country level interventions in up to three countries. The first country will be Vietnam for which, on the basis of several rounds of consultations with national stakeholders, a broad



strategy has been developed. The WARP team and IDH Vietnam are now looking for dedicated expertise to further support the development of the WARP Vietnam strategy.

1.2 Assignment

a. Objectives

With support of IDH Vietnam and under the guidance and supervision of the IDH T&M BU WARP team in Utrecht, Netherlands, the consultant will engage with relevant stakeholders and initiatives with the objective to strengthen and further refine IDH's strategy on living wage through MCCBA and brand commitments in Vietnam.

More specifically, the consultant will:

1. Draft a short summary of the current thinking of key partners, notably the Vietnamese government, VGCL, VITAS, LEFASO on the concepts of living wage. This summary will be based on existing reports and knowledge shared by the IDH T&M BU WARP team in Utrecht
2. Establish relations and regularly engage with initiatives that are relevant for the IDH T&M BU WARP team in Vietnam, including but not limited to ERC, GIZ, CNV International Fair Wear, CDI, FLA
3. Organise at least one, but possibly more, sessions relevant to wages, responsible purchasing practices and MCCBA under the banner of the IDH/VITAS public private sector platform and in doing so closely engage with amongst others VITAS and relevant brands. The sessions target VITAS members and relevant brands.
4. Represent IDH in conferences, platforms or dialogues relevant to the IDH WARP Vietnam strategy.
5. Prepare regular briefings (written as well as verbal) to the IDH T&M BU team in Utrecht and IDH Vietnam.
6. Further develop, sharpen and detail the IDH WARP Vietnam strategy.
7. Develop a detailed proposal for the MCCBA training approach under the IDH WARP Vietnam strategy.
8. Collaborate with the ILO wage project in Vietnam to identify areas for collaboration and synergy with the IDH WARP Vietnam strategy.
9. Develop a relationship with relevant brands (to be discussed with the WARP team) and engage with them on the IDH WARP Vietnam strategy., this includes regular meetings/calls with brands (e.g. once every 2 months, in consultation with the IDH T&M BU WARP team in Utrecht and IDH Vietnam).
10. Engagement and coordination with IDH Vietnam, the IDH Country Director and the IDH T&M BU team.



b. Deliverables

The deliverables of this assignment will be:

Deliverables of assignment	Deadline
Summary report of the current discussion on living wages in Vietnam (emphasis on the position of the main partners)	1 month after start
Monthly progress report covering the ten areas of work as described in the objective section 1.2.a	First week of each month, covering progress of the previous month
At least 2 public private platform events organised with VITAS covering/linked to the area of wages and RPP	3 months after start and 6 months after start
Updated IDH WARP Vietnam strategy	4 months after start
Detailed proposal on MCCBA approach within the framework of the WARP programme in Vietnam	3 months after start
Plan for collaboration with ILO wage project in Vietnam	3 months after start

c. Requirements

- Based in Vietnam, preferably Hanoi, but Ho Chi Minh City is negotiable.
- Existing network with the relevant stakeholders in the apparel and footwear sector
- Excellent rapport in English and Vietnamese (written and verbal)
- Proven experience in working on the topics of living wages and MCCBA
- Excellent communication and presentation skills
- Experience in stakeholder engagement
- Project management skills

2. Selection Procedure

2.1 Procedure

The procedure will be as follows:

1. Publishing the tender and/or inviting services providers to submit a proposal based on this ToR.



2. Option to submit questions regarding the assignment and the ToR. Questions will be answered via an information notice that will be shared with all consultants that indicated their interest in the assignment or submitted questions.
3. Evaluation of the proposals by the chair of the evaluation committee. The 3 proposals that receive the highest scores will be presented to the evaluation committee. The chair of the evaluation committee and the evaluation committee will evaluate the proposals based on the selection criteria as published in this ToR. OR Evaluation of the proposals by the evaluation committee. The evaluation committee will evaluate the proposals based on the selection criteria as published in this ToR.
4. Decision on selection of the service provider.
5. Inception meeting with the selected service provider.

2.2 Timelines

The schedule below indicates the timelines for the tender procedure:

Tender process	Timeline
ToR published	4 April 2023
Deadline submission of questions	15 April 2023
Deadline for submission of proposals**	28 April 2023
Selection of Service provider	9 May 2023
Start of assignment	25 May 2023

* Questions received by IDH after this date will not be answered.

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

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

The proposals will first be tested for completeness:

- The absence of the documents referred to in Section 6 of this document can lead to exclusion from further participation in the tender procedure. This is also the case when minimum requirements listed in this ToR are not met.



- If the proposal is complete, the selection committee will evaluate the proposal based on the criterion as mentioned in section 6.

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

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

2.3 Questions

Questions regarding the assignment or the ToR can be submitted until 15 April, 17.00 CET, by e-mail to seba@idhtrade.org. With the express mention: "Questions tender WARP".

Questions must be submitted in the English language and using the Template Question Form, attached to this ToR as annex 1.

The submitted questions will be grouped, anonymized, and combined in an information notice. This notice will be sent to all consultants in a reply to the e-mail in which the questions were submitted.

The responsibility for the timely and accurate submission of the questions lies with the service provider. When IDH indicates that questions have not been received by IDH before the indicated deadline, the service provider must demonstrate that the questions were sent timely.

3. Proposal requirements

IDH is requesting the service providers to hand in a proposal of maximum 5 pages (excluding company biographies, CVs, sample work and references). The proposal must be handed in a MS Word or PowerPoint version next to a PDF submission to facilitate any copy-and-pasting of content that we may need during evaluation.

The proposal must at least include:

Content:

- a. A succinct, well-documented approach addressing the requirements set out in this ToR. We request that the proposal structure match the selection criteria as closely as possible.
- b. Maximum of three client references and a sample of previous work relevant to the deliverables in this ToR.



- c. An overview of the project team, including the CVs of the project team members (excluding any personal data that is not needed).
- d. Budget presented in Euros (ex VAT) with a break-down of days/rate per project team member.
- e. Statement on Ground for exclusion (see section 7 below).

Administrative:

- f. Completed detail request form (annex 2)
- g. Copy of most recent (audited) financial accounts
- h. Statement of acceptance draft contract (annex 5)

The proposal must be submitted to Veronica Seba at seba@idhtrade.org **28 April 2023 at 17.00 CET**.

4. Testing and weighing

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

4.1 Grounds for exclusion

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



- e) they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organization, money laundering or any other illegal activity.

Service providers must confirm in writing that they are not in one of the situations as listed above.

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

4.2 Scoring and weighing

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

Step 1 - Criterion Quality

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

[IDH values quality highly, therefore a minimum grade of 3 must be scored by the service provider on each component. If the service provider scores a grade of 3 or less on one of the components he will be excluded from the tender procedure and awarding the contract.]

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

Component		Criteria	Max. Grading
1	Proposal overall	The extent to which the proposal meets the requirements set out in this ToR Can the Service provider deliver the requirement deliverables?	5
2	Project Management	The extent to which the Service provider demonstrates that a clear project management will be followed and IDH is adequately consulted and kept informed	5
3	Track record	The extent to which the Service provider presents the required level of expertise and knowledge to fulfil the requirements both at team member and company level.	5



		<p>To extent to which the Service providers gives a clear description of the project team, relevant (delivering similar projects) experience of team members and time allocation per team member.</p> <p>[Relevant experience in non-profit sector is advantageous.]</p>	
--	--	--	--

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

Step 2 - Criterion price

A combined price in Euros (ex VAT) is to be presented. This is to be broken down by team member rate and hours.

The criterion of assessment is “the best price for the proposed level of quality” with a maximum grading of 5.

Step 3 - Weighting

The final score will be weighted 70% on Quality and 30% on Price.

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

4.3 Award

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

The Service provider is contracted via a letter of assignment, following IDH’s template (Annex 3).

5. Communication and Confidentiality

The Service provider will ensure that all its contacts with IDH, with regards to the tender, during the tender procedure take place exclusively in writing by e-mail to Veronica Seba via seba@idhtrade.org. The Service provider is thus explicitly prohibited, to prevent discrimination of the other Service



providers and to ensure the diligence of the procedure, to have any contact whatsoever regarding the tender with any other persons of IDH than the person stated in the first sentence of this paragraph.

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

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

6. Disclaimer

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

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

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

7. Annexes

Annex 1: Template Question Form

Annex 2: Detail request form

Annex 3: Letter of Assignment

Annex 4: IDH General Terms and Conditions for Services

Annex 5: Statement of acceptance draft contract