

Terms of Reference

Baseline Evaluation Study

East Africa Living Income Coffee Program

May 17, 2023

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.

Based on these Terms of Reference (“ToR”) IDH aims to select a consultancy firm (hereafter referred to as “consultant”) to conduct a baseline evaluation study for the East Africa Living Income Coffee Program.

2. Background

Living Income is a key theme in the IDH Global Coffee Program strategy for 2021-2025. IDH has been working on living income since 2019 in Colombia when it published the [Task Force for Coffee Living Income report](#). In East Africa, IDH is collaborating with multi-stakeholders to integrate aspects of living and prosperous income into the coffee supply chain in Uganda and Kenya. This effort is guided by IDH’s Roadmap on Living Income, a framework which helps supply chain actors to take ambitious and aligned actions to close living income gaps for farming households.

IDH is implementing the East Africa Living Income Coffee Program (2022-2025) in Kenya and Uganda with the following objectives:

- **Sector governance:** convene the local coffee sectors through IDH collaboration with the respective country coffee platforms to create alignment/synergy with existing global efforts around farmer income/living and prosperous income, and efficient dissemination of learnings from IDH interventions (including field level projects with companies).
- **Business practice change:** engage companies to act on aspects such as value chain structure, value/risk redistribution, and business/sourcing practices so as to progressively close living income gaps and to report progress.

- **Field-level sustainability:** create service delivery and sourcing models which combine aspects of the IDH's Roadmap on Living Income to contribute to increased and more stable incomes for farming households.

The common objective of the Program is to close the living income gaps for coffee farmer households in Kenya and Uganda. There is a particular focus on: 1) income increase through both coffee and other sources of income and 2) income stability to increase farmer resilience in a volatile coffee market. The Program will implement 4 field-level projects in Uganda, and these projects implement different strategies towards achieving these goals.

IDH is looking for a consultant to conduct a program baseline study in Uganda based on the universally accepted OECD-DAC criteria. The study will primarily focus on the living income targets of the Program which includes setting baseline values for specific Program KPIs and providing input for program design and learning. The study should combine qualitative and quantitative methods and should include data collection and analysis of actual levels of smallholder farmer income, as well as the impact of the convening work of IDH and its partners. The consultant is expected to collect primary data and evaluate existing studies and secondary literature.

3. Assignment

Objectives

The overall objective of the baseline survey is to establish benchmarks for effective program planning and implementation, as well as form the basis for the progressive monitoring of the achievement of the planned outputs and results of the East Africa Living Income Coffee Program.

The key objectives of the assignment are:

1. **Assess the baseline situation and establish baseline values for key program KPIs** ([Annex 1](#)), as well as assess actual income levels for a sample of a target population of approximately 40,000 smallholder farmer households in central and western Uganda. This will be done through:
 - a. Review of existing third-party data on yield, cost of production, price, diversification, and land size.
 - b. Triangulation of the available data on actual incomes and farmer demographics.
 - c. Fill gaps in the data through collection of field-level quantitative and qualitative data on actual incomes and other relevant KPIs ([Annex 1](#)), with a specific focus on gender, youth and farmer segmentation in the analysis.

2. **Assess the design of the field level projects** with reference to the Program Theory of Change (Annex 2), providing recommendations for learning and implementation.
3. **Reflect on the OECD-DAC criteria**, most specifically on relevance, additionality, scalability, and effectiveness. This needs to consider the additionality of the Program's convening activities on living income as well as potential coherence of the Program with other known existing initiatives on living income in the coffee sector.
4. The consultant needs to consider the following with regards to the above objectives:
 - **Availability of data:** the consultant needs to consider existing third-party data on the target farmer population as input for the KPIs setting and the actual income analysis. This includes monitoring data from the implementing partners and a recent baseline study conducted by IDH for the Coffee Farmer Income Resilience Program (CFIRP). Additional data collection needs to be done by the consultant to triangulate data as well as fill gaps in the data for a specific farmer population.
 - **Living Income tools:** The actual income analysis needs to be conducted using tools and guidance provided by IDH, in line with the [IDH Roadmap on Living Income](#). IDH has a questionnaire available on actual income measurement for coffee farmers, which the consultant is expected to review and adapt for the farmer population.

The consultant is expected to consider the evaluation questions below for the OECD-DAC criteria. These evaluation questions need to consider both the strategic convening activities at sector level and the approach for field-level implementation.

OECD-DAC Criteria	Questions for Assessment
Relevance	<p>Which activities are taking place in the coffee sector focused on the achievement of living income/prosperous income by farmer households in Uganda? To what extent is the Program complementary with these activities?</p> <p>What is the relevance of the convening activities of IDH and its partners on living income activities for the coffee sector?</p> <p>To what extent do the strategy and Program Theory of Change cover the issue of living income/prosperous income and what gaps are there in the program design?</p>

	To what extent are the different strategies across the four field-level projects relevant towards long-term income improvement for target farmers?
Effectiveness / impact	<p>What are the baseline values / feasible level for key Program KPIs for different farmer segments?</p> <p>Are the intervention strategies tailored / in line with the farm segments that are targeted?</p> <p>What are the risks and mitigation measures for the Program strategy and implementation?</p>
Sustainability	To be assessed at endline study
Scalability / Efficiency	<p>What is the potential scalability of the field level projects?</p> <p>What is the role of the convening activities towards scalability?</p> <p>For each field-level project, what are conditions for scaling strategies for closing living income gaps?</p>

Deliverables

The deliverables of this assignment will be:

Deliverables of Assignment	Deadline
Kick off meeting	27 th June 2023
Inception Report outlining the scope and approach of the assignment and clearly outlining timelines, process, and research design, including detailed fieldwork plan, sampling framework, data collection methodology and tools, evaluation matrix, enumerator training and field testing of the survey, data analysis plan and tools, and outline of the evaluation report. The Inception Report shall require IDH approval.	17 th July 2023
Comprehensive and well-organized draft and final baseline report in English (of max. 50 pages), including an executive summary. The draft report shall be presented as a pre-read ahead of joint IDH-consultant virtual review.	30 th August 2023

The Narrative baseline report should include baseline values for KPIs, actual data points for all income driver, a baseline for the OECD-DAC criteria and potential improvements for program design. Annexes for detailed data analysis, raw data, and list of stakeholders consulted shall be included.	
Abstract and power point presentations of the baseline results to be used for dissemination to stakeholders.	12 th September 2023
Participate in the primary (online) validation sessions.	22 nd September 2023

4. Selection Procedure

The procedure will be as follows:

1. Publish the tender for prospective consultants to submit proposals based on this ToR.
2. Evaluation of the proposals by an evaluation committee. The evaluation committee will evaluate the proposals based on the selection criteria as published in this ToR.
3. Decision on selection of the consultant.
4. Inception meeting with the selected consultant.

The schedule below indicates the timelines for the tender procedure:

Tender Process	Timeline
ToR published	17 th May 2023
Deadline for submission of proposals*	7 th June 2023
Selection of consultant	16 th June 2023
Start of assignment	26 th June 2023

* Proposals submitted after the deadline 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 5 of the ToR 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 evaluation committee will evaluate the proposal based on the criteria indicated in section 6.

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

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

5. Proposal Requirements

IDH is inviting interested and qualified consultants to submit a proposal in English of maximum 10 pages (excluding company biographies, CVs, sample work and references). The proposal must be handed in MS Word next to a PDF submission to facilitate any copy-and-pasting of content that may be needed during evaluation.

The proposal must at least include:

Content

- a. A succinct, well-documented approach addressing the requirements set out in this ToR and matching the selection criteria as closely as possible.
- b. Maximum of three client references with names and contact addresses (telephone and email) and 2 samples of previous work relevant or similar to the deliverables in this ToR.
- c. An overview of the proposed project team, indicating their responsibilities/roles in the project, and including their CVs.
- d. Budget presented in Euro (including VAT where applicable) with a break-down of days/rate per project team member. All other expenses necessary to carry out the assignment according to this ToR must be included in the budget.
- e. The maximum total budget for this assignment will not exceed Euro 55,000.00 including VAT.
- f. Statement on Grounds for Exclusion (see section 6 below).

Administrative

- g. Completed detail request form (Annex 3).
- h. Copy of the consultant's most recent audited financial accounts.
- i. Statement of acceptance of the draft contract (Annex 4).

The proposal must be submitted to Arthur Ng'ang'a at nganga@idhtrade.org on or **7th June 2023 at 18:00 East Africa Time.**

6. Testing and Weighting

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

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 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.

As part of the proposal, consultants must include a written declaration that they are not in any of the situations listed above.

2. Consultants shall not make use of child labour or forced labour 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).

Scoring and Weighting

The evaluation criteria are compared and weighted according to the procedure below. This is a general outline of the scoring methodology and an explanation how the consultant can demonstrate compliance with the requirements.

Step 1 - Criterion Quality

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

Component		Criteria	Max. Grading
1	Overall presentation and completeness of the Proposal	The completeness of the proposal with regard to the technical and administrative requirements of this ToR, including complete submission of the specified documents and annexures.	10
		The extent to which the proposal demonstrates a coherent understanding of and compliance with this ToR, especially sections 3 and 5.	10
2	Methodology and organization	The extent to which the proposal outlines a clear qualitative and quantitative methodology in line with the OECD-DAC criteria.	10
		The clarity and relevance/completeness of the proposed work plan, including the field data collection approaches, tools and organization.	10
		The composition and organization of the project team: the designation/distribution of roles and responsibilities in the team; the time allocation per team member.	10
3	Track record and experience in similar assignments	The quality and relevance to this ToR of the provided samples of previous past assignments.	10
		The relevant experience of team members in field-level data collection and analysis on income-related aspects and in the coffee sector in East Africa.	10

Step 2 - Criterion price

A consolidated price in Euros (including VAT) is to be presented. This shall be broken down by team member rate and hours and shall include all other expenses necessary to carry out the assignment according to this ToR.

The criterion of assessment is “the best price for the proposed level of quality” with a maximum grading of 10.

Step 3 - Weighting

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

Where the overall awarded scores tie, priority will be based on the total score given for the Criterion Quality and the assignment will be awarded to the consultant who 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 presentation and completeness” will be decisive. If this does not lead to a distinction, the ranking will be determined by the drawing of lots.

Award

Once IDH has decided to which consultant it intends to award the assignment, a written notification thereof will be sent to all consultants participating in the tender procedure.

The selected consultant will be contracted via a Letter of Assignment, following IDH's template ([Annex 5](#)) and the general terms and conditions for services contracts ([Annex 6](#)).

7. Communication and Confidentiality

The consultant will ensure that all contacts with IDH with regards to the tender during the tender procedure take place exclusively in writing by e-mail to Arthur Ng'ang'a via nganga@idhtrade.org. The consultant is thus explicitly prohibited, to prevent discrimination of the other consultants 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 this paragraph.

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

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

8. 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.

9. Annexes

Annex 1: Program Key Performance Indicators

Annex 2: Program Theory of Change

Annex 3: Detail Request Form

Annex 4: Statement of Acceptance of Draft Letter of Assignment (Contract)

Annex 5: Draft Letter of Assignment (Contract)

Annex 6: IDH General Terms and Conditions for Services

