

March 2023

Invitation to Tender – Lessons Learnt on credit placement for sustainable cattle ranching in Colombia

Project:	Partnerships for Forests
Tender for:	Lessons Learnt on credit placement for sustainable cattle ranching in Colombia
The Company:	Palladium International Limited
Closing Date and Time:	[April 24, 2023- 23:59]
Contact Person:	[Natalia Atuesta Escobar]
Details for submission:	natalia.atuesta@thepalladiumgroup.com
Tender Validity Period:	April 31, 2023
Number of Hard Copies of Tender:	N/A
Jurisdiction	England and Wales. Activities to be carried in Colombia

Thank you for your interest in the above procurement. Lessons Learnt on credit placement for sustainable cattle ranching in Colombia, the Company invites you to tender for this activity. This pack includes:

- 🕒 Part 1: Terms of Reference (TOR)
- 🕒 Part 2: Conditions of tender
- 🕒 Part 3 and 4: Technical and financial selection criteria
- 🕒 Part 5: Client Terms and Conditions
- 🕒 Part 6: Standard contract template which the successful tenderer is required to sign once the agreed commercial terms have been included.
- 🕒 Part 7: Declaration by Tenderers
- 🕒 Part 8: Confidentiality

Please forward your Tender in accordance with the Details for Submission above by the Closing Date and Time to Natalia Atuesta Escobar.

If you have any queries, please do not hesitate to contact us by e-mail
natalia.atuesta@thepalladiumgroup.com

Part 1 – Terms of reference

1. Background

Partnerships for Forests (P4F) supports investment models in which the private sector, public sector, and communities can achieve improved returns from sustainable forests and sustainable land use. The five-year program is funded by the UK Foreign, Commonwealth & Development Office (FCDO) as part of its commitment to help countries mitigate and adapt to climate change. Currently, the program operates in Central, East, and West Africa, Southeast Asia, and most recently since 2018 in Latin America.

Through grants and technical assistance (TA), the program helps selected partners move through the stages required to get to market – from idea development and memorandum of understanding (MOU) to business planning, to deal negotiation and piloting, and finally to commercial scale-up. By creating market-ready 'Forest Partnerships' that offer an attractive balance of risks and benefits for the private sector, public sector, and communities, the program aims to mobilize significant investment, principally from the private sector. The program also supports demand side measures that strong demand for sustainable commodities, and activities to create the right enabling conditions for sustainable investment Partnerships for Forests operate according to a principle of additionality. This means that grants and TA must not substitute or replace the organization's core funding or subsidize activities that private sector companies or other partners should undertake themselves.

Through Forest Partnerships, P4F has established a "Cattle Strategy" focused in promoting transparency tools that can be adopted by the industry and responsible and sustainable production models. In the deployment of this strategy P4F Latam has supported various cattle ranching initiatives.

- I. **Beef on Track** was launched as a demand side measure project in the cattle sector in Brazil with the participation of major Brazilian slaughterhouses and the federal public prosecutors. The initiative aimed at expanding a standardized monitoring and audit protocol to 50 active slaughterhouses in the Amazon region. This initiative supported efforts to apply a unified MRV for all beef produced in the region as well as all Tier 1 slaughterhouses with agreements on the terms of verification that allow improved monitoring beef supply practices in relation to deforestation.
- II. **Responsible Beef Partnership** is a joint effort between TNC, Amigos da Terra and Safe Trace at converging the beef value chain stakeholders to improve the data flow among the value chain and establish a more controlled business environment. It addresses the complex beef value chain network of producers that act in different cattle life stages with insufficient transparency in environmental data of the farms. P4F supported the creation of **Conecta**, a spin-off from this initiative that acts as a monitoring system which engaged 85 ranchers to adopt it, 150 ranchers received capacity building in financial management, good practices, pasture management in 8 municipalities of Pará state and is now fostering an effective regularization of environmental liability and return of ranchers that are blocked and/or embargoed.
- III. **Brazil-China: Sustainable, Safe and Productive Beef Value Chain Alliance** to enhance environmental standards in the exports of beef lead by Tropical Forest Alliance, WWF and Imafloa that seeks to establish a clear value proposition to the slaughterhouses and traders and enhance the environmental commitments already under implementation in Brazil and build on the China Meat Association standard for Beef Green Trade.
- IV. **PECSA** was sustainable cattle ranching business in the heart of the Brazilian Amazon that takes over control of operational activities of extensive cattle ranching farms to perform the transition to more intensified and sustainable systems and looked for the enhancement with information systems and ESG standards also improving productivity to 3 heads/ha and transition the system as well as mobilize £3,5 million, with established monitoring system.

P4F has also supported that projects in the portfolio are synergic to each other and strengthen sustainability in the beef sector nationally along the functioning of the programme in Latin America also the strategy to move to the international market.

In Colombia, the cattle ranching sector is heavily represented by small producers (80% of the sector) and the activity currently represents 6.4% of Colombia's GDP and 48.7% of the livestock GDP with a configuration of farms that stands out for low stocking rates that remain with an average of 0.6 animals per hectare in 2006 (FAO) and 0.7 animals per hectare in 2019 (CIAT). Of the total farms dedicated to cattle ranching 81.8% have less than 50 animals, 9.2% have between 51 and 100 bovines, 8.1% between 101 and 500 head, and finally, only 1% of the farms can be considered large-scale production, housing more than 500 animals (ICA, 2019). Cattle ranching in Colombia is then considered extensive and over 38 million hectares are used for cattle ranching, with 623,000 farms and an increasing trend at an average annual rate of 6% exhibiting an increase from 23 million cattle herds to 28 million cattle herds.

Deforestation in Colombia occurs at a rate of approximately 200,000 hectares per year, of which the main driver is cattle production (direct and indirectly) thus it has been held responsible for approximately 60% of the deforestation (CIAT, 2021). The above means that extensive grazing systems are increasing at the expense of forest cover with important challenges to move towards a sustainable production. The most relevant ones are i) inefficient land management and grazing practices, ii) low stocking rates that exacerbate the link between the increased cattle herd and greater land extension, iii) the high cost for converting land to more sustainable and productive practices in which only one hectare can cost from £800 to £2,500 and iv) the inability to afford infrastructure or technification leading to forest clearing.

Unfortunately, the current credit offering in Colombia has contributed to increasing cattle herd that layered with lack of technification has exacerbated deforestation and despite funding opportunities for the cattle ranching sector being available, investments have not been well targeted and the sector has exhibited a high correlation between FINAGRO's cattle ranching credit placement and herd size and deforestation, especially in the Amazon region.

In 2021, P4F partnered with Bancolombia (largest bank in Colombia) and Earth Innovation Institute and GANSO, to pilot the provisioning of credit alongside technical assistance. Since 2020, Bancolombia launched the Sustainable Credit Line with the aim of promoting sustainable investments in the cattle ranching sector with more attuned conditions for the agro sector. To strengthen this offering and provide solutions to the lack of technification and ineffective allocation of investments P4F supported efforts to incorporate a value proposition accessible to small producers, with technical knowledge and favourable financial conditions. The project created a technical manual where sustainable cattle ranching pillars are drawn and exposed to be accessible for multiple stakeholders in a clear language and in a detailed manner to effectively guide producers towards sustainable practices. Moreover, agreements with technical assistance providers, credit assessment process and the introduction of environmental criteria in the risk assessment were addressed. Nevertheless, the business model suffers significantly as interest rates in Colombia rose from 2.9% in 2021 to around 13% at the end of 2022, limiting among other things, the outreach of this credit offering under a challenging macroeconomic environment.

2. Objectives of the assignment

Due to the complexity of fostering transitions towards sustainable cattle ranching and the multiple factors (social, economic, etc) influencing credit offering, interest rates, access to land tenure information there is a persistent challenge to reach cattle ranchers with holistic solutions. Efforts have faced important challenges and it is important to conduct an in-depth analysis of existing constraints and opportunities for the development of adaptable, attuned and financially feasible solutions that break the existing correlation of credit for cattle and deforestation.

To address the opportunity, P4F is seeking a consultancy to re-assess the business model under the current economic scenario, delve into bottlenecks and opportunities by reaching out to different stakeholders and use information generated by P4F and its partners to establish the main underlying elements that must be in place, considered or strengthened to have an accessible credit offering that fosters sustainability and promotes synergies across government, financial institutions and markets.

3. Scope of the assignment

The consultancy will be structured in 2 phases:

Phase I – Assessment of business model for integrated credit and technical assistance

- i. **Improve the simulation tool.** The Company will provide access to the tool developed for Bancolombia with the purpose of benchmarking the technical, productive and financial parameters that make the business model feasible for small/medium/large producers in 4 regions in Colombia (Caquetá, Meta, Cordoba and Antioquia). The tool will be used as the starting point for:
 - a. Improve the simulation tool for the automatization and modelling of i) price variations due to IPC, IVA and other relevant variables affecting sale prices of beef and meet, agricultural supplies and production costs, ii) productivity indicators and deforestation risk and iii) credit characteristics and investments per region, producers size (FINAGRO, Bancolombia, etc) iii) financial indicators and iv) costs of technical assistance.
- ii. **Conduct a scenario analysis for the value proposition.** Significant changes such as the ones Colombia has experiences in the last two years regarding inflation and interests' rate have changed the assumptions of the business model thus evaluating the impacts and thresholds is needed to develop a strong proposition.
 - a. Assess the impact that changes in interest rates, agricultural supplies among others had on the cashflow, opportunity cost and credit conditions for the different types of producers in each target region between 2021 – 2022 – 2023.
 - b. Develop a sensitivity analysis to better understand the thresholds for the implementation of Bancolombia's business proposition.

Phase II – Systematize lessons learnt from governance arrangements to offer TA integrated with credit with special focus on small producers, monitoring of environmental criteria in credit/risk processes and efforts to foster synergies with market players.

- i. **Evaluate previous interventions to identify weaknesses and strengths.** Multiple initiatives to tackle the credit offering to small producers, embedding environmental criteria into credit and risk assessment and provisioning of high-quality technical assistance have been implemented thus understanding the key elements for replication and the main constraints is fundamental to scale-up the intervention.
 - a. Analysis of previous efforts in similar contexts using the material produced by Bancolombia, EII, GANSO with the support from P4F as the main source of information. The Company will provide resources on the mechanisms to incorporate technical providers into the services offerings of the bank, assessment of alternatives to incorporate environmental criteria into the risk's evaluation, comparison of monitoring providers capacity and costs of environmental information, a roadmap for credit placement as well as a business chain strategy opportunity and typification of small producers.
 - b. Propose a methodology (hybrid/in-person/remote) to gather primary and secondary data from key actors in the financial sector, governmental institutions, market players and cattle ranchers to identify main bottle necks and successes in the credit provisioning and environmental monitoring.
 - c. Collaboration with ASOBANCARIA and Bancolombia to reach out to market actors, cattle ranchers, and financial institutions, aligning sector priorities and identifying synergies for the provisioning of credit integrated with technical assistance and incorporating environmental monitoring in financial institutions.
- ii. **Generate a diagnosis of the underlying elements and institutional arrangements that will make technical assistance provisioning and environmental monitoring feasible under credit.** Limitations to make technical assistance available due to costs or lack of awareness are present and financial institutions might not be best suited to enforce this component where alternatively markets are in a better position to support the transition.
 - a. Work with ASOBANCARIA for the development of a practical guide that sets the pillars to replicate the good practices and set guidelines to train the commercial, risk, credit and sustainability teams in other financial institutions thus supporting the aim of ASOBANCARIA to

Methodology of the TA: As a starting point for Phase I, the consultant will need to get acquainted with the simulation tool that has been developed by EII and develop a user-friendly interface where variable data can be received as input and simulations can be completed at any time. For Phase II, the consultant will need to review the documentation generated under the P4F 0632 “Promotion of sustainable cattle production investments” as the starting point for the analysis and design a methodology to engage with multiple stakeholders, gather their input on the integration of technical assistance with credit, the characteristics to play special focus on small producers and mechanisms to introduce monitoring of environmental criteria in credit/risk processes. The ultimate goal of the consultancy is to main underlying elements that must be in place, considered or strengthened to get Colombia in the right track to transition towards a sustainable cattle ranching where synergies across actors are maximized.

ASOBANCARIA and Bancolombia will be key allies in the development of the work as they have performed as strategic partners holding valuable experience in the subject and are also interested in fostering an environment for a sustainable cattle ranching.

Area of intervention: Antioquia, Cordoba, Caquetá and Meta are the areas where specific analysis must be conducted. However, the governance and operational arrangements are hosted by institutions and do not correlate with a specific area. Consultants should aim to reach the objectives without major travel costs.

Duration and phasing: The activity is to commence in 01 May 2023 and end in 30 June 2023.

Time length of the consultancy: 2 months

Deliverables:

The consultant is expected to deliver **all the following in Spanish** and must deliver some component in English where indicated (*English*)

Phase I – Assessment of business model for integrated credit and technical assistance

- i. **Improve the simulation tool.**
 - M1: Simulation tool with improved user experience
 - M2: A user guide for the simulation tool
 - M3: Systematized background data used to feed the simulation tool with sources
- ii. **Conduct a scenario analysis for the value proposition.**
 - M4: Document with scenario analysis addressing changes in business model assumptions.
 - M5: Document with sensitivity analysis for the business model
 - M6: Presentation with a summary of the main findings from M4 and M5 clearly stating what are the thresholds where the business model remains viable (*English*)

Phase II - Systematize lessons learnt from governance arrangements to offer TA integrated with credit with special focus on small producers, monitoring of environmental criteria in credit/risk processes and efforts to foster synergies with market players.

- i. **Evaluate previous interventions to identify weaknesses and strengths.**
 - M7: Workplan for lessons learnt approach.
 - M8: Present the methodology to be used to approach stakeholders, gather insights, test hypothesis.
 - M9: Synthesis document on bottlenecks, successes, and overall recommendations for the credit provisioning with technical assistance with a multi stakeholder perspective
 - M10: Synthesis document on bottlenecks, successes and overall recommendations for the and environmental monitoring along the credit and risk processes with a multi stakeholder perspective
- iii. **Generate a diagnosis of the underlying elements and institutional arrangements that will make technical assistance provisioning and environmental monitoring feasible under credit.**
 - M11: Develop a practical guide on sustainable cattle ranching.
 - M12: Present an approach to engage with GoC and assess the alignment with policies for deforestation-free value chains and possible next steps

M13: One executive summary on main lessons learnt and next steps for sustainable cattle ranching in Colombia in alliance with the financial sector (*English*)

M14: Design a comms strategy to present the main findings to key audiences, which the consultant would have to identify and agree with P4F

I. Financial component

Please refer to Part 5 for details relating to preparation of the financial submission.

II. Responsibilities of the Company

To be prepared to sign the Standard Contract Terms

III. Contractor responsibilities

- To be prepared to sign the Standard Contract Terms.
- To have in place insurance policies covering Professional Indemnity and Public Liability.

Schedule C – Insurance

ITEM	REQUIREMENT
Public Liability Insurance	<p>The Subcontractor will have and maintain throughout the Term of this Agreement a Public Liability Insurance Policy (or General Liability Insurance Policy). The Policy must:</p> <ol style="list-style-type: none"> 1. cover an amount in respect of any one claim or series of claims arising from the one original cause of not less than 3 million GBP; 2. cover the Subcontractor, in respect of liability to the Company and third parties, if any; and 3. name the Company as an indemnified party in relation to liability to third parties in respect of any claim for loss of or damage to property or death or injury to any person arising out of or as a consequence of any act or omission of the Subcontractor.
Professional Indemnity Insurance	<ol style="list-style-type: none"> 1. The Subcontractor will have a professional indemnity policy and maintain that policy for the Term of this Agreement and for a further period of 6 years thereafter. 2. The policy will have a total aggregate cover of not less than the Professional Indemnity Insurance Amount as indicated on the Cover Sheet. 3. The policy will have a Principal's Indemnity clause, and, if required by that clause, name the Company as an indemnified principal in respect of this Agreement. 4. The Company may request evidence of the maintenance of the professional indemnity insurance at any time during the Term and also during the 6 years after the Term of this Agreement and the Subcontractor will provide such evidence within seven (7) days of the request.
Insurance of Workers	<ol style="list-style-type: none"> 1. The Subcontractor will have adequate insurance to fully cover it against any amount it may become liable to pay for death or injury to Personnel employed or contracted by the Subcontractor, including liability by statute and at common law and will maintain that policy for the Term of this Agreement. 2. The Subcontractor will have adequate travel, medical and dental insurance for its Personnel who are engaged to operate outside their country of permanent residence. 3. The Subcontractor will have adequate insurance for emergency and medical evacuation for all its Personnel engaged to operate outside their country of permanent residence. 4. The policy will, where permitted by Legislative Requirements, be extended to indemnify the Company for any statutory liability on the part of the Company for persons employed by the Subcontractor.
Country requirements	<p>The Subcontractor will comply at all times with the Legislative Requirements of the Country in which it is incorporated and where it is operating relating to insurance. Where the Legislative Requirements of the Country of incorporation require certain insurances to be taken out for any of the Subcontractor's Personnel working in a different Country or where there are Legislative Requirements of the Recipient Country, it will be the Subcontractor's responsibility to have such insurances and comply with all such Legislative Requirements in respect to all its Personnel on this Project. The onus is on the Subcontractor to make itself aware of the requirements of such insurance and all such Legislative Requirements.</p>
Evidence of Insurance	<p>The Company may request evidence of any insurance policy at any time during the Term of this Agreement and the Subcontractor will provide certificates of currency for each policy within seven (7) days of the request.</p> <p>Failure by the Subcontractor to maintain all necessary insurances, will entitle the Company to terminate this Agreement immediately for breach in accordance with clause 20.</p>

- To have any relevant registrations (including tax registrations) in the activity Jurisdiction.

Part 2 – Conditions of tender

1. Tender content

- 1.1. The tender must contain the following:
 - 1.1.1 a cover letter (no longer than 1 page) to the tender for the activity (specify the Activity number), including the signed declaration contained in Part 7;
 - 1.1.2 a technical submission (in the form detailed in Part 3);
 - 1.1.3 a financial submission (in the form detailed in Part 4).
- 1.2. Every Tender needs to state in the submission:
 - 1.2.1 in the case of an individual, full or given names, surname and address;
 - 1.2.2 in the case of a trust, the full names and addresses of each trustee of the trust;
 - 1.2.3 in the case of a company, NGO or other registered entity, the full name of the entity, the address of the registered office of the entity, the relevant registration number and a copy of the certificate of registration; and
 - 1.2.4 If relevant, a list (including CVs if requested) of all the nominated personnel expected to contribute to the performance of the TOR, including their names, surnames, title of their position and their proposed level of effort.
- 1.3. Tenders are to be written in English, Arial font 12
- 1.4. 'The Tenderer' (where capitalised) means the person or organisation to whom this invitation has been sent, the person or organisation responding to this invitation (as applicable). Depending on the context, an uncapitalised version of 'tenderer' may also refer to the Tenderer.

2. Tender Assessment Process

- 2.1. Tenders must comply with the requirements of the TOR. Failure to submit a Tender including the information required by the TOR (or this Tender generally) will factor into The Company's assessment of the level of compliance of the Tender and may result in rejection of the Tender.
- 2.2. The Company will evaluate Tenders on the following basis:
 - 2.2.1 a technical assessment;
 - 2.2.2 a financial assessment;
 - 2.2.3 any other factors which may impact on the Tenderer's potential performance.
- 2.3. The Company reserves the right:
 - 2.3.1 to accept or reject any tender, and to annul the tendering process thereby rejecting all tenders, at any time prior to the award of contract at its sole discretion;
 - 2.3.2 to cancel or vary the Invitation to Tender process at any time whether before or after the closing date;
 - 2.3.3 to reject any tender that does not adhere to the structure and content requirements as outlined in these Terms and Conditions;
 - 2.3.4 to recall tenders from any source including those tenderers who have already submitted tenders, without thereby incurring any liability to the affected Tenderer or Tenderers or any obligation to inform the affected Tenderer or Tenderers of the grounds for this action;
 - 2.3.5 to accept Tenders for the whole or any part of the requirement;
 - 2.3.6 to require that tenderers submit to the Company's Due Diligence process prior to or after the submission of Tenders; and
 - 2.3.7 to negotiate with the most favourable tenderer should it be deemed that the offered prices are unreasonable or greater than the targets set in the planning process.
- 2.4. The Company shall not be bound by any advice given or information furnished by it.
- 2.5. The conduct of this Invitation to Tender is not intended to give rise to any legal or equitable relationship.
- 2.6. Any inducements and rewards intended to influence the outcome of the Tendering process will result in Tenderer's immediate suspension from the process.
- 2.7. Your Tender will be valid for the Tender Validity Period specified on p.1.

3. Technical Assessment

- 3.1. The Technical Assessment will be undertaken by an internal procurement committee.
- 3.2. The Company may specify weighting for assessment criteria in Part 4.

4. Financial Assessment

- 4.1. Following consideration of the technical merit of Tenders, a like-for-like price assessment may be undertaken by The Company of the Tenders assessed as technically suitable.
- 4.2. Tenderers should note that financial submissions for those Tenders assessed by the Procurement Committee as not technically acceptable will not be subject to financial assessment.

- 4.3. Unless otherwise specifically stated, prices quoted must be provided as a fixed maximum price and show the tax exclusive price, the tax component and the tax inclusive price.
- 4.4. The contract price, which must include any and all other charges and costs, will be the maximum price payable by the Company for the Goods and/or Services.
- 4.5. Additionally, if requested by the Company, potential suppliers must be able to demonstrate their financial stability and ability to remain viable as a provider of the Goods and/or Services over the term of any agreement.
- 4.6. If requested by the Company, the potential supplier must promptly provide the Company with such information or documentation as the Company reasonably requires in order to evaluate the potential supplier's financial stability.

5. Acceptance of Tenders

- 5.1. The Company is not bound or required to accept the lowest priced Tender or any Tender.
- 5.2. A Tender will not be deemed to be accepted unless and until a Contract in the form listed in Part 7 is signed by the Company and the Tenderer (with the agreed commercial terms included).
- 5.3. The Company reserves the right to enter into negotiation with any other tenderer if contract negotiations cannot be concluded with the preferred Tenderer.

6. Alternative Tenders

- 6.1. The Company reserves the right to accept and consider alternative Tenders providing they:
 - 6.1.1 are submitted with a compliant Tender;
 - 6.1.2 clearly identify the differences and improvements offered.

7. Non-Compliant Tenders

- 7.1. Tenders will be regarded as non-compliant if they do not comply with any part of the requirements of this Invitation to Tender.
- 7.2. The Company may, however, in its absolute discretion evaluate any non-compliant Tender.

8. Lodgement of Tenders

- 8.1. It is the responsibility of the Tenderer to ensure that the Tender is received by the Company by the closing date and time prescribed in this Invitation to Tender. A Tender lodged after the closing date is a late Tender.
- 8.2. A late Tender will normally not be considered unless it can be demonstrated by the Tenderer that the Tender would have arrived at the tender point by the required date and time as prescribed in this Invitation to Tender but, for reasons proven by the Tenderer, it did not. The Company may allow a late Tender to be assessed at its absolute discretion.
- 8.3. The Company will not consider or entertain any queries about a decision to assess or reject a late Tender.

9. Tenderer Costs

- 9.1. Tenderers are responsible at their own cost to:
 - 9.1.1 make all arrangements and obtain and consider all information relating to the TOR;
 - 9.1.2 prepare, deliver and lodge their tender;
 - 9.1.3 deal with any issues, including disputes, that may arise out of the tendering process.

10. Confidentiality

- 10.1. The Tenderer acknowledges that in the course of this Tender, it may become acquainted with or have access to the Company's Confidential Information (including the existence and terms of this Tender and the TOR). It agrees to maintain the confidence of the Confidential Information and to prevent its unauthorised disclosure to any other person.
- 10.2. The Tenderer will not disclose or use any Confidential Information except to the extent that such disclosure or use:
 - 10.2.1 is strictly necessary for submitting the Tender;
 - 10.2.2 is required by relevant laws;
 - 10.2.3 is authorised by prior written approval from the Company; or
 - 10.2.4 occurs after the Confidential Information already is or comes into the Tenderer's possession (or in the public domain) otherwise than pursuant to this Tender, pursuant to a separate confidentiality undertaking by the Tenderer or a third parties' (or that parties') unauthorised disclosure.
 - 10.2.5 If the Tenderer is required to disclose Confidential Information due to a relevant law or legal proceedings, it will provide reasonable notice of such disclosure to the Company.

10.2.6 The parties agree that this obligation applies during the Tender and after the completion of the process.

11. Request for Information

11.1. Any prospective tenderer may within a reasonable time before the closing date request information on any point of clarification in this Tender. The information requested shall be given in writing by the Company as soon as practicable. Where in the opinion of the Company the information could have an effect on other tenderers, that information may at the Company's sole discretion be given in writing to all known prospective tenderers.

12. Business Partner Code of Conduct

12.1. Tenderers shall comply with the Company's Business Partner Code of Conduct in the submission of any tenders. The Code is currently available at thepalladiumgroup.com/policies.

13. Unsuccessful Tenders

13.1. Unsuccessful Tenders will be notified in writing and shall be entitled to feedback regarding their tender.

14. Tenderer Acceptance of Conditions

14.1. A Tender lodged in response to this Invitation to Tender does so with agreement to these Conditions of Tender unless any departures from these Conditions are detailed in the cover letter of the submission. The Company reserves the right to reject any departure from these Conditions of Tender, and thereby determine that the tender submission is non-conforming for that reason.

15. Conflict of Interest

15.1. Tenderers must notify the Company immediately if any actual, potential or perceived conflict of interest arises (a perceived conflict of interest is one in which a reasonable person would think that the person's judgement and/or actions are likely to be compromised, whether due to a financial or personal interest (including those of family members) in the procurement or the Company).

16. Inconsistencies

16.1. If there is inconsistency within this ITT, the following order of precedence shall apply:

- 16.1.1 these Terms and Conditions;
- 16.1.2 the Cover Page of this ITT; and
- 16.1.3 Part 5 – Client Terms
- 16.1.4 Part 6 – Standard Contract
- 16.1.5 Part 1 – Terms of Reference
- 16.1.6 Part 4 – Financial Assessment Selection Criteria
- 16.1.7 Part 3 – Technical Assessment Selection Criteria
- 16.1.8 the Schedule

so that the provision in the higher ranked document will prevail to the extent of the inconsistency.

17. Jurisdiction

17.1. This Tender process shall be subject to the laws of the Jurisdiction.

17.2. The Supplier and the Company will use their best efforts to settle amicably any dispute, controversy, or claim arising out of, or relating to this Agreement or the breach, termination, or invalidity thereof.

17.3. If no agreeable settlement can be found, any dispute, controversy, or claim arising out of or relating to this Agreement or the breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules in effect on the date of this Agreement. The appointing authority shall be the Secretary-General of the Permanent Court of Arbitration. The Parties will be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute.

17.4. The place of arbitration shall be the headquarters location of Company at the time the claim is filed and the language of the arbitration will be English. The relevant laws shall be the laws of the Jurisdiction.

17.5. Should the claim involve a State, a State-controlled entity, or an intergovernmental organization, the case shall be administered by the International Bureau of the Permanent Court of Arbitration.

Part 3 – Technical assessment selection criteria

Requirements for the Technical Submission

The Technical Submission must:

1. be in a type font of no less than 12 points;
2. be in a single column format;
3. be five pages or less in length;
4. have attached up-to-date CVs relevant to the activity of the preferred consultant/s (no longer than 4 pages), including contact details for two referees who can comment on recent experience relevant to the application.

Specification of the advisory support

1. Minimum of 4 years of experience on interdisciplinary consultancies, especially managing complex projects, and a well-documented track record of delivering technically solid products on time and to a high standard of quality.
2. Documented experience/knowledge in the sustainable cattle ranching sector and/or significant experience working with the financial sector in agriculture value chains, risk analysis and knowledge of environmental criteria relevant for the financial sector.
3. Demonstrated ability to gather data on complex and inexistence areas of knowledge and foster synergies and interinstitutional collaboration.

Team composition

Role	Academic Credentials	Experience
Consultant Team Lead	Master's degree in Finance and/or Economics	<p><u>General:</u></p> <ul style="list-style-type: none"> • Minimum 6 years of professional experience with financial institutions, credit assessment, risk analysis • Experience managing teams and consultancies • Relevant experience in the cattle ranching sector • English and Spanish proficiency.
Systems Professional	Bachelor's Degree in Systems Engineering / Data Engineering	<p><u>General:</u></p> <ul style="list-style-type: none"> • Minimum of 4 years of professional experience • Experience creating macros and modelling • Experience in the development of user-friendly interfaces

Role	Academic Credentials	Experience
Environmental & Public Policy Specialist	Master's Degree in Environmental Sciences, Environmental Engineer, Agriculture, Sustainable products, Natural resource management	<u>General:</u> <ul style="list-style-type: none"> • Minimum of 4 years of professional experience. • Experience in the agricultural sector in Colombia with relevant experience in the cattle ranching sector • Experience developing indicators for environmental assessment • Experience in recommendations for governments and private institutions
Finance Specialist	Bachelor's Degree Finance; Economics or another relevant academic background	<u>General:</u> <ul style="list-style-type: none"> • Minimum of 5 years of professional experience. • Experience working with the financial sector
Business Development Specialist	Bachelor's degree in economics, Finance, Business, or another relevant academic background, with a specialization in financial analysis.	<u>General:</u> <ul style="list-style-type: none"> • Minimum of 5 years of professional experience. • Experience in product and market development with emphasis in beef and dairy products • Experience in sustainability value chains

1. Up-to-date CVs relevant to the activity of the consultant/s including the names and contact details of two referees must be attached (no longer than four pages in length).
2. The technical submission format **must** clearly address the criteria above as this will impact on the assessment process. Please remember the technical submission should not exceed five pages.

Part 4 – Financial assessment selection criteria

The Financial Limit for this procurement is GBP 15.000. The limit includes all operational expenses to develop the BP, workshops, interviews, and any expenses associated to flights and hotels to conduct activities. The limit also includes taxes and other transaction costs.

Key information to include:

- Payment shall be made in GBP
- All prices are to be inclusive of relevant taxes
 - o Tenderers shall provide firm prices, that is prices offered shall not be varied either up or down for any reason;
- Currency of the quote must be in GBP

Evaluation criteria for proposals

Criteria	Details	Scoring weight
1. Proposal	Robust methodologies for the assessment of bottlenecks and opportunities by reaching out to different stakeholders and use information generated by P4F and its partners to establish the main underlying elements that must be in place, considered or strengthened to have an accessible credit offering that fosters sustainability and promotes synergies across government, financial institutions, and markets.	40
2. Firm's national and local experience	Documented experience/knowledge in the areas finance and cattle ranching in Colombia, value chain analysis, business development, engagement with private and public sector	20
3. Team expertise	Team members with strong expertise and competence related to the different activities of the assignment	30
4. Financial proposal	Cost per component, activities, and overall cost of the TA.	10
Total		100

Part 5 – Client Specific Provisions

DFID:

Subcontractors and Consultants will be required to comply with the terms of the Head Contract for the Project, including the DFID Standard Terms and Conditions and any additional terms advised by the Company.

Part 6 – Standard Contract Template

Technical services (inputs) under the Head Contract:

By a company: Subcontractor Agreement

General (non-ID technical) Services:

Services Agreement (using the relevant one for the estimated contract value here)

Subcontractor Agreement

Part 7 – Declaration by Tenderers

Tenderers shall submit their tender with the following declaration:

I declare that to the best of my knowledge the answers submitted and information contained in this document are correct and accurate.

Where requested by the Company, I/We will promptly provide the certificates or other documents referenced in this ITT.

I/We understand that any information given by us will be relied on and used by the Company to assess my/our suitability to participate further in this potential procurement.

I understand that the Company may reject my/our Tender if it is non-compliant, or false/misleading in any way.

Where this statement is being provided by an individual on behalf of the Company, that individual has the necessary corporate authorisation to provide the declaration on behalf of the Company.

I / We have not communicated to any person other than the Company the amount of any tender, adjusted the amount of any tender by arrangement with any other person, made any arrangement with any other person about whether or not I / we or that other person should tender, or otherwise colluded with any other person in any manner whatsoever, and undertake that at any time thereafter in the tendering process for the above.

I/We have not engaged in any behaviour which has or could contravene Bribery Act 2010 (UK), the Foreign Corrupt Practices Act (US) or any similar legislation.

I/We have not provided or offered any payment, gift, item, hospitality or any other benefit to the Company, its employees, consultants, agents, subcontractors (or any other person involved in the decision-making process relating to this tender) which could give rise to a perception of bribery or corruption in relation to the Tender or any other dealings between the parties.

Part 8 – Confidentiality

1. Obligations of Confidentiality

- 1.1 The Recipient acknowledges that the Confidential Information is valuable to the Provider. In consideration for the Provider providing the Confidential Information to the Recipient for the Express Purpose, the Recipient accepts and agrees to be bound by the terms of this document.
- 1.2 The Recipient must, subject to the terms of this document, comply with the following obligations at all times:
 - 1.2.1 The Recipient must keep the Confidential Information secret and preserve its confidential nature and must not use Confidential Information for any purpose other than the Express Purpose.
 - 1.2.2 The Recipient must not disclose or permit the disclosure of the information to any person other than in accordance with this document, or with the Provider's prior written consent.
 - 1.2.3 The Recipient must ensure that all of its Representatives who are provided with Confidential Information are made aware that the information must be kept confidential and that they must not do or fail to do anything that, if done or not done by the Representative would result in a breach of the Recipient's obligations in this document.
 - 1.2.4 The Recipient must protect the Confidential Information against unauthorised access, use or disclosure, must immediately notify the Provider of any unauthorised access to, use or disclosure of the information, and must comply with any reasonable direction from the Provider in relation to the protection of the information.

2. Permitted disclosures

- 2.1 This document does not prohibit the disclosure of Confidential Information by the Recipient to the extent that any of the following terms apply:
 - 2.1.1 The Provider has consented in writing to such disclosure.
 - 2.1.2 The disclosure is to a Representative of the Recipient who needs to know the Confidential Information for the Express Purpose and the Recipient has complied with clause 4 in relation to the disclosure.
 - 2.1.3 The disclosure is required by law and the Recipient has complied with clause 3 in relation to the disclosure.

3. Limitation on disclosure required by law

- 3.1 If the Recipient considers that disclosure of Confidential Information is required by law, it must do the following:
 - 3.1.1 To the extent legally permitted, immediately notify the Provider of the requirement.
 - 3.1.2 Take all reasonable steps to lawfully resist or narrow the requirement to disclose the Confidential Information.
 - 3.1.3 Assist and co-operate with the Provider if the Provider seeks to limit or resist the requirement for the Confidential Information to be disclosed.

4. Disclosure to Representatives

- 4.1 The Recipient must ensure that each of the following are complied with:

- 4.1.1 Its Representatives are made aware of the confidential nature of the Confidential Information and the terms of this document before any of its Representatives are provided with or have access to Confidential Information.
- 4.1.2 Its Representatives do not do or fail to do anything that, if done or not done by the Recipient, would amount to a breach of the Recipient's obligations in this document.

5. Confidential Information

- 5.1 The Confidential Information remains the property of the Provider at all times. At the Provider's written request the Recipient must promptly return to the Provider or destroy all material containing Confidential Information in its (or its Representatives') possession, power or control, including any material created or generated by the Recipient (or its Representatives'). The Recipient will not be required to search its computer systems for electronic back-up files of the Provider's Confidential Information in order to destroy all of the Provider's Confidential Information, provided that any Confidential Information so retained will,
 - 5.2 remain subject to the obligations and restrictions contained in this Agreement,
 - 5.3 will be maintained and protected in accordance with the Provider's document retention policies and procedures, and
 - 5.4 the Recipient will not use the retained Confidential Information for any other purpose than the Express Purpose.
- 5.5 The Provider makes no representations or warranties in relation to the Confidential Information, including the completeness of any information provided. To the maximum extent permitted by law, the Provider disclaims all liability for any loss or damage suffered by any person using, disclosing, relying or acting on any information disclosed by the Provider or any of its Representatives.

6. General provisions

- 6.1 The Recipient's obligations in this document continue to apply other than to the extent that the Provider specifically releases the Recipient in writing from any such obligations or to the extent that any information is no longer confidential. Information will not be confidential to the extent that it is expressly identified as not being Confidential Information in the definition of Confidential Information.
- 6.2 The Recipient agrees that damages alone may not be an adequate remedy for breach of this document. Accordingly, the Provider may be entitled to seek equitable relief (including, without limitation, injunction, specific performance) for any threatened or actual breach of this document. This clause 6.2 operates without prejudice or limitation to any other right or remedy available to a party pursuant to the laws of the place set out in Item 2.2 of the Agreement Particulars.
- 6.3 The Recipient continually indemnifies the Provider against any claim, liability, loss, damage or expense (including legal costs on a full indemnity basis) that the Provider incurs or suffers directly or indirectly as a result of a breach of any Privacy Law.
- 6.4 This document may be executed in one or more counterparts, and by electronic signatures, each of which shall be an original document, and all of which together shall constitute one and the same instrument.
- 6.5 Each party warrants that the person signing this document has the proper authority to bind their respective entities to the terms and conditions set out in this document.

7. Governing law and jurisdiction

- 7.1 This document is governed by the law of the place set out in Item 2.2 of the Agreement Particulars.

8. Definitions

8.1 In this document the following definitions apply:

Confidential Information means any information provided by the Provider or any of its Representatives to the Recipient or any of its Representatives, or otherwise obtained by the Recipient or any of its Representatives, whether obtained before or after execution of this document, in connection with the Express Purpose or the Provider in any way.

Without limiting the above, Confidential Information includes all confidential business information, documents, records, financial information, reports, intellectual property, product specifications, technical information and forecasts which relate to the Provider or its Related Entities or the business, products or processes of the Provider or its Related Entities, the fact of the Express Purpose and that the Confidential Information may be or has been provided, and the terms of this document.

Confidential Information does not include information which is in or becomes part of the public domain (other than through a fault of the Recipient or breach of this document or an obligation of confidence owed to the Provider or any of its Related Entities) or which the Recipient can prove was independently acquired or developed by it without breaching this document.

Personal Information means any information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in writing or spoken, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion which is disclosed for the Express Purpose.

Privacy Law means legislation, statutory instruments and any other enforceable codes or guidelines regulating the collection, use and/or disclosure of personal information that applies to any of the parties or to this document.

Provider means that party which provides the Confidential Information to or at the request of the other party, who is the 'Recipient' in that context.

Recipient means that party which receives the Confidential Information to or at the request of the other party, who is the 'Provider' in that context.

Related Entity in respect of a person means any person who is an associate of that person under the laws of the place set out in Item 2.2 of the Agreement Particulars.

Representative means any director, officer, employee, agent, contractor, financier, professional adviser or Related Entity (and any director, officer, employee, agent, contractor, financier, professional adviser of that Related Entity) of a party.