

Terms of Reference (ToR)

IDH Farmfit Program

Marketing and Communication

November 2019

1. IDH Farmfit Program

Background

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.

Over the last decade IDH has successfully developed a strong market-based approach to smallholder value chain development, mostly focused on commodities that are internationally traded like cotton, coffee, tea, cocoa, flowers, fruits and vegetables. With the support of multiple governments (Dutch, Swiss and Danish), the Bill & Melinda Gates Foundation and the UK Department for International Development, IDH developed an advanced data-driven methodology, under the banner Farmfit, to analyze smallholder business models across value chains, sectors and geographies. This methodology looks at the effectiveness, efficiency and sustainability of what we know as “Service Delivery Models” (SDMs), or supply chain structures that provide services to smallholder farmers to improve their productivity and profitability.

The Farmfit analytical approach is a powerful model that can be used to determine the conditions for sustainable and bankable smallholder business models. However, there are still complications in finding financing for innovative business models, for instance because of a (too) high risk perception. That’s why Farmfit Fund was set up, to provide de-risking finance for companies that innovate to improve smallholder profitability and productivity and triggering market financiers to invest in smallholder farmers globally. Investments from the Fund must benefit smallholders on a large scale, for instance if costs of servicing smallholder farmers can be reduced.

Three services provided by Farmfit



Farmfit Business Support works with companies to improve their smallholder engagement to enable increases in profitability and impact. Using the IDH Service Delivery Model (SDM) methodology, Farmfit Business Support has analyzed at least 60 business models of companies providing services to smallholder farmers to gain insight into profits and losses for both the company and the farmers, as well as social and environmental benefits of service delivery.

Using the insights of the analyses, we co-design and co-invest in innovation projects. These technical assistance (TA) projects (39 in total) aim to further improve, innovate or scale the farmer engagement models of the companies, with the ultimate aim of improving the livelihoods of 1,1 million farmers. The TA projects will be monitored at the individual and portfolio level.

Impact targets include (among others) increased farmer income, increased access to finance, and decreased costs of service provision and operational sourcing costs for companies.

Farmfit Business Support also provides a significant pipeline of investable transactions to the Farmfit Fund, as well as potential for other investors.



Farmfit Intelligence shares key insights collected from the SDM analysis. Data from individual SDM analyses feed into a benchmarking database available for businesses engaged with smallholder farmers. Insights and learnings are captured in knowledge products and disseminated through an online environment providing open access to businesses engaging with smallholders. Insights are also tailored to support business to innovate on topics like technology and gender.



Farmfit Fund offers high-risk funding to catalyze commercial financiers to invest in small holder farmer supported value chains.

The Fund is backed by the Dutch Government and international consumer brands.

The Fund provides de-risking investment to value chain actors and local financial institutions, who interact directly with the smallholder farmers and Agri SME's creating a market linkage at the same time financing is provided as part of a broader service offering (quality inputs, training etc.), reducing risk. This holistic approach is needed in order to significantly lower the barrier for both commercial investors and development banks to lend to smallholder farmers at scale. The Fund shares risk with these

companies and, at the same time, provides a risk buffer for financial institutions that provide senior loans.

In addition to farmer lending, the Fund can take equity positions in Agtech and Fintech companies, on the condition that these investments can benefit smallholders on a large scale, for instance if costs of servicing smallholder farmers can be reduced.

The Fund has a range of instruments available, depending on the financing need: bridge loan, equity, first loss provision, partial credit guarantee, mezzanine loan, straight loan and subordinated debt.

A typical business engagement with Farmfit starts with an SDM analysis, which may lead to a TA project to improve and/or innovate the company's business model and make it investable.

Funding from the Farmfit Fund (or another investor) can come in during or after a TA project, depending on the financing need.

Contracting with Farmfit

Farmfit Business Support and Farmfit Intelligence are part of IDH. As such, IDH will be the contracting party in relation to the assignment deliverables of the Farmfit Business Support and Farmfit Intelligence elements as set out in these Terms of Reference.

As the Farmfit Fund is managed by IDH Investment Management B.V. ("**IIM**"), IIM and/or the Farmfit Fund may be the contracting party in relation to the assignment deliverables of the Farmfit Fund element as set out in these Terms of Reference.

Farmfit reserves the right to amend the contracting party at its sole discretion accordingly.

2. Call for Proposals

IDH Farmfit as an integrated proposition for business was launched last year and the Fund component will be launched in January 2020 in the SDG tent at the World Economic Forum in Davos. To support the in-house marketing and communication capacity we are looking for an experienced communication and marketing agency to:

- Support the development of a marketing strategy across each of the 3 Farmfit offerings with insights and key differentiators per target audiences relevant to each of the 3 Farmfit offerings.
- Propose tailored value propositions and channels for each of the 3 elements of Farmfit per audience
- Make proposal for revamped Farmfit visual brand and develop ongoing supportive collateral
- Co-develop and support execution of a marketing road show for the Farmfit Fund post launch including content development that fit within the marketing strategy

- Develop internal communication strategy for Farmfit fund, to engage and inform internal IDH staff that have limited knowledge of commercial investing
- Develop a proposal for the positioning of IDH investment management in relation to the IDH brand
- Support in ongoing content development for Farmfit Fund and possibly Farmfit Business Support
- Support in executing yearly Farmfit events including the creation of collateral and stakeholder engagement.

The **overall objective** is to develop a strong, clear and recognizable Farmfit brand, that reinforces the IDH brand, is well positioned in the market and is recognized for bringing strong brand value to target audiences.

3. Assignment deliverables

Farmfit Fund

Deliverables	Comments
<p>Development of insight on target audiences, value proposition and brand strategy and refinement of the Farmfit Fund key message</p>	<ul style="list-style-type: none"> • Creation of stakeholder mapping, target audience profiles and data collection on audiences • Proposal on key dissemination channels • Proposal value proposition of Farmfit Fund per offering and target audience • Proposal on brand strategy
<p>Proposal for positioning of Farmfit Fund in relation to IDH and other IDH Farmfit services for external target audiences; including investors, investees</p>	<ul style="list-style-type: none"> • Proposal for branding, based on insights per target audience, including visual look and feel and language • Proposal of key points of Farmfit Business Support, Intelligence and IDH that should be leveraged and included in Fund value proposition • Refinement of pitch into supportive external materials, including one pager, ppt., etc. • Identification of most relevant conferences, events, seminars, awards etc. at which the Farmfit Fund should be presented; at which the Farmfit Fund should be put forward • Identification of relevant industry publications and general media through which the Farmfit Fund should be publicized • Development of a proposal for social media strategy and channels

<p>Development of Farmfit Fund design collateral</p>	<p>Translation of visual branding into:</p> <ul style="list-style-type: none"> • Design template for ppt., word, etc. • Roll-up banners • Event materials • Infographics • Images • Brand guide • Maintenance and updating of related visual icons • Annual reports formatting • Pre-reads for the Annual Reports and other documents for submission to the different governance bodies of the Fund including: Supervisory Board, Joint Advisory Committee, Investment Committee • Design and formatting quarterly newsletters
<p>Co-design and implementation of a marketing roadshow</p>	<ul style="list-style-type: none"> • Identification of appropriate events and channels to reach target audiences • Create tailored messaging per audience • Produce tailored and designed materials • Event dressing
<p>Positioning of IDH Investment Management</p>	<ul style="list-style-type: none"> • In relation to the Fund and IDH make a proposal for the positioning of the IDH investment management brand <ul style="list-style-type: none"> – Visual look and feel – Value proposition and positioning
<p>Internal Communications</p>	<ul style="list-style-type: none"> • Development of internal communications strategy that helps staff understand when to engage the Fund, the products it offers, the problems it solves and how the Fund relates to Farmfit Business Support and Intelligence Center • Design of internal communications collateral • Design of internal training collateral and supportive information flows.

Farmfit Business Support

Deliverables	Comments
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<p>Development of insight on target audiences, value proposition and brand strategy refinement of Farmfit Business Support</p>	<ul style="list-style-type: none"> • Creation of stakeholder mapping, target audience profiles and data collection on audiences • Proposal value proposition of Farmfit Business Support per offering and target audience • Proposal on brand strategy
<p>Proposal for positioning of Farmfit Business Support in relation to IDH and other IDH Farmfit services for external target audiences; supply chain companies, traders, aggregators</p>	<ul style="list-style-type: none"> • Proposal for branding, based on insights per target audience, including visual look and feel and language • Proposal of key points of Farmfit Fund, Intelligence and IDH that should be leveraged and included in Farmfit Business Support proposition • Refinement of pitch into supportive external materials, including one pager, ppt., etc. • Identification of most relevant conferences, events, seminars, awards etc. at which the Farmfit Business Support should be presented; at which the Farmfit Business Support should be put forward to • Identification of relevant industry publications and general media through which the Farmfit Business Support should be publicized • Development of a dedicated social media strategy and brand
<p>Development of Farmfit Business Support design collateral</p>	<p>Translation of visual branding into:</p> <ul style="list-style-type: none"> • Design template for ppt., word, etc. • Roll-up banners • Event materials • Infographics • Images • Brand guide • Maintenance and updating of related visual icons • Annual reports formatting • Design and formatting quarterly newsletters
<p>Internal Communications</p>	<ul style="list-style-type: none"> • Development of internal communications strategy that helps staff understand when to engage Farmfit Business Support offerings, the problems it solves and how Farmfit Business Support relates to the Farmfit Fund and Intelligence Center • Design of internal communications collateral

	<ul style="list-style-type: none"> • Design of internal training collateral and supportive information flows.
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Farmfit Intelligence

Deliverables	Comments
Development of insight on target audiences, value proposition and brand strategy refinement of Farmfit Intelligence	<ul style="list-style-type: none"> • Creation of stakeholder mapping, target audience profiles and data collection on audiences • Proposal value proposition of Farmfit Intelligence per offering and target audience • Proposal on brand strategy
Proposal for positioning of Farmfit Intelligence in relation to IDH and other IDH Farmfit services for external target audiences	<ul style="list-style-type: none"> • Proposal for branding, based on insights per target audience, including visual look and feel and language • Proposal of key points of Farmfit Fund, Farmfit Business Support and IDH that should be leveraged and included in Farmfit Intelligence proposition • Refinement of pitch into supportive external materials, including one pager, ppt., etc. • Identification of most relevant conferences, events, seminars, awards etc. at which the Farmfit Intelligence should be presented; at which the Farmfit Intelligence should be put forward to • Identification of relevant industry publications and general media through which the Farmfit Intelligence should be publicized • Development of a dedicated social media strategy and brand
Development of Farmfit Intelligence design collateral	<p>Translation of visual branding into:</p> <ul style="list-style-type: none"> • Design template for ppt., word, etc. • Roll-up banners • Event materials • Infographics • Images • Brand guide • Maintenance and updating of related visual icons • Annual reports formatting • Design and formatting quarterly newsletters

<p>Internal Communications</p>	<ul style="list-style-type: none"> • Development of internal communications strategy that helps staff understand when to engage Farmfit Intelligence offerings and how Farmfit Intelligence relates to the Farmfit Fund and Farmfit Business Support • Design of internal communications collateral • Design of internal training collateral and supportive information flows.
<p>The external knowledge dissemination and thought leadership</p>	<ul style="list-style-type: none"> • Development and implementation of knowledge dissemination and thought leadership strategy for the insights collated by Farmfit Intelligence Center • Identification of the appropriate channels • Design and development of communication materials, products

4. Consultant profile

For this assignment, IDH is looking for a consultancy specialized in financial institution communication and marketing.

The consultancy is expected to have extensive experience in:

- Positioning ESG/Impact Investment Funds/DFI managed investment funds in the market
- Full spectrum communication support

The consultancy is expected to have a strong understanding of:

- Target audiences and channels/events
- Content development i.e. copywriting and editing
- High level event management and planning
- Design
- Internal communication

5. Proposal guidelines, procedure and timeline

Proposal guidelines

IDH is asking consultants to prepare a proposal (max. 5 pages, excl. CVs and samples of work) in which it is explained how the consultant will organize its engagement and team to contribute to the objectives as explained above.

In the proposal, please provide the following:

- A succinct, well-documented approach, including desired input and timelines for involvement of Marketing and Communication + Farmfit team throughout the engagement;

- Clear description of the team, relevant experience of team members and time allocation per team member;
- Financial proposal in line with recommended approach, subdivided by a price quotation for Farmfit Business Support, Intelligence and the Farmfit Fund
 - o The price quotation should clearly state the cost for each Farmfit element (Farmfit Fund and Farmfit Business Support and Intelligence Center). IDH reserves the right to separate, segment and/or award part or some of the required work as set out above at its sole discretion.
- References and sample of previous work.

Procedure

The procedure will be as follows:

- Inviting consultancies to submit full proposals based on the ToR.
- Evaluation of the proposals by an evaluation committee consisting of IDH Farmfit Program members and IDH’s communication lead. The evaluation committee will evaluate the proposals on the basis of exclusion and selection criteria as published in these Terms of Reference.
- A potential teleconference session with shortlisted candidates to provide clarification and answer questions prior to final selection.
- Decision on selection of consultancy.
- Inception meeting with the selected consultancy.

Timeline

Activity	Timeline
Publication of this ToR	27 Nov, 2019
Deadline for submission of proposals ¹	13 Dec, 2019
Selection of Consultant	16 Dec, 2019
Contracting and start of Assignment	20 Dec, 2019

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

¹ Proposals submitted after the deadline will be returned and will not be considered in the tender procedure.

6. Selection criteria

Grounds for exclusion

1. Tenderers shall be excluded from participation in a procurement 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 of 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, where such illegal activity is detrimental to the MFA's financial interests.

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

2. Tenderers 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).

Selection criteria

The proposal will be assessed collectively for the Farmfit Offering as a whole as well as both per each Farmfit element separately, i.e. the proposal for Farmfit Fund and Farmfit Business Support, solely focusing on the specific activities per each element and its related Budget. The selection of the preferred candidate will be based on the following selection criteria:

Component		Criteria	Grading
1	Proposal	The extent to which the proposal meets the required quality of services: <ul style="list-style-type: none"> - Quality of the proposed approach - Time-efficiency 	1-5

2	Track Record	The extent to which the consultant presents the required level of expertise and knowledge: <ul style="list-style-type: none"> - Meeting the consultant profile - Team composition and track record of the consultants. 	1-5
4	Budget	Best price for the proposed level of quality <ul style="list-style-type: none"> - Farmfit Fund - Farmfit Business Support - Farmfit Intelligence 	1-5

Scoring and weighing for each component: The evaluation committee will unanimously score each component by assigning scores from 1 to 5, 5 representing optimal performance on the component and 1 representing extremely poor performance on the respective component. Each component will be weighed equally.

7. Confidentiality

The Tenderer 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 Gillian Evans at Evans@idhtrade.org. The Tenderer is thus explicitly prohibited, to prevent discrimination of the other Tenderers 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 with confidentiality. The Tenderer will also impose a duty of confidentiality on any parties that it engages. Any breach of the duty of confidentiality by the Tenderer or its engaged third parties will give IDH grounds for exclusion of the Tenderer, without requiring any prior written or verbal warning.

All information, documents and other requested or provided data submitted by the Tenderers 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 Tenderer.

8. Proposal submission and contact details

IDH reserves the right to update, change, extend, postpone, withdraw or suspend the Terms of Reference, this tender, or any decision with regard to the selection or contract award. As IDH reserves the right to amend the contracting Party to this TOR at its sole discretion, submissions must be valid and transferable to an alternate legal entity of IDH, should IDH at its sole discretion decide to contract the successful applicant through its subsidiary IDH is not obliged in this tender procedure to make a contract award decision or to conclude a contract with a participant. IDH reserves the right to suspend or annul the Tender Procedure at any moment in time.



Participants 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 these Terms of Reference, and subsequent information and documentation in this tender procedure.

Consultants are invited to submit their proposals via email by the **13th of December 2019** to:

Gillian Evans

IDH Communication Manager

Evans@idhtrade.org