

## UNDP Expression of Interest

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| To: Interested bidders | Date: 29 October 2020   |
|                        | Reference: <b>EOI/UNDP/GCF/003/2020</b> - Development of Digital Services for 'Building the Climate Resilience of Smallholder Farmers in Nusa Tenggara Timur' project |

Dear Sir / Madam:

The United Nations Development Programme (UNDP) hereby invites you to submit an Application to this Expression of Interest with reference: EOI/UNDP/GCF/003/2020 - Development of Digital Services for 'Building the Climate Resilience of Smallholder Farmers in Nusa Tenggara Timur' project.

Detailed Terms of Reference (TOR) as well as other requirements are listed in the EOI available on UNDP ATLAS e-Tendering system (<https://etendering.partneragencies.org>) **Event ID: 7603**

Your application should be submitted in accordance with the EOI requirements, through the UNDP ATLAS e-Tendering system and by the deadline indicated in <https://etendering.partneragencies.org>.

In the course of preparing and submitting your application, it shall remain your responsibility to ensure that it is submitted into the system by the deadline. The system will automatically block and not accept any application after the deadline. In case of any discrepancies, the deadline indicated in the system shall prevail.

Kindly ensure that supporting documents required are signed and stamped and in the .pdf format, and free from any virus or corrupted files.

**NOTE: The file name should contain only Latin characters (No Cyrillic or other alphabets.).**

You are kindly requested to indicate whether your company intends to submit an application by clicking "**Accept Invitation**" but not later than **18 November 2020**. If this is not the case, UNDP would appreciate indicating your reason, for our records.

If you have not registered in the system before, you can register by logging in using:

**Username: event.guest**

**Password: why2change**

The step by step instructions for registration of bidders and quotation submission through the UNDP ATLAS e-Tendering system is available in the attached "Instructions Manual for the Bidders". Should you require any training on the UNDP ATLAS e-Tendering system or face any difficulties when registering your company or submitting your quotation, please send an email to [sri.hastutiningsih@undp.org](mailto:sri.hastutiningsih@undp.org) and [galang.wijaya@undp.org](mailto:galang.wijaya@undp.org).

Please note that ATLAS has following minimum requirements for password:

1. Minimum length of 8 characters;
2. At least one capital letter; and
3. At least one number.

New proposer registering for the first time, the system will not accept any password that does not meet the above requirement, and thus registration cannot be completed.

For existing vendor whose current password does not meet the abovementioned password requirements, the system will prompt you to change your password upon signing in. Please change your password in accordance with the abovementioned password requirements to be able to login to the system.

The user guide and video are available to you in the UNDP public website in this link:  
<http://www.undp.org/content/undp/en/home/operations/procurement/business/procurement:notes/resources/>.

You can also access the instruction from youtube with link:  
<https://www.youtube.com/watch?v=Trv1FX6reu8&feature=youtu.be>.

You are advised to use Internet Explorer (Version 10 or above) to avoid any incompatibility issues with the re-tendering system.

**No hard copy or email submissions will be accepted by UNDP.**

UNDP looks forward to receiving your application and appreciate your interest to participate in UNDP procurement opportunities.

Sincerely yours,



*Martin Stephanus Kurnia*  
*Head of Procurement Unit*  
10/29/2020

**Background:**

In Indonesia, and Nusa Tenggara Timur (NTT) Province particularly, adverse climate change impacts have already been observed. These include increasing temperature, a trend of declining and variable rainfall, and an increasing incidence of droughts, landslides and floods. Such extreme weather events are expected to only increase with even higher intensity and severity in the future. Cumulatively, they impact vulnerable small holder farmers in terms of livelihoods, food security, health and access to clean water. Smallholder farmers in NTT in particular currently rely primarily on rain-fed and small-scale farming practices, and cultivate crops such as cacao, cashew, coconut, coffee, corn and rice. These commodities face immediate and increasing risks from climate change due to rising temperatures, declining rainfall and extreme weather conditions.

In addition to increasing climate risks, the socio-economic condition of the province is weak, with NTT having the lowest per capita Gross Regional Domestic Product (GRDP) in the country and a high poverty incidence rate of 19.6%, further limiting the adaptive capacity of smallholders and increasingly putting livelihoods at risk. As 72% of households in NTT depend on small-scale agriculture, compared to the national average of 40%, it is essential that NTT small-holder farmers are equipped with the necessary means to de-risk their livelihoods and protect themselves against the negative shocks attributable to climate change. It is certain that without the adequate knowledge and skills related to climate smart agricultural practices, and without adequate institutional setup to support farmers, and without access to affordable credits and markets, smallholder farmers in NTT will continue to stay on the business-as-usual growth trajectory and expose their livelihoods to the full brunt of future climate impacts.

Against this background, a project is being designed to assist smallholder farmers in the province of NTT in adapting their livelihoods to short-, medium- and long-term changes in climate. Support from the project includes the design and dissemination of climate resilient agriculture (CRA) practices, farm-level diversification and switching to resilient crop/tree varieties. The project will also act as a vehicle to crowd in public and private sector financing to enhance the viability of CRA practices by investing in value chains, farmer group formation and facilitation of agricultural credit for resilience building. The project is designed with **the overall objective of building climate resilience among smallholder farmers across 12 districts in Nusa Tenggara Timur (NTT).**

The project will achieve its intended objective through the following broad outputs:

1. Developing institutional capacity for farmer support and a long-term adaptation strategy for the agriculture sector in NTT
2. Strengthening farmer groups and delivering CRA measures to farmers
3. Improving farmers' access to markets and finance

The project will benefit 45,000 farming households in NTT, particularly those engaged in rice, corn, cocoa, coffee, cashew and coconut production. Additional 250,000 farming households will receive indirect benefits from the project through enhanced technical capacities of the extension officers and the use of improved crop calendars and CRA advisory services.

**Details of Services:**

The project intends to help farmers build their long-term livelihood resilience not only through skill development on CRA practices, but also by linking them to finance and markets and by lowering multiple barriers for value chain actors to engage with smallholder farmers in NTT. To facilitate such linkages to markets, finance and other actors in the value chains, while enhancing the scalability, transparency and efficiency of the support, the Government of Indonesia and UNDP are exploring the possibility of using digital/IT tools and platforms in the following interlinked services. Accordingly, UNDP Indonesia invites interested companies to submit their Expression of Interest (EOI) to participate in future bidding processes, present possible service offers to fulfil the needs of the project and provide required information regarding their ability to fulfil subsequent Request for Proposal (RFP) requirements. The RFP will only be disseminated to respondents that have fully met the EOI requirements, and will subsequently be considered for the bidding solicitation.

UNDP Indonesia is soliciting information about the following services:

**1. Platform(s) for digital integration of farmers and other value chain actors:**

Development of a digital platform that performs the following requisite and optional functions is one of the key activities of the project for promoting integration of farmers into formal markets and

supply chains while reducing the transaction costs for various service providers in doing business with them.

Requisite functionalities:

- Management of geo-referenced farmer profiles on a digital platform, including their production information, history of completing CRA training, ongoing linkages with input providers, processors, buyers, etc.
- Management of geo-referenced profiles of other value chain actors such as input suppliers, processors, buyers, etc.
- Interoperability with the digital voucher system (See Item 2 below).
- Platform must be able to accommodate analog, feature phone, and smartphone users, especially for farmers.
- Linkages to two or more financial institutions that will allow farmers to apply for agricultural credits from linked institutions
- Commodity traceability

Optional functionalities:

- P2P lending functionality
- Online market place
- Option for additional financial institution linkages to be added and onboarded onto the platform (this may include training for financial institution staff on usage of the platform portal)

## 2. Digital Voucher System to enhance effectiveness of CRA practices:

Development or customization of a digital voucher system that will act as a medium of exchange between smallholder farmers and value-chain actors/vendors. The project intends to distribute vouchers to farmers at different stages of project implementation including: i) one-time distribution to farmers as an incentive for participating in the data collection and profiling phase; and ii) distribution (linked to performance) to smallholder farmers who complete training courses on CRA practices through the farmers field schools. Eligible farmers will exchange vouchers for production inputs for free or at a subsidized price at pre-vetted vendors or kiosks identified by the project. The voucher system and the associated services need to satisfy the following properties/functionalities:

- Platform must be able to accommodate analog, feature phone, and smartphone users among farmers.
- The digital voucher system must allow unique identification of beneficiaries and prevention of fraud, ineligible transfer of vouchers to other individuals, etc.
- The services will include: 1) vetting of input supplier kiosks, 2) installation of platform on the input kiosk providers' smartphone systems, and 3) training to get input kiosk providers onboarded onto the platform system. Input kiosk providers must be available within 25 kilometers of a farm location, so a process for identifying and onboarding new kiosks needs to be included.
- The information about the redemption of vouchers can be made available to the project staff and financial institutions for the purpose of assessing loan eligibility and repayment risk.
- The information about individual farmers' access to vendors and their redemption history must be able to be integrated into the digital platform in Item 1 above.

### Expected Eligibility Attributes

Submissions will be checked for completeness and will be evaluated for eligibility, mainly, based on the following attributes:

To provide **Service 1**: Platform(s) for digital integration of farmers and other value chain actors, you will need to meet the following qualification:

| QUALIFICATION |
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|--|--|
| <b>History of Non-Performing Contracts<sup>1</sup></b> | Non-performance of a contract did not occur as a result of contractor default for the last 3 years.  |
| <b>Litigation History</b>                              | No consistent history of court/arbitral award decisions against the Bidder for the last 3 years.   |
| <b>Previous Experience</b>                             | <p>Minimum 3 years of relevant experience in:</p> <ul style="list-style-type: none"> <li>the areas of digital technology and mobile application development. Candidates with experience in the application of technology in the context of agricultural development, financial inclusion (digital payments and transactions particularly for unbanked communities), and agricultural value chains (commodity traceability) are preferred.</li> <li>Ability and willingness to cover investment costs related to platform customization, O&amp;M and data upkeep for duration of the project</li> <li>Candidates with experience of working in Indonesia and possession of valid government license to operate within Indonesia are preferred.</li> </ul> <p><i>(For JV/Consortium/Association, all Parties cumulatively should meet requirement).</i></p> <p>Minimum 2 contracts of similar value, nature and complexity implemented over the last 3 years.</p> <p><i>(For JV/Consortium/Association, all Parties cumulatively should meet requirement).</i></p> |
| <b>Financial Standing</b>                              | <p>Minimum average annual turnover of USD100,000 for the last 3 years.</p> <p><i>(For JV/Consortium/Association, all Parties cumulatively should meet requirement).</i></p> <p>Bidder must demonstrate the current soundness of its financial standing and indicate its prospective long-term profitability.</p> <p><i>(For JV/Consortium/Association, all Parties cumulatively should meet requirement).</i></p>  |

To provide **Service 2: Digital Voucher System** to enhance effectiveness of CRA practices, you will need to meet the following qualification:

| <b>QUALIFICATION</b>                                   |  |
|--|--|
| <b>History of Non-Performing Contracts<sup>1</sup></b> | Non-performance of a contract did not occur as a result of contractor default for the last 3 years.  |
| <b>Litigation History</b>                              | No consistent history of court/arbitral award decisions against the Bidder for the last 3 years.   |
| <b>Previous Experience</b>                             | <p>Minimum 3 years of relevant experience in:</p> <ul style="list-style-type: none"> <li>Experience in the areas of digital technology and mobile application development. Candidates with experience in the application of technology in the context of agricultural development are preferred.</li> <li>Demonstrated experience or familiarity with development or customization of digital ID/voucher system or similar technology in a rural setting is preferred</li> </ul> |

<sup>1</sup> Non-performance, as decided by UNDP, shall include all contracts where (a) non-performance was not challenged by the contractor, including through referral to the dispute resolution mechanism under the respective contract, and (b) contracts that were so challenged but fully settled against the contractor. Non-performance shall not include contracts where Employers decision was overruled by the dispute resolution mechanism. Non-performance must be based on all information on fully settled disputes or litigation, i.e. dispute or litigation that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the Bidder have been exhausted.

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|                           | <ul style="list-style-type: none"> <li>• Candidates with experience of working in Indonesia and possession of valid government license to operate within Indonesia are preferred.<br/><i>(For JV/Consortium/Association, all Parties cumulatively should meet requirement).</i></li> </ul> |
|                           | <p>Minimum 2 contracts of similar value, nature and complexity implemented over the last 3 years.<br/><i>(For JV/Consortium/Association, all Parties cumulatively should meet requirement).</i></p>  |
| <b>Financial Standing</b> | <p>Minimum average annual turnover of USD100,000 for the last 3 years.<br/><i>(For JV/Consortium/Association, all Parties cumulatively should meet requirement).</i></p>   |
|                           | <p>Bidder must demonstrate the current soundness of its financial standing and indicate its prospective long-term profitability.<br/><i>(For JV/Consortium/Association, all Parties cumulatively should meet requirement).</i></p>   |

**Interested candidates must clearly indicate if they are interested in Service 1, Service 2, or both services. In addition, they must provide evidence demonstrating that they satisfy the attributes mentioned above, and for candidates bidding for both services, the required minimum average annual turnover is USD \$200,000 for the last 3 years.**

***(For JV/Consortium/Association, all Parties cumulatively should meet requirement).***

#### **EOI Format & Submission**

Interested Companies/Institutions must submit the following documents:

1. Completed, signed, and date stamped application form (Annex 1);
2. Company Profile which should not exceed 15 (fifteen) pages;
3. Indication of whether EOI submission is for Service 1, Service 2 or both services
4. Evidence demonstrating the candidate satisfies list of attributes described in table above for service(s) in question
5. List of previous contracts/relevant experience with 2 additional sample copies of past contracts/assignments;
6. Proof of legal company registration;  
Companies may form joint venture/consortium/association to enhance their qualifications. For the company that will form a joint venture/consortium/association must also provide:
7. The information on the consortium structure and role sharing;
8. Pen profile of the team who will work on the assignment indicating their brief experience, and qualifications (Please note that detailed CVs are not required at this stage and will be provided in the final bid solicitation);
9. Audited financial statements (balance sheet and income statement) for the past 3 years
10. Organizational structure or legal documentation that elaborate the organizational governance mechanism;
11. Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.

There will be no reimbursement for any costs incurred by the Companies in the preparation and submission of the abovementioned documents. These costs are expected to be shouldered by the respective Companies.

## **Submission Criteria**

Your Expression of Interest can be submitted through etendering no later than **18 November 2020, COB (GMT+7)**

Interested companies must provide information indicating that they are qualified to perform the services (brochure, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Companies who wish to associate in form of joint venture/consortium/association must jointly respond to the EOI with clear statement on joint venture/consortium/association arrangement.

Companies will be selected in accordance with the procedure set out in the UNDP Procurement Guidelines and UNDP Financial Rules and Regulations.

EOI received after the above deadline **will not be considered.**

EOI from suppliers failing to provide the request information will be disregarded. Request for Proposal and any subsequent purchase order or professional service contract will be issued in accordance with the rule and procedures of UNDP.

This EOI does not entail any commitment on the part of UNDP, either financial or otherwise. UNDP reserve the right to accept or reject any or all EOI without incurring any obligation to inform the affected applicant/s of the grounds