



Tender

Service providers Assistance with FSC Certification

Congo Basin Program



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1. Introduction

1.1 IDH

The mission of the Dutch Sustainable Trade Initiative (IDH) is the acceleration and up-scaling of sustainability within mainstream commodity markets. Their focus is on mainstreaming the social and ecological sustainability of commodity supplies from emerging markets to the Netherlands and Western Europe. In this way, IDH is working on the Millennium Development Goals for poverty reduction, sustainable environment, and an open trading and financial system (MDGs 1, 7 and 8).

In line with their mission, the Dutch Sustainable Trade Initiative wants to promote sustainable forest management of tropical forests and timber trade. To this end, IDH has developed a tropical timber program. Three certification programs are operational under this tropical timber program: The Amazon Alternative (TAA), The Borneo Initiative (TBI) and the Congo Basin Program (CBP). The main objectives of these programs is to increase the area of FSC certified forests by 4 million ha in the Amazon, 5 million ha in Indonesia, and 4 million in the Congo Basin respectively.

Besides certification programs in the tropics, on the demand side a new program has been developed: the Linking Europe program (LE). LE focuses on increasing the market share of FSC certified tropical timber in Europe by 10% in 3 countries. FSC Netherlands does promotion of FSC certified timber in the Netherlands.

1.2 The Congo Basin Program

The Congo Basin Program is a large-scale public-private partnership aiming to increase the responsible production and trade of tropical timber. The program supports concession holders on their way to sustainable forest management and the certification thereof. Focus countries are Cameroon, le Gabon, Republic of Congo and Democratic Republic of Congo (DRC), but other African countries are also eligible to participate.

The Congo Basin Program will run until December 2015. Key partners of the CBP include WWF/GFTN, ICCO Fair Tropical Timber, PPECF and other programs under IDH's Tropical Timber Program. Form international, a consultancy firm specialised in sustainable forest management and certification, functions as program secretary and is responsible for overall management of the program.

1.3 Support to forest companies and services

The forest manager (a local community or an industrial enterprise) can adhere to the program and in that way benefit from the support of the program. In order to become partner of the Congo Basin Program the manager must engage itself in writing to responsible management and future certification of its forest concession(s) (by a letter of intent and later by signing a contract), He also must meet a minimum requirements that proof of his engagement. The details of the adherence procedure for forest managers are specified on the program's website (www.congobasinprogram.com).

The support to partner companies consists of co-financing the most needed services during an FSC certification trajectory and monitoring their implementation. These most needed services are presented in Paragraph 2.1 of this tender.

Only the services delivered by service providers included in the Congo Basin Program catalogue are co-financed. The selection of service providers by a tender and the presentation of service providers in a catalogue allows to improve the transparency in the service provider market and offers a better choice of service providers.

The service providers in the catalogue are also program partners. The catalogue is updated annually to be able to include service providers that have been unknown the previous year. This tender is the third since the start of the Congo Basin Program.

2. Service providers

This tender is meant for organisations and individuals who want to become partners of the Congo Basin Program to provide one or more services to concession holders supporting them in their efforts to become certified, improve existing certification, or achieve market goals.

2.1 Services

Nine services have been identified as important to help concessionaires to achieve and maintain certification and for market development. The table below shows the nine services and the percentage of co-financing that the manager of a non-certified and of an already FSC certified forest concession could receive from the CBP.

Service		Non-certified concession	FSC certified concession
A	Pre-audit	50%	-
B	Initial audit	50%	-
C	Reduced Impact Logging training	50%	25%
D	Development of consultation framework with stakeholders	50%	25%
E	Identification of High Conservation value Forests and development of monitoring plan	50%	25%
F	(Semi-)commercial partnership between concessionaire and local community / small producer	50%	50%
G	Advice on supply chain optimisation	50%	50%
H	Social training	50%	25%
I	Internal audit and expert advice	25%	25%

2.2 The cafeteria model

The Congo Basin Program functions according to a 'cafeteria model'. For every service in the catalogue multiple service providers are presented with their expertise, their experience and their price. This 'cafeteria model' enables concession holders to choose with what service provider they wish to cooperate within the framework of the Congo Basin Program. Only organisations or individuals that are listed in this catalogue will be eligible to supply services to concession holders in the framework of the CBP.

2.3 Buddy system

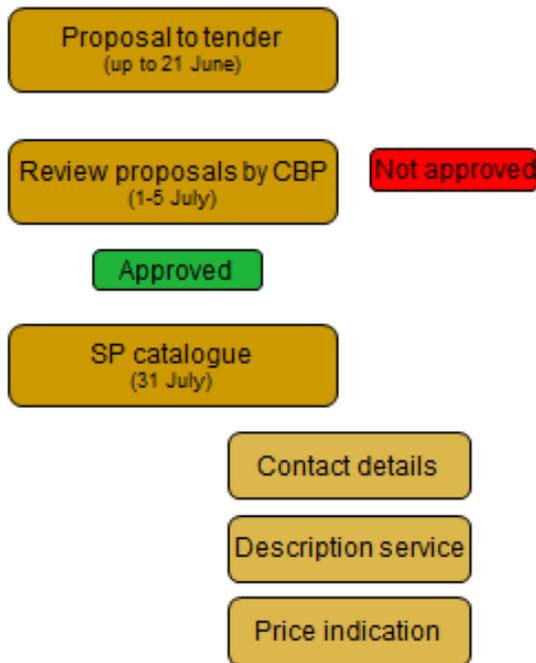
To promote capacity building within local NGOs, opportunities will be sought to let experienced NGO's and local NGO's work together for deliverance of services. In this 'buddy-system', the local NGO executes the service with support (e.g. approach/ methodology) from the experienced NGO that acts as a supervisor and guarantees the quality of the service delivered.

For some large international NGOs capacity building may be part of their mandate, so they will have the opportunity to simultaneously work on their own policy goals. Furthermore, for the 'supervisor NGO' this cooperation may also be an advantage when the local NGO can help out with the local language.

Upon request of the service provider, the CBP can intervene as facilitator of a buddy system between service provider and local NGO or consultancy.

2.4 Becoming a service provider

The process of becoming an approved/preferred service provider will follow the steps as indicated in the flow chart below.



For every service provider, the following information will be included in the catalogue: contact details, short description of the service(s) and an indication of the price per service.

2.5 Delivering services

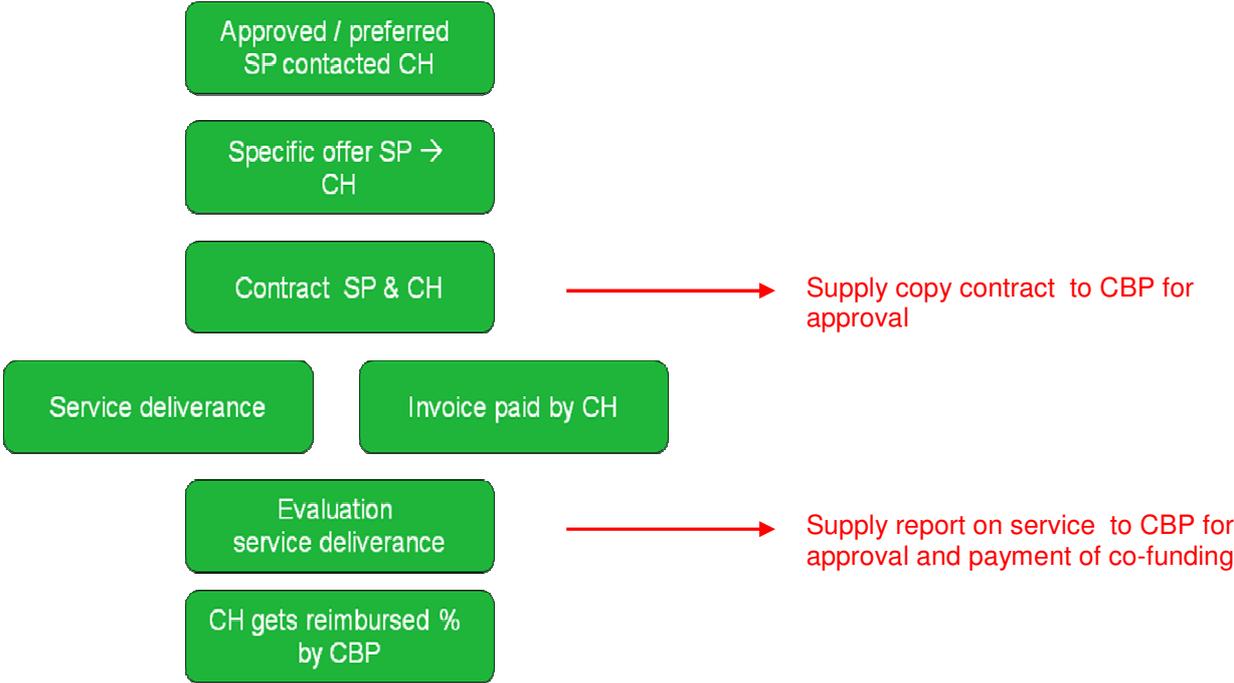
As soon as a service provider has been approved, it will be included in the services catalogue. That means that a forest manager that is partner of the CBP can contact the service provider when he wishes to have a service executed in the framework of the action plan for certification.

The forest managers are free to work with the service providers of their choice, presented in the catalogue. This means there is no guarantee that an organisation will be selected to provide a certain service in the framework of the program, only because it is listed in the CBP catalogue. The cafeteria model, presented in Paragraph 2.2, allows managers to compare the service provider in the catalogue and make a selection based on experience, content of the service and price, or others. In this framework, candidates are asked to give precise and complete information in the application form.

Forest managers negotiate the final prices with the service providers for the different services. Next they will present to the CBP secretary which activities in their action plan they wish to have executed by which service providers from the catalogue.

As soon as a service has been provided for a forest manager, the service provider will make a report for the CBP Secretary with the successes of the activities and the problems encountered during the execution of the service. As soon as the report is validated by the forest manager and the CBP, the manager will finalize the payment for the service. The forest manager will be reimbursed the appropriate percentage of the service costs by the CBP upon receipt of a proof of payment to the service provider.

The process of execution and payment of services is summarized in the figure below:



SP: service provider; CH: concession holder; CBP: Congo Basin Program

3 Subsidized services

As shown in the table on page 3, the nine services available for co-financing by the CBP are :

A. Pre-audit

A certification body will assess the level of the concession compared to the principles, criteria and indicators defined in the applicable FSC standard. This can be a regional or a national standard. A pre-audit consist of a field- and document check in order to assess the gaps between the current situation and the certification requirements.

A typical pre-audit shall take 3-5 days depending on the logistics involved and concession surface. The maximum costs eligible for 50% co-funding of a pre-audit are circa € 5,000,- per concession. This means the contribution by the CBP will be € 2,500,-.

B. Initial audit

The certification body will execute a certification audit by using the applicable FSC standard to asses if the concession qualifies for FSC certification. This can be a regional or a national standard. It will then prepare a report and decide as to whether the operation achieved certification or not. A main audit consists of a field- and a document check, in a more rigorous manner than the pre-audit enabling the auditor to assess the entire process of forest management performed by a concession holder.

A typical main audit shall take 6-7 days depending on the logistics and concession surface. The maximum costs eligible for 50% co-funding of a pre-audit are circa € 10,000,- per concession. This means the contribution by the CBP will be € 5,000,-.

C. Reduced Impact Logging training

The application of Reduced Impact Logging (RIL) techniques is one of the important requirements for the certification of sustainable forest management. Previous experiences have already demonstrated the necessity and feasibility of the training in Reduced Impact Logging (RIL) techniques in the Congo Basin.

The program could fund training courses with the following subjects:

- **Forest inventory and mapping:** A training focused on the theory and practice of inventory methods and the translation of the data derived into maps utilized during the implementation of forest management. Duration 3-5 days.
- **Road planning & construction:** A training course involving theoretical procedures concerning road planning and a practical element where road construction and maintenance is taught in the field. Duration 5-6 days.
- **Controlled felling:** A practical course involving the interpretation of the impact of felling to the forest, instruction in controlled felling techniques, cross cutting techniques, chainsaw maintenance and safety procedures. Duration 6-7 days.
- **Planned extraction (skidding)** A practical training course focusing on knowledge and maintenance of the machine, skid trail layout, skidding operations and safety procedures. Duration 5-6 days.
- **Log landing/yard operations :** A practical training course designed to supply guidelines for the positioning of log landings, minimizing damage to the forest, log measurement, cross cutting, log treatment, log loading techniques and safety procedures. Duration 3-4 days.

- **Post-harvest operations :**
A course involving inspection of the environmental impact of the road construction and water works, of skid trails and log yards and checks on felling, extraction and the log yard on eventual waste and abandoned logs. Duration 4-5 days.
- **First aid in the forest**
First aid courses to all relevant personnel per section including road crews, felling crews, extraction crews and log yard crews. Duration 3-4 days..
- **Management training in RIL :**
A summarized course on all RIL elements (mentioned above) for general and forest managers. All phases shall be treated emphasizing the implementation of RIL practices. Duration 4-5 days.

Any concession holder that requires training on these subjects is entitled to a maximum of 3 subjects to be covered under the scope of the program. The maximum costs eligible for co-funding of a RIL training covering 3 subjects is €180,- per 1,000 hectares. The CBP contributes 50% for non-certified concessions and 25% for FSC certified concessions.

D. Consultation framework

An important element in the certification process the assurance of the respect of legal and customary rights of indigenous people and the consultation of local population in the forest's management. The set-up of a consultation framework with all local stakeholders can be subsidized by the program.

The CBP shall co-fund the advice a concession holder will receive for setting up a stakeholder consultation framework. This work shall involve identification of the relevant stakeholders, design of the methods of approach per stakeholder group, design of conflict resolution mechanism and the development of an implementation plan for the consultation framework. The time needed to perform this services depends on the size of the concession and the complexity of the social circumstances that a concession holder shall have to take into account.

The maximum costs eligible for co-funding for setting up a consultation framework are €210,- per 1,000 hectares, CBP contributes with 50% for non-certified concessions and with 25% for already certified concessions.

E. High Conservation Value Forests

In view of the certification of forest management according to the FSC principles and criteria, an analysis of the presence of High Conservation Value Forests has to be executed. The program can fund any assistance that concession holders need with the execution of this assessment. As a result of the High Conservation Value Forest (HCVF) Assessment a concessionaire might have to put in place additional monitoring plans. The program shall fund the development of monitoring systems as a direct result of the assessment. Other activities that a concessionaire will have to undertake as a result of the HCVF assessment shall not be liable for funding.

The maximum costs eligible for co-funding for HCFV analysis and monitoring plan are €210,- per 1,000 hectares, CBP contribution 50% for non-certified concessions, 25% for already certified concessions.

F. Semi-commercial partnership

For community-owned forest concessions and small producers it is often seen that the link to the formal market is lacking. The program could fund services that are aimed at the development of a business plan for a partnership between small producers and large concession holders, timber producers, or committed buyers.

In this construction, the latter party (the large concession holder, timber producer or committed buyer) is in the lead; this service is delivered to them (hence they will be responsible for match

funding). The service of a semi-commercial partnership includes an analysis of the business case and business plans of community-led or small-producer timber (and if relevant NTFP (i.e. Non Timber Forest Products)) value chains and support to an upgrade. Furthermore, it includes business skills training, e.g. writing business plan, marketing of products, negotiation techniques, organizational and management skills.

In the case of communal-owned forest concessions and small producers it is often seen that the link to the formal market is lacking. The program could fund services that are aimed at the development of a business plan for a partnership between small producers and large concession holders, timber producers, or committed buyers. In this construction, the latter party (the large concession holder, timber producer or committed buyer) is in the lead; this service is delivered to them (hence they will be responsible for match funding). The service of a semi-commercial partnership includes an analysis of the business case and business plans of community-led or small-producer timber (and if relevant NTFP) value chains and support to an upgrade. Furthermore, it includes business skills training, e.g. writing business plan, marketing of products, negotiation techniques, organisational and management skills.

Pre-requisites for the service provider include proven experience in marketing of forest products, community forestry and trade linking.

The maximum costs eligible for co-funding for consultancy on the set up of a semi-commercial partnership are € 15,000,- per project, CBP contribution is 50%.

G. Supply chain optimisation

This service offers an assessment of the supply chain of the operation after which an advice is given on where opportunities are to strengthen local processing and what the financial picture looks like. If this business case is positive, assistance can be given by advising on accessing investment capital to cover start-up costs. The CBP will only co-fund the consultancy costs for the business case, not the implementation thereof.

The maximum costs eligible for co-funding for consultancy on supply chain optimization are € 15,000,- per project, CBP contribution 50%.

H. Social training

Under FSC certification, the social component is an important aspect. It means that concession holders will have to undertake efforts to improve the situation for communities within or surrounding the forest concession. The CBP can subsidize a training that deals with resolving social issues that might arise as a result of forest management implementation. This service is targeted to concession holders and community groups and leaders. A maximum of 3 subjects can be covered per concession where a typical training shall consume 4-5 days per subject.

The training can focus on the following subjects:

- **The social principles of sustainable forestry** (for employees, management and communities):
A course focussing on the social paragraph of the FSC standard and the free, prior and informed consent. The implementation of programs tackling these subjects shall be a key element of the course. Duration 4-5 days.
- **Conflict resolving** (for senior management):
The course shall focus on the development of a system for the identification of conflicts and methods for resolving conflicts. Duration 3-4 days.

- **Health care** (for employees, management and communities):
Courses focussing on the analysis of health care issues in the concession, advice on development of primary health care services and the out roll of awareness raising programs. Duration 4-6 days.
- **Community and workers organisation support and training** (for employees and communities):
Course aiming at community and workers organization and the implications it holds for forest management. Duration 3-4 days.

The maximum costs eligible for co-funding social trainings covering 2 subjects are €25,000.- per concession. CBP contribution 50% for non-certified concessions, 25% for already certified concessions.

Service providers will need proven experience in the application of principles 2 & 3 of the FSC standard in order to participate in the program as an approved, or preferred service provider for social trainings. Service providers shall demonstrate proven record on didactical skills covering the mentioned subjects.

I. Internal audit and expert advice

An internal audit and expert advice are usually used as preparation for an annual audit. A consultant, mostly an experienced FSC auditor, will assess the level of the forest company compared to the principles, criteria and indicators defined in the applicable FSC standard. This can be a regional or a national standard. An internal audit consists of a field- and document check in order to assess the gaps between the current situation and the certification requirements. At the same time, the consultant provides advice to the forest company how to resolve the issues that are identified. Also, capacity building will take place as the forest company gets more insight in how to perform an internal audit.

The maximum eligible costs for 25% co-funding of an internal audit and expert advice are circa €10,000,- per concession. This means the contribution by the CBP will be €2,500,-.

4. Submission of application

Organisations or individuals that wish to participate in the Congo Basin Program as service provider are invited to submit their application. The tender application form has to be used with a maximum length of de 5 pages (without annexes). The proposal has to include the following elements :

- Contact details of organization ;
- Service(s) that organization / individual wishes to realize in the framework of the Congo Basin Program, with for every service;
 - A short description (content, structure, number of days implicated, guarantees);
 - Relevant experience;
 - the curricula vitae of persons that will provide the service ;
 - the financial proposal (total amount with eventually a breakdown of costs). Depending on the service, prices will be indicated per hectare or per concession (see Paragraph 3).

If you are interested to form a buddy please contact the CBP for any assistance needed.

Please submit your application per e-mail indicating "Tender_<name organization>" in the subject to: p.westerlaan@congobasinprogram.com. Deadline for submission is 21 June 2013.

5. Evaluation criteria

5.1 General requirement for every service provider

The Congo Basin Programme expects service providers to be of good morality and not have any criminal past. Prospective service providers will supply documents proving that there are no convictions or outstanding legal issues.

Eligibility criteria

Any candidate who has been subject of a conviction, of which the Congo Basin Program secretary is aware, against which no appeal can be made, for one or more of the reasons listed below, shall be excluded for participation in the program:

- participation in a criminal organisation
- corruption
- fraud
- money laundering

Any candidate may be excluded from participation in the program where it:

- is bankrupt or being wound up; where its affairs are being administered by the court; where it has entered into an arrangement with creditors; or where it has suspended business activities
- is the subject of proceedings for a declaration of bankruptcy, for an order for compulsory winding up or administration by the court or of an arrangement with creditors
- has been guilty of grave professional misconduct proven by any means which the Congo Basin Program secretary can demonstrate
- has not fulfilled obligations relating to the payment of taxes or social security contributions in accordance with the legal provisions of the country in which it is established or the country where the contract is to be performed

5.2 Additional requirements for certification bodies (services A & B)

For certification bodies (service A & B), the criteria are:

- the organisation should be accredited for FSC certification (or in the pilot case: for PEFC certification);
- regional experience is considered elementary.

5.3 Additional requirements for services providers of services C - I

Other organisations or individuals applying for this tender will be assessed on the following criteria:

- Experience and track-record with respect to:
 - the services applied for (see 3 for more service-specific requirements);
 - the Congo Basin region;
 - support in forest certification processes is considered an elementary.
- Presence in Congo Basin or Regional network of partners;

6. Deadline

The deadline for application to this tender is 21 June 2013.

Next. The evaluation of candidates and the final selection will be done by the CBP secretary and IDH. Every service provider candidate will be personally informed if it is included in the catalogue or not. As soon as an organization has been selected, it is asked to make a text to include in the catalogue (for every service for which the service provider is selected)

The new catalogue will be published 31 July 2013 on the website (www.congobasinprogram.com). The catalogue will be updated again in 2014.

7. Diverse

If you have any further questions, please contact Petra Westerlaan, *Program Officer*, via e-mail: p.westerlaan@congobasinprogram.com.