Stichting IDH

Review and audit of IDH annual financial statements

Selection Guidelines

26 July 2024

Last update: 29 August 2024

idh

transforming markets

Stichting IDH
P.O. Box 1241, 3500 BE Utrecht

Tender: Review and audit of IDH annual financial statements

On behalf of Stichting IDH
Restricted public procurement procedure (‘*Niet Openbare Procedure*’)

Tender Guidelines

Place	Utrecht, the Netherlands
Date	26 July 2024
Last update	29 August 2024
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1. Introduction

Stichting IDH ("**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 (https://www.idhsustainabletrade.com/about-idh/).

These **Selection Guidelines** are for the restricted tender procedure (this "**tender procedure**") for the Letter of Assignment (the "**Contract**") for **the review of audit of IDH annual financial statements**. With these Selection Guidelines, IDH aims to select interested parties who wish to apply for this tender procedure.

This tender procedure is subject to the Dutch Procurement Law 2012 (Aw 2012), and more specifically to the provision regarding the restricted tender procedure (Article 2.27), and the Directive 2014/24/EU. This tender procedure consists of two phases (the (i) **Selection Phase** and (ii) the **Tender Phase**) after which the Contract will be awarded.

These Selection Guidelines do not cover the entire tender procedure, but they cover the period from the publication of the Contract notice on TenderNed to the invitation of the selected Interested Parties (as defined below) to the tender. For the next phase of this tender procedure (the Tender Phase), Tender Guidelines will be provided.

IDH reserves the right to update, change, correct, extend, postpone, withdraw, or suspend these Selection Guidelines or any subsequent document related to this tender procedure, the time schedule, or any decision regarding the selection or Contract award. Additionally, IDH reserves the right to make any decision subject to conditions which may follow from, amongst others: a complaint of a third party, a ruling by the '*Autoriteit Consument en Markt*', an advice from the '*Commissie van Aanbestedingsexperts*', a notice or decision by the European Commission, a court judgement, or an instruction by the European Investment Bank (EIB). Also, the decision(s) can be a consequence of any other matter which may influence the feasibility of the project in a negative matter, financially or otherwise. IDH reserves the right to exclude an Interested Party from this tender procedure in the event of a possible and/or suspected risk of distorted competition and/or in the event the level playing field between Interested Parties may be compromised. IDH reserves the right to suspend or annul this tender procedure at any moment in time. (Potential) Interested Parties cannot claim compensation from IDH, any affiliated persons or entities, in any way, in case any of the afore-mentioned situations occur.

By submitting a Request to Participate (as defined below)**, the Interested Party accepts all terms and reservations made in these Selection Guidelines, including its annexes and subsequent information and documentation in this tender procedure.**

2. Definitions

Assignment	The assignment as described in Chapter 3 of these Selection Guidelines.
Contract	The agreement between IDH and Consultant(s) to be signed upon awarding of the Assignment, also referred to as the Letter of Assignment, or LoA, or (Framework) Agreement.
Consultant	The applicant who has been awarded the Contract by IDH at the end of this tender procedure, based on the most economically advantageous offer.
ESPD-form (in Dutch '*formulier UEA*')	The European Single Procurement Document (ESPD) form (in Dutch Uniform Europees Aanbestedingsformulier (UEA) formulier) – is the European standard form that is used for tender procedures. The ESPD-form is a declaration by the Applicant about its financial condition, ability, and suitability for the purpose of this tender procedure.
Grounds for Exclusion	As described in Chapter 7.2 of these Selection Guidelines.
IDH	Stichting IDH, the contracting authority.
Interested Party	Any company that has requested to participate in this tender procedure by submitting questions and/or a Request to Participate in response to and in accordance with these Selection Guidelines.
Request to Participate	Request to Participate submitted by the Interested Party to IDH in response to these Selection Guidelines.
Selection Phase	The first phase of this tender procedure, which aims to shortlist a maximum of five Interested Parties that will be invited to participate in the next phase of this tender procedure, the Tender Phase.
Tender Guidelines	The document that will be published at the start of the Tender Phase and will support the selection of the Consultant.
Tender Phase	The second and last phase of this tender procedure, which aims to award the Assignment to the selected Consultant.

3. Assignment information

3.1. The Assignment and its objectives

With this tender procedure, IDH aims to select an independent party with whom a Framework Agreement will be concluded to perform audit services and review of the IDH annual financial statements. The financial statements of IDH comprise the consolidated financial statements, the IDH standalone financial statements itself and the financial statements of the entities Stichting LABS, IDH Investment Management B.V., IDH Farmfit Fund B.V. (the Farmfit Fund), Farmfit Guarantee Facility B.V. and IDH Solutions B.V. Additional assurance services are required for various specific financial reporting packages often related to specific grant accountabilities and various programs in different countries and geographies.

As the Dutch Ministry of Foreign Affairs is a key donor, it important that the Consultant has proven experience working with the Ministry in the capacity of donor. The Consultant should also have an office in the Netherlands and the leading partner needs to be a qualified Dutch “Register Accountant”.

The selection of the new audit and accounting firm will focus on several key requirements related to both program activities and investment management. The auditor should have representation in most of the countries where IDH projects are implemented or where Implementing Partners are based. IDH seeks to transform markets through collaborative innovation, convening and investment in inclusive and sustainable solutions that enable businesses to create value for people and planet. To achieve this, IDH brings together coalitions of committed stakeholders from across global value chains towards joint visions and program agendas for sustainable trade.

IDH’s international presence extends to multiple regions and landscapes, facilitated by a network of around 400 staff including experts who are embedded in key agricultural, manufacturing, apparel and commodity value chains. In 15 years of operation, IDH has mobilized private sector investment and support to test and innovate new business models designed to create better jobs, better incomes, a better environment, and gender equity for all. Experience with similar organizations and public-private partnerships is essential.

In terms of investment management and advisory, impact funds, and seed capital facilities, the auditor must possess expertise in corporate finance, with a preference for experience in blended finance structures and impact investment funds. In fact, the Assignment will cover, *inter alia*, the audit of the financial statements of the Farmfit Fund, which is an EUR 100 million blended finance fund, representing a joint investment from the Dutch Ministry of Foreign Affairs, Unilever Plc., Mondelēz Inc., JDE Peet’s and Rabobank. The Farmfit Fund invests in smallholder farmer-based value chains, thereby taking the highest risk positions, with the objective to reduce the risk of other lenders and investors. By doing so the Farmfit Fund will catalyze commercial capital to co-invest in this sector and allow agri-commodity traders, agri SMEs, and/or financial institutions to expand the services that they provide to smallholder farmers. The objective of the Fund is to demonstrate that farmer financing is possible in a sustainable way by building a large and sound farmer-centric investment portfolio with both value chain actors and financial institutions. This will increase the availability of affordable, long-term financing to farmers leading to significant improvements in small holder farmer livelihoods and incomes.

For the above reason, the auditor should be skilled in valuing investment portfolios, including de-risking (blended finance) structures, and compliant with corporate income tax, value-added tax, and relevant tax treaties. Knowledge of regulatory compliance, particularly EU Taxonomy (SFDR, TNFD), and Client Due Diligence (KYC, AML, WFT), along with risk management in corporate finance, is also required.

The auditor should be knowledgeable about the implications and risks, including tax-related issues, of having an entity performing commercial activities related to the foundation's program and convening activities.

During the Tender Phase, the focus will be on the auditor's specific audit approach, including their organization, working methods, and audit tools, as well as their cooperation tools. The added value the auditor can bring to IDH, such as insights, benchmarks from similar companies, relevant country experience, and proactive risk management, will be crucial. The auditor's role as a sparring partner, including their vision and execution of this role, will be evaluated. The presentation of the proposed team will be assessed for expertise and communication skills, with the three best proposals based on quality advancing. Price will account for 25% of the award criteria, including the assessment of different tariff rates.

3.2. Deliverables

The deliverables and services of this Assignment will include:

	Deliverables and Services of Assignment
1	Audit report on the consolidated financial statements and the financial statements of the entities mentioned in Chapter 3.1.
2	Audit report on specific external financial reporting packages, often related to donor grants and programs.
3	Interim audits, management letter, board reports.
4	Specific audits and ad-hoc field audits where required in accordance with donor's requirements.
5	Review and discussions of policies, procedures, reporting templates.
6	Participation in executive meetings (Audit Committee, Supervisory Boards, Executive Board) in accordance with corporate financial calendar.

4. Description of Selection Procedure

This tender is subject to the rules of the Dutch Procurement Law 2012, specifically the restricted procedure ('***niet openbare procedure***'). The award of the Contract will take place after a tender process that consists of two phases: the (i) Selection Phase and the (ii) Tender Phase. In this Chapter, the Selection Phase will be described. More details on the Tender Phase will be provided with the publication of the Tender Guidelines.

4.1. Motivation under Dutch Procurement Act 2012

4.1.1. Choice for a Framework Agreement with one consultant

In this case, it was decided to award the audit services via a Framework Agreement with one Consultant instead of multiple separate (direct) contracts, a Framework Agreement with multiple parties, or a Framework Agreement with different lots.

The Proportionality Guide recommends justifying the choice for a Framework Agreement instead of (a) specific assignment(s) in the tender documents. Additionally, the choice not to divide a contract into lots must be justified under the Procurement Act.

The choice for a Framework Agreement with one contractor without division into lots was influenced by the importance of the substantive coherence and consistency of the audit strategy to be developed and the audits, reviews, and evaluations to be conducted. This substantive coherence and consistency is best ensured if the audit services are outsourced to one party. Additionally, the desire to contract an independent party for this Assignment, which also handles the information within the IDH group confidentially, played a significant role. Ensuring confidentiality is easier to maintain when awarding to only one party.

The expectation that the total costs will be lower when awarding a Framework Agreement to one contractor compared to multiple specific assignments or a Framework Agreement with multiple parties also played a role in this choice. This expectation is based on a) the assessment that a more extensive assignment is more attractive to the market, which can have a price-reducing effect, b) the expectation that both the transaction costs (costs for preparation, tendering, and contracting) for the contracting authority and market parties, as well as the effort and costs for contract management for the client, will be lower.

4.1.2. Duration of the Framework Agreement

Given the complexity of the financial structures, the need for continuity and consistency in the audit processes and the depreciation period of certain IDH’s investments, IDH intends to enter the Framework Agreement with the selected Consultant for an initial period of 3 years, with two extension options of 2 maximum years each, for a total of maximum 7 years. This enables the auditor to gain in-depth insight into the financial situation of the company and ensures the quality and reliability of the annual accounts’ audits”. According to Article 2.140 paragraph 3 of the Duch Procurement Act 2012, a longer term than four years is possible in exceptional cases that are well justified. In this case, it was chosen to allow a longer term than four years to ensure that the Framework Agreement can be extended until at least end of 2030, which marks the end of the IDH Multi-Year Plan 2026 – 2030. This choice is mainly based on the significant importance of retaining the program and organization-specific knowledge of the contractor throughout the entire execution of the Multi-Year Plan 2026 – 2030.

Moreover, the investments that other market parties would need to make to offer equivalent knowledge for the remaining term (after four years) and the efforts the client would need to make to facilitate a possible new contractor would not be proportional to the remaining value of the work.

4.1.3. Estimate of the total value of the Framework Agreement

IDH estimates that the total value of the Framework Agreement, including the two extensions options, shall be EUR 2 million (considering that the value of the assignment in the first year shall be around EUR 250.000 and the inflation indexation shall be around 5% every year). The aforementioned amounts are to be considered excluding VAT.

During the Tender Phase, the shortlisted Interested Parties will be invited to submit a quotation for the Assignment. More information will be shared with the publication of the Tender Guidelines.

In accordance with Chapter 1 and 10 of the Selection Guidelines, IDH reserves the right to update and/or change the estimate at its sole discretion, if deemed necessary.

4.2. Tender procedure schedule

The schedule below indicates the timelines for this tender procedure:

(i) Selection Phase

This tendering procedure starts with the Selection Phase. In this phase, the Interested Parties can qualify for participation in the Tender Phase. The selection of the shortlisted Interested Parties will be based on an assessment of exclusion grounds and suitability requirements. During this phase, a maximum of five (5) Interested Parties will be shortlisted and will be invited to participate in the Tender Phase. If more than five Interested Parties qualify for an invitation to participate in the Tender Phase based on the exclusion grounds and suitability requirements, a further selection will be made to determine which five Interested Parties will be invited to tender.

Tender process		Timeline
1	Publication of Selection Guidelines on TenderNed published	26 July 2024
2	Closing date questions on Selection Guidelines *	9 August, 5 p.m. CET
3	Publication of information notice	16 August 2024
4	Deadline for submission of Expressions of Interest *	3 September 2024, 5 p.m. CET
5	Provisional selection of shortlisted Interested Parties that will be invited to participate in the Tender Phase	12 September 2024
6	Selection of shortlisted Interested Parties that will be invited to participate in the Tender Phase	18 September 2024

** The dates specified above at 2 and 4 shall be construed as* ***deadlines****.* ***Questions that are not submitted before the respective deadline will not be considered*** *unless this is in the interest of this tender procedure and at the sole discretion of IDH.* ***Requests to Participate submitted after the respective deadline will be returned and will not be considered in this tender procedure****.*

(ii) Tender Phase

Tender process		Timeline
7	Publication of Tender Guidelines on TenderNed	20 September 2024
8	Closing date questions on Tender Guidelines	4 October 2024, 5 p.m. CET
9	Publication of information notice	11 October 2024
10	Deadline for submission of proposals	28 October, 5 p.m. CET
11	Presentations from the applicants	4 – 8 November 2024

12	Provisional award of the Contract	2 December 2024
13	Award of the Contract	23 December 2024

More information on the schedule of the Tender Phase will be shared in the Tender Guidelines. IDH reserves the right to update the schedule in the Tender Guidelines if deemed necessary.

After the deadline for a Request to Participate has passed, the IDH Evaluation Committee will assess the Requests to Participate.

The Requests to Participate will first be tested for completeness:

- The absence of the documents referred to in Chapter 5 of these Selection Guidelines lead to exclusion from further participation in this tender procedure. This is also the case when the one or more Grounds for Exclusion apply to an Interested Party.

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

4.3. Questions

Questions regarding the assignment or these Selection Guidelines must be submitted by **9 August 2024 at 5 p.m. CET**, via TenderNed. With the express mention: "Questions Selection Phase tender Review and audit of IDH annual financial statements".

Questions must be submitted in the English language and using the Model Question Form, attached to these Selection Guidelines as Annex 4.

The submitted questions will be grouped, anonymized, and combined in an information notice. This notice will be published on TenderNed in accordance with the schedule below.

Please note the following:

- Questions that are deemed confidential by the Interested Party must be clearly indicated as such in the Model Question Form. If IDH agrees that a question is indeed confidential, the question will be answered separately. However, if the answer to the question could result in an advantage of the Interested Party, the question will be aggregated and published in the general information notice. IDH will notify the Interested Party beforehand and will give the Interested Party the option to withdraw the question.
- The responsibility for the timely and accurate submission of the questions lies with the Interested Party. When IDH indicates that questions have not been received by IDH before the indicated deadline, the Interested Party must demonstrate that the questions were sent in a timely manner.
- IDH will publish the information notice on TenderNed (reference number: TN 477704) on 16 August 2024.
- Any inaccuracies, omissions, discrepancies, or objections to the content of any of the documents related to the Selection Phase, including appendices must be submitted in this round of questions. In case the above are not addressed before the deadline of the question round, this will result in a forfeit of the Interest Party's right to invoke these matters before or after the selection of the Interested Parties who will be invited to the Tender Phase.

4.4. Requests to Participate

The Request to Participate must be submitted via the TenderNed Platform **before and no later than 3 September 2024, 5 p.m. CEST**.

The Request to Participate should be drafted and submitted in accordance with all requirements of these Selection Guidelines. Please see Chapter 5 for an overview of all documents that must be submitted with the Request to Participate.

4.5. Tender conditions

The following terms and conditions apply:

- The Request to Participate deadline is a firm date. **Requests to Participate that are not received before 3 September 2024, 5 p.m. CET will not be considered**. Interested Parties are solely responsible for the timely and correct delivery of the Request to Participate.
- If the Interested Party is of the opinion that the Selection Guidelines, or any of its annexes contain omissions, errors, contradictions or is otherwise flawed in any way, the Interested Party must report this in writing in accordance with Chapter 4.3 of these Tender Guidelines. Failing to do so will result in a forfeit of the Interested Party's right to invoke these matters after the selection of the shortlisted Interested Parties.
- By submitting a Request to Participate, Interested Parties declare to unconditionally agree to the content and the procedures mentioned in these Selection Guidelines and any other terms and conditions that are applicable to this tender procedure.
- The submitted Request to Participate is regarded as an irrevocable offer.
- By taking note of the Request to Participate and the particulars included therein, IDH assumes no responsibility or liability for any (price) particulars, or errors, included therein.
- Requests to Participate that contain reservations are not permitted and will lead to exclusion from further participation in the tender procedure.
- Every Interested Party can only submit one (1) Request to Participate. The Interested Party that submits more than one (1) Request to Participate will be excluded from this tender procedure.

4.6. Presentations in tender phase

Shortlisted Interested Parties may be invited to present their proposals as part of the evaluation process. These presentations will provide an opportunity for the tenderers to elaborate on their submissions, clarify any aspects of their proposals, and demonstrate their understanding of the project requirements. The presentations will also allow the Evaluation Committee to engage directly with the tenderers, ask pertinent questions, and assess the overall feasibility and innovation of the proposed solutions. Invitations for presentations will be issued following an initial assessment of the written proposals, and the schedule and format of the presentations will be communicated accordingly.

5. Documents to be submitted

All documents referred to in this Chapter must be submitted. **The absence or incompleteness of any of the documents referred to in this Chapter can lead to exclusion from further participation in this tender procedure**.

The following documents and information must be submitted by the Interested Party, handled in the indicated sequence and numbering. Only complete Requests to Participate that include and address all elements will be considered:

1. Request to Participate form (attached hereto as Annex 1).
2. Completed and signed ESPD-form (attached hereto as Annex 2), as further described in Chapter 5.1 of the Selection Guidelines.
3. Model Reference Declaration (attached hereto as Annex 3), which must include a maximum of 3 client references.
4. Copy of most recent (audited) financial accounts.
5. An extract of the entry in the local Chamber of Commerce or comparable register in the country of establishment, as further described in Chapter 5.3 of the Selection Guidelines.

The forms included in Annexes 1 and 2 must (as applicable) be fully completed and legally signed. Incomplete and/or incorrect completion of these forms and/or not legally signing them **will lead to exclusion from further participation in the tender procedure**.

Documents to be submitted on request

IDH may at any time request the Interested Party to provide supporting documents regarding the information submitted with the ESPD-form. Interested Party must be able to provide the requested evidence within seven (7) calendar days from the date of the message sent via TenderNed upon first request by IDH. IDH will in any case request the Interested Party(s) whom it intends to select for this tender procedure – as well as any third parties on whose capacity these Bidder(s) have relied – to submit the supporting documents in accordance with Article 2.89 of the Public Procurement Act 2012. These supporting documents are as follows:

- 'certificate of good conduct for tendering' (or '*Gedragdsverklaring aanbesteden*'), as referred to in Article 2.89 Paragraph 2 Dutch Procurement Law, issued by the Minister of Justice or a comparable document from the country of establishment issued by a judicial or authorized government body regarding the grounds for exclusion as referred to in Article 2.86 Dutch Procurement Law, as described in Chapter 6.3 of these Selection Guidelines, which at the time of submission is not older than 2 years.

IDH therefore advises you to check before subscribing whether you can provide the required supporting documents to IDH within seven (7) calendar days and, if necessary, to take timely steps to obtain the required supporting documents.

Procurement Conduct Declaration
A Procurement Conduct Declaration (GVA) is a statement from the Minister of Security and Justice indicating that no objections exist against the involved natural person or legal entity in connection with bidding for public contracts. As of April 1, 2013, a GVA is required for bidding on a procurement procedure. GVA applications are submitted directly to COVOG.
It is expressly pointed out that the application period for the GVA can be at least 8 weeks. Once issued, the GVA is valid for 2 years. Therefore, it is important – if the candidate/consortium/third party does not yet have a GVA – to apply for it in time.

Data and Documents from Other Member States
IDH also accepts data and documents from another EU Member State that serve an equivalent purpose or demonstrate that the exclusion grounds do not apply to the Interested Party.

5.1. ESPD-form in accordance with the template on TenderNed

The ESPD-form (Annex 2) can be made by the ESPD-tool in TenderNed. The outcome is a PDF file of the ESPD-form which must be submitted. The ESPD-form must be completed and signed by a legally authorized representative. The ESPD-form is a uniform statement, in accordance with the Dutch Procurement Law.

The absence of the signed and completed ESPD-form will lead to the exclusion from further participation in this tender procedure. In the event that the Interested Party is a consortium of companies, each company participating in the consortium must submit its own signed and completed ESPD-form. The absence of even only one of the ESPD-forms of the companies participating in the consortium will lead to the exclusion from further participation in this tender procedure.

5.2. References

The Interested Party must provide client references (including name of the client and contact details) that may be contacted by IDH in the evaluation procedure. Furthermore:

- All reference client projects must have been finalized within the last five (5) years.
- References may be in the process of being commissioned, provided that the assignment is finished.
- One reference can cover more than one Suitability Requirement.
- References must be related to projects with audited financial statements that includes multi-entities consolidated Profit&Loss and Balance Sheet with expenditures in the range of at least EUR 60 – 70 million.
- One reference must cover an audit of investment funds with a portfolio of EUR 100+ million.

5.3. Documentary evidence

The Interested Party will provide the additional documentary evidence as mentioned below:

- An extract of the entry in the local Chamber of Commerce or comparable register in the country of establishment: the Interested Party must prove that it is registered in the professional or trade register in accordance with the regulations of its country of establishment. This extract must reflect the current status of the Interested Party and may not be older than six months at the time of application.
- A 'certificate of good conduct for tendering', as referred to in Article 2.89 Paragraph 2 Dutch Procurement Law, issued by the Minister of Justice or a comparable document from the country of establishment issued by a judicial or authorized government body regarding the grounds for exclusion as referred to in Article 2.86 Dutch Procurement Law.

The Interested Party guarantees that these certificates correspond with the actual situation of the Interested Party at the time of application. The certificate of good conduct for tendering may not be older than two (2) years at the time of application.

6. Evaluation of the Requests to Participate

After the deadline to submit a Request to Participate has passed, the IDH Evaluation Committee will evaluate the Requests to Participate.

The Requests to Participate will first be tested for completeness. The absence or incompleteness of the documents referred to in Chapter 5 (Documents to be submitted) of the Selection Guidelines can lead to exclusion from further participation in the tender procedure. The absence of compliance with all compulsory requirements can lead to exclusion from further participation in the tender procedure.

If the Request to Participate is complete, the Evaluation Committee will check the Request for any reservations made by the Interested Party. Requests to Participate that are subject to reservation are not permitted and will be excluded from further participation in this tender procedure.

If the Request to Participate is submitted timely, correctly, and without reservation, it will be evaluated against the Grounds for Exclusion and Suitability Requirements described in Chapters 6.2 and 6.3. The (application of) the Interested Party must meet the requirements set out in this chapter.

If more than five Interested Parties submit a valid Request to Participate and pass the exclusion grounds and suitability requirements assessment, a further selection will be made according to Chapter 6.4 of these Selection Guidelines.

6.1. The Evaluation Committee

The Evaluation Committee has been assigned the task to evaluate the Requests to Participate and, during the Tender Phase, will also make the Contract award decision based on their knowledge of the purpose of the Assignment and the required technical specifications. The Evaluation Committee consists of the following representatives:

1) Member Audit Committee Supervisory Board
2) CFO Stichting IDH
3) COO IDH Investment Management
4) Global Finance Director
5) Manager Accounting

Additionally, the IDH Audit Committee will be consulted by the Evaluation Committee both during the evaluation for the selection of the shortlisted Interested Parties in the Selection Phase and during the evaluation for the provisional award of the Contract in the Tender Phase. The selection of the Consultant during the Tender Phase ultimately shall be approved by the IDH Supervisory Board, in accordance with IDH Articles of Associations.

6.2. Grounds for Exclusion

Excluded from participation in the tender procedure and contracting is every party that is in one or more of the circumstances as referred to in Articles 2.86 and 2.87 of the Dutch Procurement Act. The Evaluation Committee will use the completed ESPD-form with accompanying information to assess the Request to Participate against the Ground for Exclusion.

PwC has been excluded from this procedure since the Chair of the IDH Audit Committee is employed by PwC and has been involved in the preparation of this tender procedure (articles 2.87 paragraph 1 sub f and 2.51 *Aanbestedingswet*).

6.3. Suitability Requirements: technical ability

The Interested Parties will show that all Suitability Requirements as stated in this Chapter. Requests to Participate that do not meet such requirements cannot be considered as viable options (Knock Out), will not be further assessed and can therefore be **excluded from further participation in the tender procedure.**

6.3.1. Professional Competence: Certification

To demonstrate professional competence, the Interested Party must, at the time of the Request to Participate, and throughout this tender procedure, possess:

- A quality system certificate based on the ISO 9001:2015 standard 'Quality management systems - Requirements' (or an equivalent standard), which relates to the nature of the work. This certificate must be issued by a certification body recognized by a national accreditation body (in the Netherlands: the Dutch Accreditation Council).

If the Interested Party is a consortium of companies, all participants in the consortium must possess the aforementioned ISO 9001 quality system certificate. If separate certificates are provided, these certificates must collectively correspond to the nature of the work.

If the Interested Party does not have a certified quality management system based on the ISO 9001 standard (or an equivalent standard), the candidate can only meet this requirement by relying on a third party, provided the candidate demonstrates that the project will be executed under the quality management system of the respective third party.

By signing and submitting the ESPD-form, the Interested Party declares compliance with this requirement. Upon request by IDH, the candidate must provide a copy of the certificate.

6.3.2. Technical Competence and Professional Experience

For the execution of the Services under the Contract, the Interested Party must demonstrate the ability to meet the experience requirements outlined in the following experience requirements.

To prove compliance with the experience requirements, Interested Parties must submit (at most) one reference project per experience requirement using the Model Reference Declaration Form (Annex 3). The Interested Party must indicate on the Model Reference Declaration Form statement which experience requirement the reference statement pertains to.

The Interested Party may rely on a different reference project for each experience requirement, but this is not required. The Interested Party may also rely on the same reference project for multiple or all experience requirements. If the Interested Party relies on the same reference project for multiple or all eligibility requirements, it is sufficient to submit one reference statement that applies to the eligibility requirements under which the reference is used. The reference statement must indicate which eligibility requirements the reference statement relates to.

IDH reserves the right to verify the provided reference projects. The Interested Party is obliged to cooperate with this verification.

1. **Experience in Developing Audit plans**
   The Interested Party must have a reference project that meets the following (cumulative) requirements: a) The reference project involves developing an audit plan covering a period of at least 6 months for a project or program organization of a public client that executes projects in the non-profit sector. b) The development of the audit plan as described in (a) was completed to the satisfaction of the client within the past 5 years, counting from the deadline for submission of the request to participate as described in Chapter 4.4 of these Selection Guidelines.

2. **Experience in Conducting and Reporting Audits**
   The Interested Party must have a reference project that meets the following (cumulative) requirements: a) The reference project involves conducting and reporting audits on the

processes of the quality management system of a project or program organization within a public client that executes projects in the non-profit sector. b) The audits as described in (a) were or are being conducted to the satisfaction of the client within the past 5 years, counting from the deadline for submission of the request to participate as described in Chapter 4.4 of these Selection Guidelines. If the reference project is not yet completed, it must have been underway for at least 6 months at the time of submission of Request to Participate.

3. **Experience in Conducting and Reporting an Evaluation**
   The Interested Party must have a reference project that meets the following (cumulative) requirements: a) The reference project involves conducting and reporting an evaluation for a project or program organization within a public client that executes projects in the non-profit sector. b) The evaluation as described in (a) was completed to the satisfaction of the client within the past 5 years, counting from the deadline for submission of the request to participate as described in Chapter 4.4 of these Selection Guidelines.

6.4. Additional selection

If, based on the exclusion grounds and eligibility requirements described in Chapters 6.2 and 6.3, there are more than five Interested Parties eligible for the Tender Phase, IDH will reduce the number of Interested Parties to five. The selection will be based on the two additional selection criteria elaborated below.
In the context of the selection, Interested Parties may rely on (at most) one reference project per selection criterion. These may be different references than those relied upon for the suitability requirements (Chapter 6.2), but this is not required. Interested Parties may also rely on the same references for the selection as those relied upon for the eligibility requirements.

Interested Parties are requested to provide an explanation of the reference projects and demonstrate the relevance of the acquired experience for the execution of the current assignment. IDH emphasizes that it is up to the candidate to clearly articulate and substantiate the relevance of the experience.

6.4.1. Selection Criteria

Submitted references will be assessed on the extent to which the experience gained in the reference project is relevant and comparable to the work IDH is expecting in line with these Selection Guidelines. The more the specific characteristics of the reference project align with the specific characteristics of the work under the Contract, the more relevant the experience.

The Interested Party must provide a clear explanation of the reference project, substantiating the relevance and comparability of the acquired experience.

The reference projects submitted must have been completed to the satisfaction of the client within the past five years.

1. **Experience with Comparable Work**
   In the context of this selection criterion, at least the following will be considered:
   - The extent to which the work carried out in the reference is substantively comparable to the work included in the scope of the Assignment as described in Chapter 3 of these Selection Guidelines;
   - Whether the reference involved audit services within the non-for-profit sector;
   - The degree of comparability of the nature and scope of the work in the reference with the expected work under the Assignment.

   These aspects are provided as guidance for Interested Parties and should not be considered (sub)selection criteria. The aspects are not listed in order of importance nor are they exhaustive.

2. **Experience in Conducting Audit Services for a comparable client**
   In the context of this selection criterion, at least the following will be considered:
   - The extent to which the organization for which the audit services were performed in the reference is comparable to IDH, for which the Assignment will be executed;
   - The degree of comparability of the nature and scope of the organization in the reference with IDH.

   These aspects are provided as guidance for Interested Parties and should not be considered (sub)selection criteria. The aspects are not listed in order of importance nor are they exhaustive.

Please note: The extent to which the Interested Party substantiates the selection aspects, influences the scores awarded for the explanation. The following aspects are considered:

Specific	Is the explanation clearly, fully, and concretely described?
Measurable	Is the justification supported by concrete examples or experiences, making it clearly described and easy to verify?
Acceptable	Does the explanation fit within the context of the Assignment and is it acceptable?
Realistic	Is the explanation realistic and achievable?

6.4.2. Assessment of additional selection

A maximum of 5 points can be scored per selection criterion (for a total of 10 points), according to the following scale. The weighting between the selection criterion is equal. The members of the Evaluation Committee will assign the number of points to a Interested Party for each assessment aspect by consensus.

Points	Grade
5 points	Excellent
4 points	Good
3 points	More than sufficient
2 points	Sufficient
1 point	Mediocre
0 points	Does not meet the requirement

Scores are awarded in whole points.

6.4.3. Selection of Interested Parties

The five Interested Parties with the highest final scores will be invited to submit a bid during the Tender Phase. If the final scores of two or more Interested Parties are equal, the highest score on selection criterion 2 (Experience in Conducting Audit Services for a comparable client) will determine the ranking. If this score is also equal, the highest score on selection criterion 1 (Experience with Comparable Work) will determine the ranking. If the scores of the Interested Parties on both selection criteria are equal, a draw will determine which Interested Parties will be invited to submit a bid.

If one or more selected Interested Parties withdraw during the Tender Phase, IDH reserves the right to invite one or more Interested Parties who were not initially selected to submit a bid. In this case, the ranking resulting from the scoring of the additional selection criteria will be followed.

The decision not to invite an Interested Party to the Tender Phase will be communicated in writing to the respective Interested Parties in accordance with the schedule described in Chapter 4.1 of these Selection Guidelines.

7. Communication and Confidentiality

The Interested Party will ensure that all its contacts with IDH, with regards to the tender, during the tender procedure take place exclusively via TenderNed. The Interested Party is thus explicitly prohibited, to prevent discrimination against the other Interested Parties and to ensure the diligence of the procedure, to have any contact whatsoever regarding the tender with any other persons of. If deemed necessary, IDH reserves the right to communicate with the Interested Parties via email.

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

All information, documents and other requested or provided data submitted by the Interested Parties 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 Interested Party.

8. Disputes

Any dispute between the parties involved in the tender procedure that arise from the tender procedure, will be submitted to the competent court in Utrecht, the Netherlands.

The Interested Party can object against the decision on the selection of the shortlisted Interested Parties by means of an interim proceeding filing with the civil court in Utrecht, the Netherlands, within six (6) calendar days after receiving a written notification from IDH, in which it states its intention. By refraining from filing an objection, the Interested Party is deemed to have waived its rights to object to the aforementioned decision. Any rights of the Interested Party under this tender procedure will lapse.

In the interest of fast and good progress, each Interested Party is urgently requested to provide IDH with timely notification of any legal measures taken, for example by sending the summons.

9. Miscellaneous

9.1. No remuneration

IDH respects the effort and time that Interested Parties are expected to put into this Selection Phase and throughout the tender procedure. However, IDH has to use its financial means as economically as possible. Therefore, IDH will not remunerate Interested Parties for their participation.

9.2. Policies

IDH has a limited number of internal policies and strategies relevant to this tender procedure, which include communication policy, safeguarding and privacy policies. These policies and strategies will be made available to the selected Consultant at the Contract signing stage. IDH expects the Interested Parties to acknowledge and adhere to these policies or similar standards.

10. Disclaimer

IDH reserves the right to update, change, correct, extend, postpone, withdraw, or suspend these Selection Guidelines, this tender procedure, or any decision regarding the selection of the Interested Parties or subsequent Contract award. IDH is not obliged in this tender procedure to make a Contract award decision or to conclude a Contract with a participant.

Participants in the tender procedure cannot claim compensation from IDH, any affiliated persons or entities, in any way, in case any of the afore-mentioned situations occur.

By handing in a Request to Participate, **the Interested Party accepts all terms and reservations made in these Selection Guidelines, and subsequent information and documentation in this tender procedure**.

11. Annexes

Annex 1: Request to Participate Form – template

Annex 2: ESPD-form – template

Annex 3: Model Reference Declaration – template

Annex 4: Model Question Form - template