

## Annex A: Terms of Reference

### Market Development and Fundraising Strategy

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# 1 Introduction

## 1.1 Background

### UNHCR

- UNHCR is a global organisation dedicated to saving lives, protecting rights and building a better future for refugees, forcibly displaced communities and stateless people.
- UNHCR is the world's leading organization dedicated to supporting people forced to flee and those who do not have a nationality.
- UNHCR operates in the field in over 125 countries, using its deep expertise to protect and care for 55 million refugees, returnees, internally displaced people and stateless persons.
- UNHCR leads international action to protect people forced to flee their homes because of conflict and persecution. It delivers life-saving assistance like shelter, food and water.
- UNHCR helps safeguard fundamental human rights and develop solutions that ensure people have a safe place to call home where they can build a better future.
- UNHCR also work to ensure that stateless people are granted a nationality.

### Private Sector Partnership Service

- UNHCR is funded principally through government donations. However, in 1999 it was decided to establish a dedicated private sector fundraising section known as Private Sector Partnerships (PSP) with an objective to raise 10% to 20% of income from the general public, corporate sector and foundations.
- However the lack of financial and organizational commitment resulted in a decline in income from \$35 million in 1999 to \$22 million in 2006. Late in 2006, UNHCR started to refocus on private sector fundraising and it was decided to allocate a ring-fenced investment budget and recruit a team of external experts with the objective to raise \$100 million within five years. The service developed and launched its strategy and in 2011 raised \$111 million.
- In 2014, the service launched its 2014-18 Global Strategy articulating for the first time a vision for the service of raising \$1bn per annum from 5 million donors and setting a goal of getting half way to this by the end of 2018.
- In 2016, it raised \$385 million and is expected to reach \$500 million p.a. within the next two years.
- In 2017 we expect more than eight percent of UNHCR revenue will be generated from private sector sources through the fundraising and engagement activities of the global network of six National Partners and several country and regional offices. In all, UNHCR has active private sector fundraising operations in 20+ markets

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## **1.2 Statement of Purpose & Objectives**

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**The purpose is to ensure that UNHCR maximizes its operational investments in existing and new private sector fundraising markets.**

**The objective is to identify and implement the most effective fundraising approaches in national markets by developing strategies that are both market-driven and aligned with global and organizational strategies.**

The growth in income secured from the private sector by UNHCR since 2006 has been dramatic and according to INGO data makes it the fastest growing private sector division amongst its peers with a growth rate of 33% p.a. over the last 5 years. The ambition is to sustain this momentum with a vision to generate USD 1 billion annually in largely unrestricted funds by 2025.

The PSP is developing UNHCR's next private sector fundraising strategy to deliver this ambition in line with UNHCR's Strategic Directions 2017 - 2021. The focus will be on driving ambitious growth initially in UNHCR's existing markets with selective expansion into new territories and significant growth in global partnerships with industry and commerce.

This is an enormous challenge and UNHCR is seeking to engage external consultants with an expertise in fundraising and market development to work hand in hand with PSP to work on specific projects that will arise during the implementation of this strategy.

Examples of these projects include:

- A deep dive into an individual, existing market to review the fundraising operation and make recommendations for improvements and investment.
- A detailed analysis of the performance of fundraising channels at a global level to review potential for growth.
- A feasibility study of new markets to assess its potential to host a UNHCR private sector fundraising operation.

UNHCR invites agencies to submit proposals to provide expert support to undertake such projects.

UNHCR is seeking to enter into a contract for fundraising strategy consultancy services with agencies specialized in such service area.

The Frame Agreement will be signed with the successful bidder(s) for two (2) years and will be extended at the sole discretion of the UNHCR for additional one (1) year. Total length of contact is three (3) years.

## 2 Requirements

### 2.1 Core requirements

Agencies are expected to provide the following expertise based on the above mentioned conditions:

- 2.1.1. Significant knowledge and experience of private sector fundraising in an international environment and a reputation for providing consultancy in developing successful fundraising and engagement strategies.
- 2.1.2 In depth knowledge of private sector fundraising markets in all territories.
- 2.1.2 Knowledge and contacts with peer organizations to inform analysis and research.
- 2.1.3 A strong focus on the implementability of outputs and able to demonstrate the value added to the client as a result of their consultancy.

### 2.2 Scenario and financial offer

It is anticipated that there will be between a maximum of 10 (ten) projects per year.

Please use Annex B (Financial offer form) to provide your financial proposal. The financial evaluation will be based on quotations provided for the three example projects listed below and should be based on your daily consultancy rates.

- 2.2.1 A project to produce a feasibility study of the private sector fundraising market in a single country assessing its potential for market entry, including an assessment of income.
- 2.2.2 A project to review a large global fundraising programme (such as DRTV), with interviews with key stakeholders, presentation of findings and production of a report.
- 2.2.3 A project such as a market analysis of the regional planned giving market highlighting trends and challenges, with recommendations for growth opportunities.

Please only include the rates for the roles and the number of days required to carry out the activities for each section.

Please note that the proposed consultancy daily rates on Annex B should reflect your agency fees as the successful bidders will be requested to maintain their quoted price model for the duration of the Frame Agreement.

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## **2.3 Customer Responsibilities**

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UNHCR will provide the following:

- If in the Statement of Work (SoW) and purchase order (PO) resulting from the RFP travel is requested, UNHCR shall reimburse travel expenses. Travel and terminal expenses incurred by the Contractor's personnel shall be reimbursed by UNHCR in the amount of the actual expenses incurred by the Contractor's personnel as evidenced by original supporting document, provided however that UNHCR shall not be liable to reimburse travel expenses incurred in excess of the amount indicated in the relevant purchase order. The maximum amount permitted for travel in any purchase order shall be based on the cheapest economic airfare available as determined by the UNHCR Travel Unit.
- Access to all necessary documentation such as PSP financial data, supporter data and fundraising results as required under terms of strict confidentiality.
- The consultants or agencies will be supported and work closely with the Strategy & Market Development section in PSP based in Copenhagen and with regional staff.
- Facilitation of contacts with UNHCR staff in the global teams based in Copenhagen, across the PSP network of fundraising operations and with National Partners.

## 3 Content of the Technical Offer

Your Technical proposal should be concisely presented and structured in the following order to include, but not necessarily be limited to, the following information:

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### 3.1 Company Qualifications

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- A description of your company with evidence of your company's capacity to perform the services required, including:
  - Company profile,
  - Registration certificate
  - Last audit reports
  - Year founded
- If a multi-location company, please specify the location of the company's headquarters, and the branches that will be involved in the project work with founding dates;
- Similar experience in the business or the number of similar and successfully completed projects to donor acquisition, retention and collection process;
- Number of similar projects currently underway;
- Any relevant experience working with UNHCR, other UN Agencies and NGOs should be included;
- You are requested to provide three (3) references that we may contact from your current client list, including ones from working relationships with UNHCR or other UN Agencies.

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### 3.2 Proposed Services

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- A description of at least two projects that the agency has delivered describing the process, the timings, the details of the approach adopted to bring the process to completion, and the outcome of the project for the client. One project should relate to *Market Development* and one to a *Fundraising Channel or Campaign*.
- Demonstration that you have taken into account all the factors listed under Requirements
- A description of consultancy experience working with not for profit/UN/UNHCR sector/environment.

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### 3.3 Personnel Qualifications

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A list of the core staff that will be assigned to projects within this agreement with a biography of each detailing their experience in fundraising and/or strategy development.

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### 3.4 Vendor Registration Form

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If your company is not already registered with UNHCR, please complete, sign, and submit with your Technical Proposal the Vendor Registration Form (Annex C).

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### 3.5 Applicable General Conditions

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Please indicate your acknowledgement of the UNHCR General Conditions of Contract for the Provision of Services (Annex D) including it in your submitted Technical Proposal.

## 4 Evaluation

### 4.1 Technical Evaluation

The **Technical offer** will be evaluated using inter alia the following criteria and percentage distribution: **70%** from the total score.

1. Company Qualifications (20%)	<ul style="list-style-type: none"> <li>- Relevant experience in strategy development/market research field, time in business - reputation (10%)</li> <li>- Experience with similar projects in international private sector fundraising (10%)</li> </ul>
2. Quality of service (30%)	<ul style="list-style-type: none"> <li>- Understanding of requirements (7.5%)</li> <li>- Quality of examples provided (7.5%)</li> <li>- Demonstration of value added to client (7.5%)</li> <li>- Overall quality and clarity of proposal (7.5%)</li> </ul>
3. Project staff (20%)	<ul style="list-style-type: none"> <li>- Experience of core people who will work on the project (20%)</li> </ul>
Total	Max.: 70

The minimum passing scores of the evaluation is 42 out of 70; if a bid does not meet these minimums it will be deemed technically non-compliant and will not proceed to the financial evaluation.

The financial component is 30% of the total scores.



## 5 Key Performance Indicators

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### 5.1 *Performance Evaluation*

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UNHCR expects to monitor the performance of the selected supplier according to the following performance measures:

- Delivery of commissioned work on schedule
- Quality of product and service.