

BOARD PAPER FOR THE CONSIDERATION OF THE IATI GOVERNING BOARD

Agenda Item 5

21 February 2023

Prepared by: IATI Evaluation Panel

**BID EVALUATION REPORT: ASSESSMENT OF BIDS RECEIVED FOR THE PROVISION OF FUTURE IATI HOSTING SERVICES**

**1. Purpose**

The purpose of this board paper is for the Evaluation Panel (EP) to provide its assessment to the Governing Board concerning the outcome of a competitive bidding process to secure IATI hosting arrangements for the period 2023 – 2027.

The bidding process was to ensure that suitably qualified hosts could be found to meet the requirements of IATI with regards to the provision of effective policy, technology, legal and operational services to provide IATI's hosting arrangements/secretariat for the period 2023 – 2027.

The terms of reference (ToRs) comprising the invitation to tender for the new hosting arrangements were separated into 2 discrete elements:

- i) ToR for policy and technology services, providing functions for the stewardship of the IATI Standard, technical infrastructure, publisher and user support, community and communications and policy and planning services (Annex 1);
- ii) ToR for the provision of legal and operational support to IATI, providing operational and financial management and procurement/contract management services and functions for the initiative (Annex 2).

The ToRs were published on 24 October 2022 on the IATI website. The closing date for receipt of bids was 6 January 2023.

A shortlist was drawn up by the Evaluation Panel (EP) in accordance with their established evaluation criteria (Annex 3) following an initial review and scoring of received bids. Where required by the EP bidders were then invited to provide additional clarifying information supporting their bids by 31 January, later extended to 2 February (see Annex 4 for clarifications from bidders). The Evaluation Panel then held interviews with these bidders to discuss proposals and clarifications received on 7 February 2023.

The overall scoring matrix for bids received for both ToRs is included in Annex 6.

The EP assessment report has been independently moderated to ensure fairness and impartiality by two members of the IATI Governing Board.

## 2. Recommendation to the Governing Board

That as a result of this EP assessment i) the Governing Board recommend to the Members Assembly that IATI enter into a Letter of Agreement for the provision of IATI Policy and Technology hosting services with UNDP for the period 2023 – 2027 and further ii) recommend to the Members Assembly that IATI enter into a Letter of Agreement for the provision of IATI Legal and Operational hosting services to UNOPS for the same term.

## 3. Background

### 3.1 Current Arrangements

The agreement with the current hosting consortium for IATI (UNDP, UNOPS and Development Initiatives) ended on 31 December 2022. To aid an effective transition process to the new hosts once selected, a temporary extension to this agreement is in place until the end of June 2023.

### 3.2 Proposed Arrangements

Once the Members Assembly approves the Governing Board’s recommendation, it is proposed that IATI enter into an agreement with the new hosts via a Letter of Agreement for a period of five years.

## 4. Bid Evaluation Process

Both ToRs were published simultaneously on 24 October 2022. Following publication the IATI Governing Board approached a number of potential bidders to encourage them to submit a bid to one or both ToRs. Further, a potential bidders’ call was held by members of the IATI Governing Board on 20 December 2022. Bids for the provision of policy and technology and legal and operational hosting services for IATI closed after a 10-week bid preparation period. No late bids were received.

Four bid responses were received by the deadline of 6 January 2023 (Annex 5). These were from:

1. Development Initiatives (Policy and Technology Services ToR);
2. UNDP (Policy and Technology Services ToR);
3. UNDP (Legal and Operational Services ToR);
4. UNOPS (Legal and Operational Services ToR).

### 4.1 Evaluation Panel

In order to establish an independent and strong evaluation process, an evaluation panel was created with selected panel members across IATI with varying skill bases to establish a robust scoring system to determine the quality of submissions. The Bid Evaluation Panel comprised of the following individuals:

Name	Parent Organisation	IATI Role
Charlie Martial NGOUNOU	AfroLeadership NGO	IATI Board Member (civil society constituency)
Joseph BARNES	UNICEF	IATI Board Member (provider constituency)

Name	Parent Organisation	IATI Role
Innocent MUGABE	Government of Rwanda	IATI Board Member (partner country constituency)
Renate HAUSTRATE-ASSAM	European Commission	IWG Member (policy expertise)
Herman VAN LOON	Netherlands MFA	IWG Member (technology expertise)
Philip Drake	IATI	Evaluation Panel Secretary (non-voting)

## 4.2 Evaluation Criteria and Weighting System

The following table summarises the evaluation criteria against which received bids have been scored by the Evaluation Panel (full EP scoring of bids listed in Annex 6). The proposals received for both ToRs were required to meet a minimum cumulative score of 60% to be deemed as compliant and be eligible for subsequent consideration. The weightings for the evaluation criteria were not declared to bidders.

## 4.3 Criteria Weightings (Full Evaluation Criteria in Annex 3)

### 4.3.1 Evaluation Criteria for Policy and Technology Services ToR

Summary of Evaluation Criteria	Weighting
Demonstrated commitment to the same values as promoted by IATI	10%
Availability of technical expertise and demonstrated experience in implementing PTS services	45%
Expertise and experience in: <ul style="list-style-type: none"> <li>- Collaborating with a wide variety of stakeholders and their networks</li> <li>- Advocating for a cause on a global level</li> <li>- Outreach and information provision to a variety of stakeholders</li> </ul>	15%
Expertise and experience in service delivery in languages other than English	5%
Project management capability	15%
Clear articulation in the proposal of accountability mechanisms from the Host to the IATI Board and IATI members	Yes/No
Total cost associated with the structure proposed by the candidate organisation to deliver the PTS services	Total Cost
Absence of conflict of interest including those that may potentially arise during the delivery of PTS services	Yes/No
Complementarity between PTS services and other activities currently carried out by candidate organisation/s	10%

### 4.3.2 Evaluation Criteria for Legal and Operational Services ToR

Summary of Evaluation Criteria	Weighting
Demonstrated commitment to the same values as promoted by IATI	10%
Expertise and demonstrated experience in implementing the following services: <ul style="list-style-type: none"> <li>- procurement of goods and services, especially complex IT services;</li> </ul>	15%

Summary of Evaluation Criteria	Weighting
- drafting and managing contracts for complex IT contracts	
Expertise and experience in financial reporting in line with international standards	15%
Expertise and experience in service delivery in languages other than English	5%
Expertise and experience in serving as a fiscal sponsor for diverse group of stakeholders	20%
Clear articulation in the proposal of accountability mechanisms from the Host to the IATI Board and IATI members	Yes/No
Total cost associated with the structure proposed by the candidate organisation to deliver the PTS services	35%
Absence of conflict of interest including those that may potentially arise during the delivery of PTS services	Yes/No
Non-profit status	Yes/No

#### 4.4 Evaluation Methodology and Scoring Criteria

The objective of the evaluation process was to critically assess the capability of each bidder to provide best services in terms of quality and total cost. This objective was achieved by the Evaluation Panel by:

- i) reviewing each bid response in detail;
- ii) scoring bids on the basis of the weighted criteria outlined above;
- iii) ranking the bidders in accordance to their criteria performance; and
- iv) asking for clarifications and undertaking interviews with the highest ranking bidders to confirm the evaluation results.

Elements of each bid received were marked on a scale between 0 and 5 points, using the guide outlined below, and weighted in accordance with the details set out in the evaluation criteria (Annex 3).

- 0 = no evidence provided that the bidder has the experience/expertise required to fulfil the criterion;
- 1 = insufficient evidence provided that the criterion can be met;
- 2 = the proposal broadly addresses the criterion, but there are significant weaknesses
- 3 = the proposal addresses the criterion well, but a number of shortcomings are present
- 4 = the proposal addresses the criterion well, but a small number of shortcomings are present;
- 5 = the proposal successfully addresses all relevant aspects of the criterion.

The minimum quality threshold of the bid submission was at least 60% of the total marks available. Proposals needed to meet this minimum cumulative score to be deemed as compliant and be eligible for subsequent consideration.

#### 5. Quality Evaluation Result

UNDP's policy and technology bid met the minimum cumulative score required (74%)

UNDP's legal and operations bid did not meet the minimum cumulative score required (47%) to meet the defined quality threshold.

UNOP's legal and operations bid met the minimum cumulative score required (74%)

Development Initiatives' submission "Proposed approach to IATI Policy and Technology hosting" did not attempt to provide detailed bid information against the requirements of either of the published ToRs and therefore did not meet the minimum cumulative score required to be further considered by the Evaluation Panel (nevertheless the EP believes this proposal contains a number of interesting proposals and ideas for the future of IATI and the new hosting arrangements that the GB might take into consideration outside of the formal bidding process).

## **6. Clarifications Requested from Bidders**

Following the initial quality evaluation undertaken by the EP, bidders were further invited by the panel to provide additional clarifying information supporting elements of their bids (see Annex 4). The Evaluation Panel then held interviews with shortlisted bidders to discuss their (the bidders') proposals on 7 February 2023.

## **7. Concluding comments**

Following receipt of bids and clarifications and further having conducted interviews with the bidders, UNDP was confirmed as the highest scoring bid for policy and technology services and UNOPS was confirmed as the highest scoring bid for legal and operational services.

Therefore it is recommended that the Governing Board propose to the Members Assembly that the above parties provide IATI's hosting services for the period 2023-2027. All members of the Evaluation Panel concur with this assessment.

## **8. Issues/Risks for the Governing Board to Consider When Negotiating with Preferred Bidders**

It is the Evaluation Panel's opinion that some risks and issues that presented themselves during the course of the evaluation that were not material to the outcome of the process nevertheless should be further investigated by the Governing Board and should be resolved where possible through negotiation with the bidders prior to IATI entering into a Letter of Agreement with them.

### **8.1 Proposed UNDP Contract Modalities for IATI staff**

UNDP is proposing most of its IATI staff contracts, including that of the Executive Director, be offered on a International Personnel Services Agreements (IPSA) basis. An IPSA contract is not an appropriate basis for employment for the IATI Executive Director post. It is unlikely to attract sufficiently senior and qualified staff for the ED role offering a 1-year renewable contract with no pension provision or allowances. The EP recommends that the GB pushes UNDP to change the contract modality of the ED role to a full-time staff position.

Further, as part of the new hosting arrangement, existing IATI secretariat staff posts in UNDP will be consolidated and contracts downgraded – there is therefore a risk to morale and commitment of experienced IATI staff should UNDP make them re-compete their jobs and a risk of loss of institutional memory should existing secretariat staff be rationalized. UNDP needs to explain the rationale for this and contingencies in place for loss of institutional memory.

### **8.2 Governance Concerns Around UNDP Non-Voting Board Member**

The proposal for UNDP to have a non-voting Board Member on the IATI Governing Board should be revisited as no added value for IATI of this proposal could be established by the EP. The proposal risks blurring the distinction between the responsibilities of the board (demand) and the responsibilities of UNDP (supply). Furthermore the proposal requires an update of the SOP which is subject to approval by the Members Assembly. Alternative governance arrangements – for example setting up an IATI Project Board – should be considered and a revised proposal from UNDP should be elicited.

### **8.3 Existing Business Relationships Between Service Providers**

There have been some service delivery issues and difficult working relationships with regard to UNDP and UNOPS in the current IATI secretariat. What lessons have been learnt in this regard from the current hosting arrangements and how do the parties propose to improve this? Both UNDP and UNOPS should be questioned by the Governing Board on this point, especially taking into account that governance and accountability in the new secretariat are different compared to the current situation.

### **8.4 Improvement to Member Services**

Both parties should commit formally to improve their services to members as part of the new hosting arrangements. For example, UNOPS should be more explicit about increasing flexibility around receipt of fees and payments from members, particularly those from non-governmental and private sector organisations. UNDP should also be clearer about the application of its procurement rules and what flexibility it has in procurement to support IATI (including through ODSC). Another example is flexibility for members to have a contribution agreement and pay their membership fees to UNDP, since not all members are allowed to currently make agreements with UNOPS without extended due diligence processes.

### **8.5 Involvement of the IATI Governing Board in Senior Staff Recruitment**

The Evaluation Panel has noted that UNDP's proposal for policy and technology services did not nominate key staff, in particular the IATI Executive Director. The EP believes that the IATI Governing Board should have a role in the recruitment process of the Executive Director and made this point to UNDP during the clarification and interview phase of the assessment process. As a result UNDP agreed to consult the GB on the ED shortlist and on the interview results and also have a GB member on the interview panel for this role.

## **9. Pecuniary Interest and Probity Statement**

No member of the EP has a pecuniary or personal interest in the bidders and no bidder was provided any advantage over other bidders. All were treated fairly and equally during the bidding and evaluation process. Information provided by bidders which has been deemed confidential, has been protected, and will not be disclosed.

#### **10. Time Frame**

The expected agreement commencement date is 1 July 2023. The duration of the hosting agreement is for five years.

#### **LIST OF ANNEXES**

[Annex 1: ToR for policy and technology services to IATI;](#)

[Annex 2: ToR for the provision of legal and operational support to IATI;](#)

[Annex 3: Evaluation Panel assessment criteria for bids;](#)

[Annex 4A: Clarifications Received from Bidders \(UNOPS\);](#)

[Annex 4B: Clarifications Received from Bidders \(UNDP\);](#)

[Annex 5A: Bids received by IATI in response to published ToRs \(UNDP\);](#)

[Annex 5B: Bids received by IATI in response to published ToRs \(UNOPS\);](#)

[Annex 5C: Bids received by IATI in response to published ToRs \(DI\);](#)

[Annex 6: Fully scored bids for both ToRs by Evaluation Panel.](#)

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