

## TERMS OF REFERENCE (ToR)

Tender Ref. No.: RFP/HCR/CXB/2019/018

### PROVISION OF MARKET RESEARCH SERVICES

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#### 1. BACKGROUND

The local procurement component of the UNHCR in Bangladesh has been constantly increasing since the onset of the Rohingya Emergency in the middle of 2017. Since then, the procurement component has evolved with the type of the purchased commodity groups expanding from simple to more complex items. The needs of the UNHCR-Bangladesh Operation range from standard market-available products to specialized and tailor-made items, kits and products. Similarly, the local market in Bangladesh is evolving and expanding with visible increase in the number of local vendors at the Dhaka, Chittagong and Cox's Bazar. The variety of commodities available to procure locally has also widened.

In consideration of procuring the products in the local market, UNHCR has been and continues pursuing the "Go Local" approach with the aim to support the local economy of the country dealing with the massive refugee influx as well as to capacitate the local vendors.

In meeting the agency's operational needs, UNHCR has been inviting the bidders to partake in the agency's local tenders by advertising in local newspapers. Besides, UNHCR SO Cox's Bazar maintains a database of pre-qualified vendors who are also invited to submit their bids in response to the UNHCR calls for solicitations.

Notwithstanding the above, the information on local vendors needs to be constantly updated and expanded. Furthermore, there is a requirement to visit the selected vendors in order to verify authenticity of their profiles.

Pre-qualification of vendors as part of market survey will ensure that UNHCR continues dealing with reputable, registered and well-established vendors which are able to comply with the agency's requirements. Apart, enabling UNHCR with the ability to engage strong and capable commercial actors in the forthcoming tenders will undoubtedly help achieving greater "value for money" for the organization. In view of the above, the decision was made to contract a commercial entity for carrying out a country-wide market survey.

#### 2. OBJECTIVES

The market survey shall consist of the following principal objectives:

- To identify and pre-qualify reputable local manufacturers and major wholesalers<sup>1</sup> with transparent and traceable history, sound capacity and experience in particular field(s) specializing in the selected areas;

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<sup>1</sup> Traders shall be considered only if there is no manufacturing base for the selected products in Bangladesh.

- Produce a database of the local pre-qualified suppliers broken down by the type of the goods, services and works.

### 3. SCOPE OF ASSIGNMENT

#### 3.1 Planning

At the initial stage of the market survey process, the vendor (hereinafter referred to as “Service Provider”) shall produce a detailed plan of action divided into each implementation segment, i.e. preparatory phase, desk review, data collection and analysis, short-listing of vendors, validation visits and reporting.

During the planning phase and in consultation with UNHCR, the vendor shall develop a set of tools to be utilized during the data collection, analysis and reporting process. This will include, but will not be limited to, preparation of the list of materials to be used for initial desk review, generation of interview form(s) to be employed for recording the information gathered during the Service Provider’s interactions with the relevant interlocutors, including the Ministry of Labour and Employment, Chamber of Commerce, UNHCR Partners, UN agencies and with the other existing and potential counterparts relevant to this assignment as well as relying on the alternate instruments required for efficient data collection, analysis and recording.

**NOTE:** The market survey implementation plan must include modality for carrying out the vendor validation visits in the Dhaka, Chittagong and Cox’s Bazar districts.

#### 3.2 Desk Review

##### History of demand and future projections.

In consultation with UNHCR, the Service Provider will **establish the main categories of the commodities, services and works being in frequent demand by the UNHCR Operation in Bangladesh**. This information used for this determination will be sourced from the UNHCR ERP system as well as relying on the data obtained from the web-based and offline UNHCR contract monitoring tools. Thus, the vendor will carry out analysis of the available historical data for the period of 01 July 2017 – 30 June 2019.

The Service Provider will equally scrutinize the relevant UNHCR documents, including the Purchasing Plan, holding series of interviews with the relevant UNHCR-Bangladesh functional units and other UN agencies in order to ascertain the future trends and new commodities/services to be included in this market survey.

##### Expression of Interest.

Capitalizing on the output of the analysis of the type and scope of the future demand for the UNHCR in Bangladesh, in coordination with UNHCR, the Service Provider will prepare Requests for Expression of Interest (REoI) and the corresponding newspaper announcements, which will then be placed by UNHCR in the country-wide printed and online media frequently read by the local business community. REoI will invite the local vendors to express their interest to be registered with UNHCR for the following supply of the pre-defined goods, services and/or works.

The interested vendors will be requested to submit to UNHCR the filled in Vendor Registration Form and the relevant accompanying annexes, including the acknowledged General Conditions of Contract, the UN Supplier Code of Conduct as well as the respective vendors' bank details.

#### Interviews.

The Service Provider will furthermore assess the local market by obtaining the suppliers'-related information via the local authorities, including the Ministry of Trade, Chamber of Commerce and Industry, humanitarian community, yellow pages and other available sources, etc.

The vendor will then forward the UNHCR VRF documents to the identified manufacturers and major wholesalers for competition. The Service Provider will also target the existing UNHCR suppliers having good track record with UNHCR after analysing their performance evaluation records previously generated by the UNHCR Requesting Units. The Service Provider will equally reach out to the UNHCR suppliers with whom UNHCR maintains the valid Frame Agreements. This will ensure that none of the existing reputable suppliers are missed out.

### **3.3 Short-listing of vendors**

The company will analyse the VRFs and other vendor-profile related documentation obtained as a result of the call for expression of interests as well as by means of interactions with the UNHCR and the third parties mentioned in p.3.2 ("Interviews") above. Such initial vetting shall be based on the information provided by the suppliers, such as: valid company registration documents, areas of activity/commodities, business capabilities, organization/staff qualifications, manufacturing facility/practices, existing quality assurance practices, source of the products, availability/delivery period for products, ISO certification, if applicable, client list, financial capacity, reference checks, and other relevant registration credentials.

The Service Provider will also ensure that the concerned vendors have proper bank account for receiving bank transfer payment, confirming that the vendor's bank account used the same name as the one written in the vendor's registration documents.

The review process will comprise evaluation of the vendors' outputs against a pre-set list of the evaluation criteria prepared by the Service Provider in cooperation with UNHCR during the planning phase of the activity. The evaluation, which will be based on a list of non-discretionary and optional "PASS"/"FAIL" determination against each listed criterion, will result in the preparation of a short list of vendors for each category of goods, services and works<sup>2</sup>.

The evaluation will be carried out jointly by the UNHCR SO Cox's Bazar Supply Unit and the Service Provider's designated representative with the recommendation statement prepared for each supplier, explaining the basis for doing so. Each vendor evaluation report must then be approved by the Senior Supply Officer for the UNHCR – Bangladesh Operation.

### **3.4 Validation visits**

From the list of the short-listed vendors, the Service Provider will select minimum five (5) vendors specializing in the supply of each earlier specified category of the commodities for the following validation of the information submitted by these companies. The vendors for the validation exercise will be selected based on the following criteria:

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<sup>2</sup> Only the vendors whose vendor profile information receives "PASS" against all mandatory criteria will be short-listed.

- Vendors whose products may potentially represent an annual demand on the part of UNHCR-Bangladesh of  $\geq$  BDT 4,000,000; and
- Vendors whose commodities during the procurement process commonly represent greater-than-usual risk to UNHCR (i.e. construction, fuel, etc.).

Each of the vendor validation teams will consist of one (1) Service Provider's and one (1) UNHCR staff member. The team validation will record the findings using the Supply Assessment Tool with the aim to obtain minimum three (3) and maximum five (5) successfully validated vendors' profiles per each commodity category.

### 3.5 Reporting

The Service Provider will prepare an MS Excel vendor database in the format agreed upon by the UNHCR.

The Service Provider (with the support of the UNHCR Procurement Function) will prepare a final report containing the methodology, principal conclusions and recommendations of the market survey.

## 4. DELIVERABLES

The activities implemented by the Service Provider shall result in the following deliverables:

- A database of "approved suppliers" and a list of "approved suppliers" (pending validation) by commodity category;
- Completed and structured Supplier Profile Forms;
- Completed and structured Supplier Assessment Reports;
- Final report containing the methodology, principal conclusions and recommendations of the market survey.

## 5. MILESTONES AND TIMEFRAME (after issuance of PO)

No.	Milestone	Time Allocation
1	Development of implementation plan, forms, tools and other activities to ensure successful execution of the project	5 days
2	Analysis of the historical data and projection of future demand trends	20 days
3	REoI, including preparation of the documents, evaluation of the outputs and recording the evaluation results	
4	Interviewing internal and external stakeholders	
5	Short-listing of vendors	5 days
6	Validation visits to selected vendors in Dhaka, Chittagong and Cox's Bazar	25 days
7	Reporting	5 days
<b>Total</b>		<b>60 days</b>

## 6. COMPETENCES AND QUALIFICATIONS

The company must have minimum five (5) years of proven experience in successfully carrying out similar assignments;

The Service Provider's technical proposal must contain clear description of the approach, methodology and timelines offered.

The proposed methodology, approach and implementation plan should demonstrate the understanding of the ToR, how the assignment shall be carried out and how the methodology meets or exceeds UNHCR's requirement.

The Service Provider's personnel assigned to implement the concerned project must comprise the holders of the successfully completed Masters Degree in Supply Chain Management / Procurement from accredited institution. Each Service Provider's employee shall have minimum ten (10) years of progressively responsible professional work experience in procurement.

The company's staff assigned for the aforementioned tasks must possess the following competencies:

- In-depth knowledge of procurement and good concept of analysing financial documents
- Good analytical, negotiations and communications skills;
- Excellent interpersonal and public relations skills;
- Computer literacy and knowledge of standard PC software packages (MS. Excel, PowerPoint, Word, etc.);
- Proven ability to conceptualize, develop, plan and manage market research and similar projects.

**END**

