

**ORGANISATION INTERAFRICAINNE  
DU CAFE**

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**SECRETARIAT GENERAL**

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**INTERAFRICAN COFFEE  
ORGANISATION**

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**GENERAL SECRETARIAT**

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***INSTITUTIONAL REVIEW OF THE INTER-AFRICAN COFFEE  
ORGANIZATION (IACO)***

## **Recruitment notice of a Consultant**

Ladies and gentlemen,

You are hereby invited to submit a technical and financial proposal for the **Institutional Review of the Inter-African Coffee Organization (IACO) in order to make it relevant to the implementation of the new 2017-2022 strategy**. Each of your proposals must be written either in French or in English and addressed to the Secretariat of IACO no later than 4 pm on 28 March 2018. .

### **Technical proposal**

Your technical proposal must provide the following information:

- (i) A detailed CV, signed by the Consultant with an overview of recent experience in missions of a similar nature;
- ii) Any comments or suggestions regarding the Consultant's mandate, as well as a description of the Consultant proposed method (work plan) to implement the services;
- (v) Estimates of the total effort in terms of time (man-months) to be devoted to the implementation of the Mission and supplemented by bar charts indicating the proposed working time (man-months);
- (vi) Any comments made by the Consultant regarding data, services and facilities to be provided by the IACO, as indicated in the terms of reference.

**The technical proposal must not include any financial information.**

### **Financial proposal**

The financial proposal must indicate the costs related to the Mission, which will normally cover the remuneration, subsistence allowance (per diem, housing allowance), transport costs, services and equipment, reproduction of documents, and surveys. These costs must be broken down into foreign costs and local costs. Costs must be denominated in CFA francs.

## **SUBMISSION OF PROPOSALS**

You must submit an original of the technical proposal and an original of the financial proposal, as well as the number of copies of each indicated in the Specific Data. Each technical and financial proposal must be marked "ORIGINAL" or "COPY", as the case may be. The original and all copies of the technical proposal must be placed in an envelope clearly marked "Technical Proposal". Similarly, the original and all copies of the financial proposal will be placed in an envelope marked "Financial Proposal". These two envelopes will then be placed in an outer envelope which must be sealed and bear the address and information indicated in the Specific Data. This envelope must be clearly marked:

"TO OPEN ONLY IN THE PRESENCE OF THE TENDERS OPENING COMMITTEE"

In case of difference between the copies of the proposals, the original will prevail. The original and each copy of the technical proposal and the financial proposal must be printed in indelible ink and signed by the authorized representative of the Consultant, the authorization of the said representative to be confirmed by a written power of attorney attached to the proposals. All pages of the technical proposal must be initialled by the signatory (s).

The proposal must not contain any mention of line spacing or overloading, unless this is necessary for the correction of errors attributable to the Consultant, any correction of this type must then be initialled by the signatory (s).

The completed Technical Proposal and Financial Proposal must be submitted by the date and time indicated in the Specific Data. Any tender submitted after the dates and time indicated above will be rejected.

## **EVALUATION OF PROPOSALS**

A two-step procedure is adopted for the evaluation of proposals. The technical evaluation must be conducted first, followed by the financial evaluation. The consultants will be classified using a combined technical / financial rating system, as described below.

### **Technical proposition**

The evaluation committee designated by the IACO will evaluate the proposals using the criteria and points system specified in the Specific Data. Each compliant proposal will receive a technical note (Nt). Proposals receiving a score of less than seventy (70) points will be rejected and the corresponding financial proposals will be returned without having been opened to the consultants who submitted them.

### **Financial proposal**

After having established whether the financial proposals are complete and free from calculation errors, the evaluation committee will convert the prices in CFA francs or Euro for evaluation purposes. The lowest financial proposal (Fm) will receive a financial score (Nf) of one hundred (100) points. The following formula will be used for the calculation of the other financial notes:

$$Nf = 100 \times Fm/F$$

(F = price of the financial proposal in CFA francs).

### **Final ranking**

Finally, the proposals will be ranked according to their combined technical (Nt) and financial (Nf) scores, applying the weights indicated in the Specific Data (T = weight given to the technical proposal, P = weight given to the financial proposal). T + P = 1), to arrive at a global score (NG):

$$NG = (Nt \times T) + (Nf \times P)$$

## **NEGOTIATIONS**

Before the expiry of the proposals period of validity, IACO shall notify the Consultant who submitted the highest ranked proposal, by registered letter, fax or e-mail, that its proposal has been accepted, inviting him/her to negotiate the Contract. The aim is to reach an agreement on all points and to sign a draft contract at the latest at the conclusion of these negotiations.

Negotiations start with a review of the detailed CV, the technical proposal, the proposed method (work plan), and suggestions that the Consultant could make to improve the mandate. An agreement is then reached on the definitive terms of the mandate, the bar charts that must indicate the activities, the staff, the periods spent in the field and at headquarters, the working hours in men-months, and all that concerns logistics and reporting. Particular care should be

taken to optimize the services that the Consultant is required to provide, within the limits of the available budget, and to clearly define the elements that the IACO must provide in order to ensure a satisfactory implementation of the Mission.

## **CONTRACT AWARD**

The contract is awarded once the negotiations with the successful Consultant are completed. The IACO then informs other Consultants as soon as possible that their proposal has not been accepted. The successful Consultant is expected to commence the Mission at the time and place specified in the Specific data. The criteria and point system used for the evaluation are as follows:

	weight
Consultant/Consulting firm experience applicable to the Mission	<b>10%</b>
Understanding of the Terms of Reference and Methodology	<b>40%</b>
Qualifications of key personnel	<b>40%</b>
Experience with the IACO and international donors	<b>10 %</b>
TOTAL	100 %

The subsidiary criteria and the points system used to assess the qualifications are as follows:

General qualification and adequacy for the mission	25 points
Similar experience in the mission area of expertise described in the Terms of Reference	60 points
Experience with international donors	5 points
Linguistic capacity	5 points
Knowledge of the region (mission environment)	5 points
Total	100 points

T = 0.8    P = 0.2

Start of execution of the Mission (date, place): 09 April 2018 in Abidjan, Côte d'Ivoire. End of mission on June 08, 2018

Please accept, ladies and gentlemen, the assurance of our highest consideration.

Applications should be addressed to the Secretariat General of the Inter-African Coffee Organisation (IACO) B.P V 210 Abidjan, Côte d'Ivoire. Tel: +225 20 21 61 31/85; fax: +225 290 21 62 12;

Email: [sg@iaco-oiac.org](mailto:sg@iaco-oiac.org)

The Secretary General

**Frederick S.M KAWUMA**

Attachment: Terms of Reference (TOR)

## **TERMS OF REFERENCE (TOR)**

### **Institutional Review of the IACO**

#### **I-INTRODUCTION**

The expertise of a consulting firm/ consultant is needed to review the institutional configuration of the Inter-African Coffee Organization (IACO) in order to develop an appropriate structure for a better functioning of the secretariat and to provide a comprehensive, logical and coherent approach to the achievement of the overall objectives of the IACO and ensure better service delivery for member countries.

#### **II-CONTEXT**

##### **2.1. The African Coffee Industry**

Coffee remains an important source of income for at least 11 million rural households and export earnings for 25 coffee producing countries in Africa. Africa's coffee production declined from 24.4 million bags in the 1980s to 15.4 million bags in 2015; that is a drop of 40 percent. In the same period, Africa's market share declined from 50 to 10 percent between 1992/93 and 2014/15. Despite fluctuations in the international composite price of coffee (US \$ 2.10/lb in 2011 to \$ 1.11 in January 2016), price projections for the next five years are encouraging due to a combination of factors. Growing consumption is observed in the emerging markets of Africa, Eastern Europe and Asia with estimated and projected demand of 8.9 and 10.6 million tonnes in 2015 and 2020. Africa is facing many challenges, including strong competition from Vietnam, inefficiencies in the coffee value chain and the failure of policies at the national and regional levels. In most of the world's major coffee producing countries, improvements in production and productivity have reached their full potential and agricultural expansion has been constrained by land constraints. The growing demand should therefore come largely from Africa, which is producing well below its potential.

However, new developments are creating opportunities for African countries to benefit from and increase their coffee production by specifically targeting high quality coffee that attracts significant premiums, even in a downtrend market.

## **2.2. IACO - Supporting Organization for African Coffee Producing Countries**

The InterAfrican Coffee Organization (IACO) was established in December 1960 by 11 African coffee producing countries; it includes 25 countries in 2016. The mission of the IACO was to assist its member countries to establish and strengthen a base for generating household income and government export earnings from a strong coffee sector. The activities were geared towards production, processing, marketing, supply of coffee beans at better prices, as well as promotional activities to stimulate consumption. The IACO has also played an important advocacy role for its members in international fora, especially during the quota system before its collapse in 1989.

The IACO's governance structure, contained in the headquarters agreement, is composed of three bodies, including the General Assembly, the Steering Committee and the Secretariat. The General Assembly is the supreme organ of the 25 member states and meets once a year. It determines the general principles and policies of the Organization; approve the contributions of the members; appoint the Secretary General; approves the annual budget and provides general guidance and overall coordination of the Organization. The Steering Committee reviews the work of the Secretariat and submits the annual budget and the audited accounts to the General Assembly for approval. The Steering Committee is also responsible for the overall conduct of the activities of the Organization. The Committee meets generally once a year and is supported by five technical advisory committees, including the Sales and Promotion Committee, the Production Committee, the Finance Committee, the Consultative Group and the African Coffee Research Network (ACRN). The IACO Secretariat has 11 staff members, including the Secretary General, the two Directors and the Chief of Administration and Finance. IACO's annual operating budget is approximately 700,000 Euros.

Fifty-five years later, IACO and its member states have undergone political, economic and social changes as a result of internal and external shocks including structural changes, expansion of their economies and conflicts. However, coffee remains an important source of income in competition today with new sources



of income in the agricultural sector. Interest is growing for coffee. The prospects for the African coffee industry are good. But the African coffee sector faces many challenges that need to be addressed in a comprehensive way.

### **2.3. Key Issues of the African Coffee Industry and its Supporting Organization (IACO)**

The African Coffee Sector faces challenges including policy failures, strong competition from East Asia, inefficiencies throughout the value chain (production, processing, quality standards, marketing, domestic consumption, etc.) and a weak private sector.

IACO was created under the quota system. Production and the price of coffee were controlled. Coffee producers around the world, including Africans have benefited from the system. Africa's market share was estimated at 30 percent. When the quota system was abolished in 1989, there was strong competition in the coffee market, which resulted in a large supply above demand and the result of which was lower prices. Coffee production in Africa was no longer profitable. Many producers have abandoned their coffee plantations. For example, African coffee production fell from 24.4 million bags in the 1980s to 15.4 million in 2015/2015; that is a drop of 40 percent. At the same time, Africa's share of the world's coffee export market has declined from over 50 percent to around 10 percent now. Coffee prices fell from US \$ 1.28 / lb in 1983 to US \$ 0.50 / lb in 2005 and reached \$ 1.11 / lb in January 2016. Africa has been overwhelmed by competition.

African countries adopted a liberalization policy in the early 1990s to attract private investment in the coffee industry, with a view to improve efficiency and competitiveness. Unfortunately, the private sector was weak and could not fill the investment gap left by the withdrawal of the public sector. As a result, the liberalization policy, coupled with other factors, has led to a drastic decline in overall coffee production in Africa and has not created a value chain that would have, in turn, created businesses and jobs for millions. The impact of these developments on producer countries and the IACO as an organization has been devastating, particularly for those member countries that derive significant export earnings from coffee. Countries lacked the financial capacity to improve productivity/quality that benefits producers and increase coffee export

earnings. It has also affected the ability of members to meet their financial obligations to the Organization. As a result, many of the members failed to pay their annual dues to the IACO and eventually lost interest, undermining the IACO and more specifically the General Secretariat.

The new strategic plan of the IACO will strengthen the institution's importance to its members from 55 years of lessons learned experience. It will explore, in a comprehensive way, the means of financing coffee companies throughout the value chain for significant added value. The new strategy will offer more opportunities to grow businesses, create jobs and reduce poverty. It will lead to market advice for production, productivity and quality improvement. Indeed, appropriate studies will be identified and conducted to progressively resolve the relevant issues of the African coffee sector.

### **III.MAIN OBJECTIVE**

The main objective is to review the institutional configuration of the Inter-African Coffee Organization (IACO) in order to develop an appropriate structure for a better functioning of the Secretariat and to provide a comprehensive, logical and coherent approach to the achievement of the overall objectives of the IACO and to better serve Member States.

Specifically, it is:

- Undertaking the evaluation of the current mission and objectives of the Organization and proposing changes to be considered by the General Assembly;
- Conduct an environmental analysis of the organization taking into account the influence of internal and external factors (economic policy, political, organizational structure, operational systems etc.).

#### **3.1 Description of the work:** The Consultant will:

- Undertake an in-depth analysis of the performance of the IACO since its inception (mission, achievements, successes, failures, lessons learned) and

compare it to that of similar organizations (cocoa, rubber, tea, etc.) (mission, achievements, successes and failures); strengths, weaknesses and opportunities (SWOT);

- Conduct an environmental scan of the Organization, taking into account internal and external contexts (political, economic, social, technological, institutional, structure, policy choices, operational systems, budget and sources of funding, internal and external controls, etc.);
- Propose relevant amendments to the Agreement Establishing the IACO for consideration by members;
- Conduct an audit of the administrative organization (current skills point job descriptions, workload, qualifications, and KPIs),
- Propose a new organization chart with functions assigned to each staff member ...;
- Evaluate the training needs of existing staff;
- To elaborate new Statutes and Regulations to govern the staff of the Organization Review the Agreement Establishing the Organization.

### **3.2 Methodology**

The mission must propose a methodology to achieve the results below:

### **3.3 Results**

Result1: New IACO texts are available:

- Agreement on Creation
- Statutes and By-Laws

Result 2: Organization chart of IACO available.

Result 3: The new administrative procedures manual is available.

### **3.4 SUPPORT FOR THE STUDY (in the introduction)**

This mission will be carried out under the supervision, technical and logistical support of the General Secretariat of the IACO.

#### **4. SCHEDULE OF DELIVERABLES**

4.1 T0: Commencement of services

4.2 T0 + 7 days: A start-up report (work plan (the different topics to be addressed), methodology and schedule) and presentation to the Steering Committee.

4.3 T0 + 1 month: Progress report: presentation to the Steering Committee and revised report to the IACO Board of Directors.

4.4 T0 + 2 months: Draft Final Report to the Steering Committee, to the Extraordinary Board of Directors.

4.5 T0 + 2.5 months: Final Report.

#### **4.6 DURATION, PLACE OF PERFORMANCE AND CONDUCT OF THE MISSION**

The mission will take place partly in Abidjan at the headquarters of the IACO, field visits and in the consulting firm premises (in situ). The duration of the mission will be 3.5 months.

#### **4.7 QUALIFICATIONS**

**The consultant must be an International Organization Management Specialist.**

Education: The consultant must have an advanced degree (Engineering, MAS, MSc, PhD) in one of the following disciplines: Economics, Business Administration, Management of International Organizations or an equivalent qualification.

Professional experience: The consultant must have at least 5 years of experience in relation to the mission (institutional review of international organizations). Experience on commodities is an asset. The initial draft report should be prepared in English with translation in French.

The consultant must meet the following criteria:

- Very good knowledge of local context and African coffee producing countries and good understanding of the mission
- Very good knowledge of commodities (coffee, cocoa, cotton, oil, etc.) and international markets for basic agricultural products
- Good knowledge of the procedures and the various legal texts (statutes, rules of procedure, etc.) governing sub-regional, regional and international organizations in order to propose texts guaranteeing transparency and good governance.
- Ability to develop and propose a structure of the General Secretariat able to implement the New Strategy 2017-2022.
- Ability to develop and deliver administrative, financial and accounting management tools and resource mobilization methods and plan
- Have conducted similar missions in Africa or elsewhere in the last 5 years
- Have the ability to mobilize expertise if necessary to conduct the mission effectively and efficiently.

#### Language

Proficiency in the two working languages of the IACO, French and English, is an asset.

#### **4.8 FACILITIES TO BE MADE AVAILABLE TO THE CONSULTANT**

(a) Services, facilities and goods to be made available to the Consultant by the IACO General Secretariat (the Client):

The General Secretariat of the IACO will provide an office, equipped and furnished, in its premises to enable the consultant to conduct investigations, interviews with staff and the processing of information in-situ.

(b) Technical and Administrative Personnel to be assigned by the IACO to the consulting firm: The IACO will provide all available data and information relevant to the mission. The Director of Economic Studies is appointed as Coordinator of this study. Therefore, it will facilitate the various contacts and the good organization of the mission.

It is expected that the Consultant will work in close consultation and in a participatory manner with all stakeholders (IACO member states) and the IACO General Secretariat for the success of the mission.

## **ANNEX 1. TECHNICAL PROPOSALS FORMS**

1A. Technical Proposal Submission Letter

1B. Professional references

1 C. Consultant's Comments and Suggestions on Terms of Reference and data, services and facilities to be provided by the IACO

1D. Description of the approach, the methodology and the work program in response to the terms of reference

1E. Work program and, activities and schedule of deliverables

1F. Team Composition, Individual Activities and Contribution of Key Personnel

### **1A. Letter of submission of the technical proposal**

FROM:

TO:

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Subject: Hiring of a consultant

Ladies and gentlemen,

About the technical proposal,

I, the undersigned, \_\_\_\_\_, have the honour to send you attached, a Technical Proposal for the selection of our firm as a consulting firm for \_\_\_\_\_.

I declare that all information and statements contained in the Proposal are true and we accept that any misinterpretation or misrepresentation contained in said Proposal is likely to lead to our disqualification by IACO and / or sanction by the IACO.

I recognize that IACO is not obliged to accept any of the Proposals it has received.

Please accept, Ladies and Gentlemen, the expression of our highest consideration.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Information (phone and email): \_\_\_\_\_



## 1B. Professional references

### Services most representative of your insured qualifications in the last five years

Using this form, please provide the requested information about the various missions you have performed.

Name of the mission :		Country :
Place :		Specialized staff provided:
Name of Client :		Number of people :
Address :		Number of men-month:
Commencement date (month/year)	Ending date (month/year)	Approximate value of services (in USD or EURO):
Name and position of the consultant :		
Description of the Project :		
Description of the services provided by you:		

Name of the Consultant:

## **1 C. Observations / suggestions of the consultant**

About the Terms of Reference (Ref 3.4 of the invitation letter):

- 1.
  - 2.
  - 3.
  - 4.
  - 5.
- Etc.

Regarding the data, services and facilities to be provided by the IACO under the TOR: (Ref 3.4 VI of the Letter of Invitation)

- 1.
  - 2.
  - 3.
  - 4.
  - 5.
- Etc.

### **1D. Description of approach, methodology and program of work in response to terms of reference**

This form gives the description of the approach, working method, work program for the achievement of the mission, including a detailed description of the methodology and personnel proposed for the training, if the terms of reference identify training as a component of the mission.

*{Suggested structure for your Technical Proposal*

a) Technical approach and working method

b) Work program

a) **Technical approach and working method.** *{Please explain how you understand the mission objectives, as described in the ToR, the technical approach and methodology you would adopt to complete the tasks and deliver the requested products / reports, as well as the level of detail of these reports. Do not repeat or copy the ToRs.}*

b) **Work program.** *{Please indicate the program of accomplishment of the main activities or tasks of the mission, their content and duration, the phase decomposition and the corresponding constraints, the main stages (including examination / approvals by the IACO, and estimated delivery dates The proposed work program should be consistent with the technical approach and method, showing your understanding of the ToRs and your ability to translate them into a realistic work program A list of documents to be produced (including reports The work program must be consistent with the Program Activity Form.)}*

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**Languages practiced (indicate only the languages in which you can work):**

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**1E. Work programme, and activities programme and deliverables schedule**

- Work programme

**1. Field investigation**

2. Task / Activity	Weekly program (in the form of a bar chart)												
	1	2	3	4	5	6	7	8	9	10	11	12	

**2. Completion and submission of reports**

(As indicated in Appendix B attached to the General Conditions of Contract)

Report	Date
1. Initial report	
2. Activities report (a) First progress report (b) Second progress report	
3. Final report draft	
4. Final report	

- **Activities programme and deliverables schedule**

N°	Deliverables 1 (D-..)	WEEKLY											TOTAL	
		1	2	3	4	5	6	7	8	9	.....	n		
D-1	{for e.g. deliverable #1: Rapport A													
	1) Data collection													
	2) Reports writing													
	3) Preliminary report													
	4) finalisation following comments													
	5)..... .....													
	6) Provision of the final report}													
D-2	{e.g., Deliverable #2:.....}													
n														

1 Provide a list of deliverables detailing the activities leading to it, as well as other actions, such as approvals to be obtained from the IACO. For missions with sequential steps, indicate the activities, reporting and actions required for each step separately.

2 The duration of the activities will be indicated in the form of a bar chart.

3. Insert a legend, if necessary to understand the diagram.

## ANNEX 2. FINANCIAL PROPOSALS FORMS

### 2A. Financial Proposal Form

### 2B. Price Summary

#### 2A. Form of financial proposal

FROM:

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TO:

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#### **Subject: Engagement of consultants under**

Ladies and gentlemen,

About the financial proposal,

I, the undersigned, \_\_\_\_\_, have the honour to send you a Financial Proposal for my selection as a Consultant for the assignment.

Please find attached my Financial Proposal which is {insert amount (s) in words and figures for each currency}

My Financial Proposal is binding on me, subject to the modifications resulting from the negotiation of the Contract, until the expiry of the period of validity of the Proposal.

Please accept, Ladies and Gentlemen, the expression of our highest consideration.

Signature:

Name:

Title:

Address:

## 2B. Prices summary

Item	Costs in local currency (XOF)	Costs in USD or EURO
Financial proposal price including		
(1) Remuneration		
(2) Other costs [Reimbursable]		
Total price of the financial proposal: {must reflect the amount on Form 2A}		

Payments will be made in FCFA (XOF) indicated above at the exchange rate of DD / MM / YY.