

## Invitation to tender

### Framework agreement for the assessment of deforestation risks and illegal practices in a cattle supply chain in Brazil (Case no 22/996)

#### 1 Background

The Norwegian Government Pension Fund Global (GPF) is a sovereign wealth fund, with assets under management of approximately USD 1.3 trillion. The GPF holds equities and fixed-income instruments issued by around 10 000 companies operating globally. It is owned by the Ministry of Finance and managed by Norges Bank (the Central Bank of Norway).

The Council on Ethics for the Norwegian Government Pension Fund Global (The Council) is an independent body tasked with issuing recommendations to Norges Bank in accordance with the Guidelines for observation and exclusion of companies from the Government Pension Fund Global (the ethical guidelines).<sup>1</sup> Based on the Council's recommendations, Norges Bank makes decisions on the exclusion or observation of companies from the GPF's portfolio.

In 2021, Norges Bank decided to place a Brazilian beef producer under observation following the Council's recommendation. The Council is responsible for carrying out the observation.

For more information about the Council, please see <https://etikkradet.no/en/>

#### 2 About the procurement, value and contract terms

The Council is seeking to enter into a framework agreement with a Consultant for the assessment of the beef producer's supply chain monitoring and control to prevent purchases from suppliers involved in deforestation or illegal practices in Brazil. A key question is to what extent the measures the company has put in place are sufficient to mitigate the risk of deforestation or illegal practices at all levels in the supply chain.

The contract has a maximum value of NOK 600 000 excluding VAT during the entire contract length of maximum three years. The above estimated contract value is not binding for the Council, and the contract is not exclusive.

The Council will enter into an agreement with one tenderer.

Tenderers may be invited to negotiations provided the Client, following an initial evaluation of the tenders, considers this appropriate.

The following standard contract will be used for the framework agreement: The Norwegian Government's Standard Terms and Conditions (SSA-R).

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<sup>1</sup> See Guidelines for observation and exclusion of companies from the Government Pension Fund Global, <https://nettsteder.regjeringen.no/etikkradet3/files/2019/12/guidelines-for-observation-and-exclusion-from-the-gpfg-01.09.2019.pdf>

The following contract will be used for each call-off/awarding contract: The Council on Ethics standard contract (cf. SSA-R Appendix 3).

As part of the tender, the tenderers may submit contract terms they deem necessary in order to enter into the contract with the Council.

### **3 Purpose and scope of the procurement**

The Consultant shall assist the Council in its assessment of the beef producer's supply chain monitoring and the risk that the sourcing of cattle includes suppliers involved in deforestation or illegal practices.

Deforestation includes both legal and illegal clearance of forests and savannas. Suppliers include both direct and indirect suppliers, but the emphasis is on indirect suppliers.

The task will include, but is not limited to, compilation and analysis of data concerning the company's purchases of cattle, including sourcing from indirect suppliers (to the extent that such data is available), assessments of risks related to deforestation and illegalities and review of information supplied to the Council. This assessment may be carried out once a year and will also involve evaluation of progress from year to year. In addition the Consultant is expected to provide guidance and advice to the Council in its engagement with the specific company, e.g. in meetings with the Council.

### **4 Call-off and deliverables**

For each assignment under the framework agreement, the consultant will receive a task description from the Council including the suggested timeframe and budget. For each order received, the consultant will present the Client with the expected hours to be used, for the Council's approval.

The deliverables may vary throughout the project period and will be agreed with the Council. The deliverables may include a yearly report in English covering specific aspects of the task description, as well as short memos, and discussions with the Council.

### **5 Conditions for participation**

The Consultant must have the capacity to conduct a yearly assessment and on request provide advice to the Council.

#### **5.1 Technical and professional ability:**

- An in-depth understanding of the beef sector in Brazil and drivers of deforestation.
- More than three years of working experience on supply chain assessments in the cattle industry in Brazil.
- Expertise in big data analysis.
- Professional language skills in English and Portuguese.
- Excellent report-writing skills.

The Consultant must state at least two examples of similar assessments during the past three years, including content and the tenderer's role in the assessment.

There must be no conflict of interest which the Council on Ethics may deem impossible to handle adequately. In order to assess this, applicants are required to explain their connection, if any, to

listed beef producers in Brazil. Applicants are also required to explain what steps they will take to manage a possible conflict of interest, should such arise during the contract period.

## **5.2 Economic and financial standing of tenderers:**

The service provider shall have sufficient economic and financial capacity to be able to fulfil the contract. Creditworthy without collateral will be sufficient.

## **6 Award criteria**

### **6.1 Expertise specific to the service required (weight 50%)**

Please provide:

- A brief summary of the key qualifications relevant to the assignment, including CVs for persons who will carry out the assignments.
- Examples or summaries of relevant experience from similar work (may be the same as provided under para. 5.1).

The personnel that will carry out the surveys must be the same as the personnel listed in the tender.

### **6.2 The consultant's understanding of the task (weight 30%)**

Please provide:

- A brief description of working methods and sources that may be used in carrying out assignments under the contract

### **6.3 Prices (weight 20%)**

Prices (excluding VAT) must be provided in EURO for hourly rate and daily rate.

Tenders must be submitted by 18:00 Oslo time on 1<sup>st</sup> February 2023, by email to [postmottak@etikkradet.no](mailto:postmottak@etikkradet.no). Tenders submitted after the deadline will not be accepted. The Council aims at awarding the contract before 25 February 2023.

Should you have any question, please do not hesitate to contact us at [postmottak@etikkradet.no](mailto:postmottak@etikkradet.no).