

# Terms of reference (ToR) for the procurement of services below the EU threshold

CONFIDENTIAL

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<b>Study: Making digital infrastructure work for smallholder farmers' benefit – Linking DPI and the value of socio-economic data</b>	<b>Project number/ cost centre: G-012560-002</b>
	<b>Tender number 10013496</b>

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## **0. List of abbreviations**

AG	Commissioning party
AN	Contractor
AVB	General Terms and Conditions of Contract for supplying services and work
DPI	Digital Public Infrastructure
FK	Expert
FKT	Expert days
KZFK	Short-term expert
ToRs	Terms of reference

## 1. Context

### Background on the project

The Sustainable Agricultural Supply Chains Initiative (SASI) works towards an economically, socially, and environmentally sustainable transformation of global agricultural supply chains. In collaboration with politics, private sector and civil society, we put sustainability topics on the agenda and shape political discourse. We support the implementation of EU regulations and highlight opportunities within this framework. We promote corporate responsibility that goes beyond legal requirements. SASI's work is funded by the Federal Ministry for Economic Cooperation and Development (BMZ). Through our partner network, we also secure additional substantial funding from the private sector and the EU.

SASI addresses key challenges across various supply chains. Our focus areas include corporate due diligence and sustainable production, living income and living wages, deforestation-free supply chains, gender equality, and digitalization.

### Background EUDR and Opportunities for smallholder farmers.

With the EU Deforestation-Regulation (EUDR), as part of the EU Green Deal, the EU aims to **minimise the EU's contribution to deforestation and forest degradation** worldwide and thereby to minimise its impact on its contribution to mitigate **climate change**, reduce **greenhouse gas emissions** and **biodiversity** loss. The EUDR **obliges companies to fulfil due diligence obligations**. Companies may only place relevant raw materials and products on the EU market, trade them on the EU market or export them from the EU market if they are **deforestation- and forest degradation-free and produced in accordance with relevant legislation in the area of production**. Amongst other requirements, the EUDR demands strict traceability along the whole supply chain; this requirement already serves as a driver for innovation with regards to the development and new state of the art of digital solutions to ensure traceability along complex agricultural supply chains, from the field to the consumer.

A potential challenge regarding traceability is so-called “first-mile traceability” which involves tracking data from smallholders' farms to cooperatives or intermediaries. Given the fragmented nature of markets for products covered by EUDR, it is worth having a closer look at the producers upstream in the supply chain.

The EUDR explicitly underscores the importance of acknowledging and strengthening the role and rights of indigenous peoples, local communities, smallholders, and small and medium-sized enterprises in forest protection, as well as addressing their specific needs and challenges within the value chain. According to the EUDR, to prove deforestation-free production, the geolocation of plots of production must be shared with business partners.

With the right support and infrastructure, **the push for traceability can be an opportunity for smallholders for improving sustainability and market access**. Focusing on deforestation-free production positions smallholders to benefit from higher demand and fairer competition, as the EUDR encourages responsible sourcing. Improved transparency and traceability enable innovation in the field of social sustainability, e.g. by opening up avenues to pay higher prices without margins along the supply chains. Moreover, leveraging geolocation for strict traceability opens additional market opportunities, while digitalizing farm management enhances decision-making and operational efficiency. Furthermore, smallholders and smallholder cooperatives can benefit from technical assistance and capacity building provided by governments, donors and private sector partners.

In this context, the **aspect of data ownership** and data sovereignty is a critical issue, as company-owned traceability systems that store smallholders' data can create dependencies, compelling farmers to sell exclusively to those companies and risking their autonomy with significant price risks. To protect smallholders, they should be able to retain control over their data and share it with multiple buyers. Developing open, interoperable traceability platforms, backed by government and industry standards, can prevent data monopolies and promote fair competition.

While the focus in the context of EUDR preparations is mainly on how operators can ensure they receive the required information from upstream supply chain actors for due diligence purposes, the **smallholder perspective on how to benefit from the potential opportunities** of the EUDR in practice beyond providing key relevant data to other supply chain actors is not always taken into account.

### **From fragmentation to incentives from the farmers' perspective**

There is an increasing body of literature and empirical evidence from several country specific contexts emphasizing the potential added value of digital public infrastructure (DPI) and the use of digital tools by smallholder farmers in agricultural supply chains. While the topic of traceability is very often being highlighted in the EUDR context, further data collected in field exercises which can be **put into value from a socio-economic perspective** is not systematically being used yet. Currently, the landscape as well as use of existing digital tools is mostly fragmented, with different use cases being covered by different digital applications for different purposes (traceability, farm-management systems, digital payments/mobile money).

If this existing digital infrastructure is systematically expanded and integrated, there is great potential for:

- a better database for producers (e.g. for financing or market participation)
- more targeted development policy
- integrated value chains including compliance (e.g. EUDR)
- monetization of data and thus increased income and efficiency for producers.
- Enhanced farm management and/or extension services for producers.

At the same time, smallholder farmers are sometimes reluctant to use digital tools and make data available for compliance purposes such as EUDR and other sustainability schemes for various reasons. Very often, the **clear incentive and potential benefits of data provision per se and especially in a digital format are not a given for farmers**, therefore it is worth to have a closer look as how digital infrastructure (especially traceability tools, farm management systems and mobile money/e-payments) can be made usable and attractive for smallholder farmers – including a description, mechanism and observed added value in each case.

From existing empirical evidence, the following key success factors can be derived for successful uptake and scaling of digital applications for farmer benefits.

- Integrated systems: traceability + payment/financial function + farm management data.
- Low-threshold access: e-wallets, simple smartphones/feature phones, field agents.
- Capacity building & training: farmers must be trained, understand digital tools and see their benefits.
- Infrastructure & partnerships: cooperatives, traders, tech providers, mobile network.

- Market and quality incentives: digital data enables better quality, differentiation, better prices or premiums.
- Data and governance framework: transparency, data protection, trust in systems.

## **Objectives of the study**

Digitalization can help smallholder farmers increase productivity, market integration and income. Traceability tools and farm management systems promise greater transparency and better market positioning, however in practice, infrastructure, digital education, usage costs and adaptation to local conditions are crucial for actual socio-economic added value.

Most of the related research focuses on three components of a digital agriculture ecosystem (digital platforms, digital (public) infrastructure, and 4<sup>th</sup> Industrial Revolution technologies), with very limited research directed at digital literacy or skills, affordability, and business model innovation.

### General objective:

Enable smallholders to systematically benefit from the current demand and potential of data by

- 1) designing an inclusive digital agriculture ecosystem for smallholder farmers that focuses on all the elements of the ecosystem and considers contextual challenges and environment faced by these farmers for two specific country cases
- 2) developing feasible ways of aligning existing digital infrastructure (traceability tools, farm-management systems, e-payments, mobile money) to use the potential added value of the socio-economic data for the purpose of smallholder farmers more systematically. Provide concrete options on how digital tools can lead to an increased income for farmers.
- 3) providing step-to-step guidance on how to realize a fully functional inclusive digital agriculture ecosystem for the two specific country cases. The specific focus lies on assessing options for an innovative business model for smallholders, based on leveraging the added value of existing digital (public) infrastructure for traceability purposes and socio-economic data, incl. aspects of affordability, digital literacy (awareness of potential benefits/risks of DPI, skills), gender as well as further ways forward for the two country case studies (Cameroon and Colombia).

### Specific objective:

#### Use cases:

- Assess needs/benefits/incentives perceived by farmers for relevant potential use cases: child labor, access to credit/insurance/payments, farm management aspects (productivity, risk management, income, digital book/record-keeping, market access/transparency, PES, premium prices)
- Assess existing best practices and develop design of fully functional digital ecosystem so that smallholders can and want to use it as a feasible, attractive solution for their specific needs and challenges (Applicability, relevance, promise of use).

#### Value chain aspects covering smallholders, cooperatives and intermediaries:

- Analyze role of smallholder women farmers and first intermediaries, especially cooperatives and small middlemen as potential bottlenecks or enablers. Based on the analysis, develop concrete recommendations for next steps to achieve inclusive digital ecosystem.

- Assess current situation and develop recommendations on how trust can be successfully built within the farming community and with the first link in the value chain as a basis for the successful use of digital tools within the digital ecosystem, incl. format of communication with the various farmer groups/supply chain actors.
- Assess to what extent small producers benefit from digital payment systems in terms of increased income, improved liquidity and financial inclusion when intermediaries are involved, incl. effects on payment transparency and options direct payments to farmers
- Analyze the (change of) margins and the distribution of power in a supply chain when digital payment is introduced instead of cash at the first link of the value chain
- Assess proportion of payments to small producers in a multi-stage supply chain and how much is converted back into cash at the household level, incl. general willingness of business actors to pay premium prices to farmers (via digital applications) for EUDR relevant data?

#### At household level

- Assess gender/age-specific differences at household level in terms of affordability, digital literacy and skills, and how these affect the distribution and availability of financial resources and access to digital applications/digital ecosystems in practice
- Assess how use and introduction of further digital payments affect the household perspective (e.g. who in the household has access to the funds, how quickly payments are made)
- Provide concrete recommendations on how to increase women's participation in the digital ecosystem
- Provide recommendations on how costs of using digital tools for farmers could be kept as low as possible, focusing on open-source solutions
- Assess the impact of land rights issues on the use of digital tools
- Develop a road map with most urgent needs for capacity building at household level

#### At governance and institutional level

- Assess regulatory, institutional and governance conditions required to enable an inclusive digital agriculture ecosystem
- Provide recommendations for governments, donors and private actors on how to ensure fair competition, data protection and smallholder data sovereignty.

For all steps of analysis, consider the local context for the country case studies as well as options for scaling of the suggested digital ecosystem, also for remote areas. Include potential role of extension services/government as players in creating an enabling environment as well as structural challenges and risks for implementing the digital agriculture ecosystem (e.g. data protection, security, dependence on providers, social exclusion due to the digital divide).

## 2. Tasks to be performed by the contractor

The contractor is responsible for providing the following services:

- Developing a concept for the study
- Researching and identifying appropriate options for innovative digital business models for smallholders for two country case studies as well as design and requirements for a fully functional digital ecosystem from smallholders' perspective
- Provide gender-specific recommendations based on findings for each country case
- Provide draft and final versions of the study, incl. executive summary and step-to-step guide for digital agricultural ecosystem to harness socio-economic value of data
- Presentation of the study in at least one internal and at least one external event, including compilation of a slide deck presenting the study
- Provide content, inputs and moderation for feedback workshop on key study findings in Q3/Q4 2026
- Close coordination with GIZ throughout the project
- Layout of final deliverables (Report, Executive Summary, info graphs and annex to report, PPT Slides) according to the guidelines provided by GIZ
- Ensure language checks for products from 2 different country contexts, executive summary of key findings should be provided in English, French and Spanish to be distributed to broad audience

## Methodology

- Short Desk study drawing on best available scientific and semi-scientific publications as well as the organization's own experiences in the field
- In-depth interviews with supply chain actors and relevant stakeholders in two different countries and Value chains (Cocoa, coffee)
- Step-to-step guide with concrete recommendations for further implementation for different categories of relevant stakeholders (smallholders, cooperatives, intermediaries, govt actors, private sector, others)

Milestones/partial works	Deadline/place/person responsible	Criteria for acceptance
Inception Report	4 weeks after assignment	Inception report including outline, list of potential use cases, questions for in-depth interviews and interviewees and concept incl components for digital agricultural ecosystem to be developed consulted with and agreed upon by GIZ
1st Draft Report	12 weeks after assignment	Draft consulted with and agreed upon by GIZ
Final Report	8 weeks after draft report	Feedback to 1 <sup>st</sup> draft report from GIZ included; Final report covers all aspects of suggested outline and content, incl.

		language checks: Report is laid out according GIZ guidelines and in consultation with GIZ max. 25 pages (pure text, without annex, outline,...)
Final internal and public presentation	5 weeks after final report	Laid out PPT slide deck + executive summaries with step- to-step guide presenting the study (findings and recommendations)

Period of assignment: from 1<sup>st</sup>, July 2026 until 31<sup>st</sup>, January 2027.

### 3. Concept

In the tender, the tenderer is required to show *how* the objectives defined in Chapter 2 (Tasks to be performed) are to be achieved, if applicable under consideration of further method-related requirements (technical-methodological concept). In addition, the tenderer must describe the project management system for service provision.

Note: The numbers in parentheses correspond to the lines of the technical assessment grid.

#### Technical-methodological concept

**Strategy (1.1):** The tenderer is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1 Context) (1.1.1). Following this, the tenderer presents and justifies the explicit strategy with which it intends to provide the services for which it is responsible (see Chapter 2 Tasks to be performed) (1.1.2).

The tenderer is required to present the actors relevant for the services for which it is responsible and describe the **cooperation (1.2)** with them.

The tenderer is required to describe the key **processes** for the services for which it is responsible and create an **operational plan** or schedule (1.4.1) that describes how the services according to Chapter 2 (Tasks to be performed by the contractor) are to be provided. In particular, the tenderer is required to describe the necessary work steps in accordance with Chapter 2 (Tasks to be performed).

The tenderer is required to describe its contribution to knowledge management for the partner (1.5.1) and GIZ and to promote scaling-up effects (1.5.2) under **learning and innovation**.

#### Project management of the contractor (1.6)

The tenderer is required to explain its approach for coordination with the GIZ project. In particular, the project management requirements specified in Chapter 2 (Tasks to be performed by the contractor) must be explained in detail.

The tenderer is required to draw up a **personnel assignment plan** with explanatory notes that lists all the experts proposed in the tender; the plan includes information on assignment dates (duration and expert days) and locations of the individual members of the team complete with the allocation of work steps as set out in the schedule.



The tenderer is required to describe its backstopping concept. The following services are part of the standard backstopping package, which (like ancillary personnel costs) must be factored into the fee schedules of the staff listed in the tender in accordance with Section 3.1 of the GIZ AVB:

- Service-delivery control
- Managing adaptations to changing conditions
- Ensuring the flow of information between the tenderer and GIZ
- Assuming personnel responsibility for the contractor's experts
- Process-oriented steering for implementation of the commission
- Securing the administrative conclusion of the project

#### **Further requirements (1.7)**

Specific consideration of cross-cutting theme on gender and age-related aspects, especially at household level, are required for the study.

#### **4. Personnel concept**

The tenderer is required to provide personnel who are suited to filling the positions described, on the basis of their CVs (see Chapter 7), the range of tasks involved and the required qualifications.

The below specified qualifications represent the requirements to reach the maximum number of points in the technical assessment.

##### **Team leader**

###### Tasks of the team leader

- Overall responsibility for the advisory packages of the contractor (quality and deadlines)
- Coordinating and ensuring communication with GIZ, partners and others involved in the project
- Personnel management, in particular identifying the need for short-term assignments within the available budget, as well as planning and steering assignments and supporting local and international short-term experts
- Regular reporting in accordance with deadlines

###### Qualifications of the team leader

- Education/training (2.1.1): university degree (German 'Diplom'/Master) in forestry, agriculture, environmental studies, economy, political science or another relevant field
- Language (2.1.2): C1-level language proficiency in English
- General professional experience (2.1.3): 7 years of professional experience in the deforestation-free agricultural supply chains, stakeholder engagement, capacity building for smallholders
- Specific professional experience (2.1.4): 7 years of working experience in the coffee/cocoa sector in producing countries
- Leadership/management experience (2.1.5): 3 years of management/leadership experience as project team leader or manager in a company
- Regional experience (2.1.6): 5 years of experience in projects in Sub-Saharan Africa and Central America (region)

- Development cooperation (DC) experience (2.1.7): 3 years of experience in DC projects
- Other (2.1.8): 5 years of experience in the field of digitalization in the agricultural sector/chain-of custody management

#### Soft skills of team members

In addition to their specialist qualifications, the following qualifications are required of team members:

- Team skills
- Initiative
- Communication skills
- Socio-cultural skills
- Efficient, partner- and client-focused working methods
- Interdisciplinary thinking

#### **Short-term expert pool with minimum two, maximum three members**

For the technical assessment, an average of the qualifications of all specified members of the expert pool is calculated. Please send a CV for each pool member (see below Chapter 7 Requirements on the format of the bid) for the assessment.

#### Tasks of the short-term expert pool

- Prepare and implement interviews with stakeholders in two countries
- Provide technical input for analysis of content and aspects, especially relevant for country-specific, local context
- Contribute to the report and presentations
- Translation into local language, where necessary

#### Qualifications of the short-term expert pool

- Education/training (2.6.1): Minimum bachelor's degree in agriculture, sociology, gender studies, geography, political sciences, economics or another related field
- Language (2.6.2): 1 expert with C1-level language proficiency in English and French, 1 expert with C1-level language proficiency in English and Spanish
- General professional experience (2.6.3): 4 years of professional experience in the field of agricultural supply chains, stakeholder engagement, capacity building for smallholders sector
- Specific professional experience (2.6.4): 1 expert with 4 years of professional experience in the field of gender in the field of agricultural supply chains or rural development
- 1 expert with 4 years of professional experience in the field of digitalization in the context of supply chain management or the agricultural sector
- Regional experience (2.6.5): 1 expert with 4 years of experience in Central America (region), 1 expert with 4 years of experience in Subsaharan Africa (Cameroon)
- Development cooperation (DC) experience (2.6.6): 4 years of experience in DC sector

The tenderer must provide a clear overview of all proposed short-term experts and their individual qualifications.

## 5. Costing requirements

### Assignment of personnel and travel expenses

Per diem allowances are reimbursed as a lump sum up to the maximum amounts permissible under tax law for each country as set out in the country table in the circular from the German Federal Ministry of Finance on travel expense remuneration (downloadable from the [German Federal Ministry of Finance – tax treatment of travel expenses and allowances for international business travel as of 1 January 2026 \(GERMAN ONLY\)](#)).

Accommodation allowances are reimbursed as detailed in the specification of inputs below.

With special justification, additional Accommodation costs up to a reasonable amount can be reimbursed against evidence.

All business travel must be agreed in advance by the officer responsible for the project

### Contracts for works:

The following basic calculations for the contract for works are a reference value based on the acceptance criteria for each partial work/milestone specified in Chapter 2 (Tasks to be performed by the contractor).

Since the contract to be concluded is a contract for works, we would ask you to offer your services at a **lump sum price**.

In addition, the assessment of the financial bid is also based on the underlying daily rate. Please also **provide the underlying daily rate**.

Milestones/partial works	Estimated expert days for orientation	Deadline/place/person responsible
Inception Report	8	Team leader
1st Draft Report	25	Team leader
Final report	7	Team leader
Final internal and public presentation	5	Team leader

### Sustainability aspects for travel

GIZ has undertaken an obligation to reduce greenhouse gas emissions (CO<sub>2</sub> emissions) caused by travel. When preparing your tender, please incorporate options for reducing emissions, such as selecting the lowest-emission booking class (economy) and using means of transport, airlines and flight routes with a higher CO<sub>2</sub> efficiency. For short distances, travel by train (second class) or e-mobility should be the preferred option.

CO<sub>2</sub> emissions caused by air travel must be offset. GIZ specifies a budget for this, through which the carbon offsets can be settled against evidence.

There are many different providers in the market for emissions certificates, and they have different climate impact ambitions. The [Development and Climate Alliance \(German only\)](#) has published a [list of standards \(German only\)](#). GIZ recommends using the standards specified there.

Travel expenses				
<b>CO<sub>2</sub> compensation for air travel</b> Link to <a href="#">working aid and table for determining the budget</a> and <a href="#">Guidance for GIZ service providers on avoiding, reducing and offsetting GHG emissions</a> on setting the budget.	2		50	A fixed budget of EUR <b>50</b> is earmarked for settling carbon offsets against evidence.
<b>Fixed travel budget</b> GIZ may set a fixed amount. This option is used if there is uncertainty regarding the specific travel plans during the tender procedure. However, the tenderer should describe the number of trips, travel destinations and time periods as best as possible.	1		5,950	A budget is earmarked for travel to the following countries: Colombia and Cameroon  A fixed budget of EUR 5,950 is earmarked for settling travel expenses against evidence.  You can find further information on the travel expense budget in the 'Price schedule' document. Please use the 'Explanations' column in the price schedule to break down the individual items. Settlement is possible only until the budget is depleted.

## 6. Inputs of GIZ or other actors

GIZ and/or other actors are expected to make the following available:

- Platform and occasion for internal and public presentation of the report

## 7. Requirements on the format of the tender

The structure of the tender must correspond to the structure of the ToR. In particular, the detailed structure of the concept (Chapter 3) should be organised in accordance with the positively weighted criteria in the assessment grid (not with zero). The tender must be legible (font size 11 or larger) and clearly formulated. It must be drawn up in English (language).

The complete tender must not exceed 10 pages (excluding CVs). If one of the maximum page lengths is exceeded, the content appearing after the cut-off point will not be included in the assessment. External content (e.g. links to websites) will also not be considered.

The CVs of the personnel proposed in accordance with Chapter 4 of the ToRs must be submitted using the format specified in the terms and conditions for application. The CVs shall not exceed 4 pages each. They must clearly show the position and job the proposed

person held in the reference project and for how long. The CVs can also be submitted in French or German (language).

As the contract to be concluded is a contract for works, please offer a fixed lump sum price that covers all relevant costs (fees, travel expenses etc.). The price bid will be evaluated on the basis of the specified lump sum price. In addition, please also provide the underlying daily rate. A breakdown of days is not required.

## **8. Data protection**

The performance of the contract may be associated with the processing of personal data by the contractor, such as (but not limited to) names and contact information. In such cases, the contractor shall act as an independent DATA CONTROLLER and must alone comply with ALL applicable data protection obligations, including those stemming from regional and local laws. The contractor shall process personal data only when a given goal cannot be reasonably attained without such data. The data protection principles such as lawfulness, data minimization, accuracy, purpose limitation, storage limitation, transparency, integrity and confidentiality, and accountability, as well as the numerous rights of the data subject must be paid due attention. The GIZ is NOT in any way responsible for such processing.

Whenever the contractor executes the instructions of a partner to the GIZ with regard to such processing, the partner shall be the data controller, and the data processing shall be carried out in accordance with the partner's instructions as well as laws and standards to which it is subject.

If the contractor is not subject to the GDPR and the applicable laws do not contain any explanation on the data protection principles and rights mentioned here, the definitions and meanings provided by the GDPR (Regulation (EU) 2016/679) should be considered.

## **9. Annex**

Recommended reading: [Navigating Traceability and the EUDR. A Guiding Document for Establishing Inclusive and Effective Traceability Solutions. - Team Europe Initiative on Deforestation-free Value Chains](#)