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Contract

## **Investment in Forests and Sustainable Land Use Phase II (IFSLU2) Programme - Component 1 and 2**

Foreign Commonwealth and Development Office (FCDO)

F03: Contract award notice

Notice identifier: 2025/S 000-007348

Procurement identifier (OCID): ocds-h6vhtk-047ea4

Published 26 February 2025, 11:21pm

### **Section I: Contracting authority**

#### **I.1) Name and addresses**

Foreign Commonwealth and Development Office (FCDO)

King Charles Street

London

SW1A 2AH

#### **Email**

[anna.gibson@fcdo.gov.uk](mailto:anna.gibson@fcdo.gov.uk)

#### **Telephone**

+44 2070080932

#### **Country**

United Kingdom

#### **Region code**

UK - United Kingdom

**Internet address(es)**

Main address

<https://fcdo.bravosolution.co.uk>

Buyer's address

<https://fcdo.bravosolution.co.uk/>

**I.4) Type of the contracting authority**

Ministry or any other national or federal authority

**I.5) Main activity**

Other activity

Development and Diplomacy

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## Section II: Object

### II.1) Scope of the procurement

#### II.1.1) Title

Investment in Forests and Sustainable Land Use Phase II (IFSLU2) Programme - Component 1 and 2

Reference number

ecm\_7167 (Contract for ITT 6531)

#### II.1.2) Main CPV code

- 75211200 - Foreign economic-aid-related services

#### II.1.3) Type of contract

Services

#### II.1.4) Short description

The United Kingdom's Foreign, Commonwealth and Development Office ("FCDO") has awarded the Contract for delivery of Component 1 and 2 of Investments in Forests and Sustainable Land Use - Phase 2 (IFSLU2 C1 and C2) Programme to Palladium International Ltd.

Investments in Forests and Sustainable Land Use - Phase 2 (IFSLU2) is an umbrella International Climate Finance (ICF) programme consisting of 5 components. IFSLU2 is managed by the FCDO's Energy, Climate and Environment Directorate (ECED).

This Contract is for the IFSLU2 Programme's Component 1: Business Incubation, Pipeline Development and Business Enabling Conditions and Component 2: Enhanced Support for Smallholder Farmers.

The Supplier must undertake the management and implementation of the Component 1 and 2 of Investments in Forests and Sustainable Land Use - Phase 2 (IFSLU2) Programme.

The start date of the Contract is 1st February 2025, the Contract value is up to £129,744,000, with an option to increase its total value and duration based on continued need. The Contract value is exclusive of UK VAT but inclusive of all applicable local taxes. The end of the Contract is 31st January 2030. The Contract has an Extension Option for up to a further 60 months and an increase in additional value of up to a maximum of £239

million. There is a Scale up Option (value extension only) up to an additional £100 million over the life of the Contract (including the Extension Period). Therefore, the Contract value may be increased to an overall total of £469 million and the Contract may run until 2035, if extended.

#### **II.1.6) Information about lots**

This contract is divided into lots: No

#### **II.1.7) Total value of the procurement (excluding VAT)**

Value excluding VAT: £129,744,000

### **II.2) Description**

#### **II.2.2) Additional CPV code(s)**

- 75200000 - Provision of services to the community

#### **II.2.3) Place of performance**

NUTS codes

- BR - Brazil
- CD - Congo (Democratic Republic)
- CG - Congo
- CI - Ivory Coast
- CM - Cameroon
- CO - Colombia
- ET - Ethiopia
- GA - Gabon
- GH - Ghana
- ID - Indonesia
- KE - Kenya
- LR - Liberia
- MY - Malaysia

- NG - Nigeria
- PE - Peru
- SL - Sierra Leone
- TZ - Tanzania
- UG - Uganda

Main site or place of performance

The selection is not a prescriptive list, however, the following regions must be prioritised: East Africa, West Africa, Central Africa, Southeast Asia and Latin America with an office in each.

#### **II.2.4) Description of the procurement**

Investments in Forests and Sustainable Land Use - Phase 2 (IFSLU2) is an umbrella International Climate Finance (ICF) programme consisting of 5 components. IFSLU2 is managed by the FCDO's Energy, Climate and Environment Directorate (ECED).

This Contract is for the IFSLU2 Programme's Component 1: Business Incubation, Pipeline Development and Business Enabling Conditions and Component 2: Enhanced Support for Smallholder Farmers.

The Supplier must undertake the management and implementation of the Component 1 and 2 of Investments in Forests and Sustainable Land Use - Phase 2 (IFSLU2) Programme.

The intended behavioural Intermediate Outcomes from the FSLU2 C1 and C2 Contract's interventions are:

- Supply-side: Producers including businesses, social enterprises, community organisations, smallholders, and landholders adopt sustainable practices as part of profitable, inclusive and replicable business models and bankable investment opportunities;
- Demand-side: Governments, companies and value chain actors adopt mandatory or voluntary sustainable and equitable sourcing practices that incentivise sustainable practices; and aggregate and empower smallholders; and
- Enabling Conditions: Governments, companies and other actors foster positive enabling environments, reforms, standards, accessible market infrastructure and governance arrangements conducive for crowding-in investment, addressing smallholder development

needs.

Over the longer-term and through interactions with other IFSLU2 Components, the Intermediate Outcomes will lead to the following systemic Outcomes:

- forest landscapes transformed into forest positive and climate-resilient systems that meet local development needs;
- increased private investment in sustainable forestry and land use;
- increased support and share of sustainable investment reaching smallholders;
- increased global market for deforestation-free agricultural commodities; and
- complementary policy actions implemented by consumer and producer countries.

These systemic Outcomes will lead to the following Impacts:

- forests and ecosystems protected and restored in forest landscapes and across relevant industries and value chains;
- finance mobilised in support of the Sustainable Development Goals (SDGs) and forest country Nationally-Determined Contribution (NDC) and National Adaptation Plan (NAP) implementation;
- jobs created, incomes increased, capacity strengthened and enhanced ability to adapt to the impacts of climate change (both rapid shocks and slow onset stressors) in rural economies of supported countries; and
- transformational change, aligning the land use sector with the SDGs and the Paris Agreement Targets.

Please note that the list of the countries selected in the place of performance section is not prescriptive. The final list of countries will be agreed by FCDO and the Supplier during Contract Inception based on the Supplier's analysis of opportunities to deliver impact (across countries, regions and value chains) and ODA/development impact considerations. However, the following regions must be prioritised: East Africa, West Africa, Central Africa, Southeast Asia and Latin America. The Supplier will be required to establish programme offices in each of these regions to deliver the programme.

## **II.2.5) Award criteria**

Quality criterion - Name: Quality / Weighting: Price Per Quality Point (PPQP)

Cost criterion - Name: Total price of evaluated elements / Weighting: Price Per Quality Point (PPQP)

### **II.2.11) Information about options**

Options: Yes

Description of options

The Contract has an Extension Option for up to a further 60 months and an increase in additional value of up to a maximum of £239 million. There is a Scale up Option (value extension only) up to an additional £100 million over the life of the Contract (including the Extension Period).

Therefore, the Contract value may be increased to an overall total of £469 million and the Contract may run until 2035, if extended.

- Extension Option: up to an additional 60 months and a value of up to a maximum of £239 million.
- Scale up Option (value extension only): up to £100 million over the life of the Contract (including the Extension Period).

### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

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## Section IV. Procedure

### IV.1) Description

#### IV.1.1) Type of procedure

Open procedure

#### IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

### IV.2) Administrative information

#### IV.2.1) Previous publication concerning this procedure

Notice number: [2024/S 000-022375](#)

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## Section V. Award of contract

### Contract No

ecm\_7167

### Title

Investment in Forests and Sustainable Land Use Phase II (IFSLU2) Programme - Component 1 and 2

A contract/lot is awarded: Yes

### V.2) Award of contract

#### V.2.1) Date of conclusion of the contract

29 January 2025

#### V.2.2) Information about tenders

Number of tenders received: 2

Number of tenders received from tenderers from non-EU Member States: 1

Number of tenders received by electronic means: 2

The contract has been awarded to a group of economic operators: No

#### **V.2.3) Name and address of the contractor**

Palladium International Ltd

16th Floor, Hylo, 105 Bunhill Row

London

EC1Y 8LZ

Country

United Kingdom

NUTS code

- UK - United Kingdom

National registration number

02394229

The contractor is an SME

No

#### **V.2.4) Information on value of contract/lot (excluding VAT)**

Total value of the contract/lot: £129,744,000

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## **Section VI. Complementary information**

### **VI.3) Additional information**

Please note that this Contract was awarded under Light Touch Regime, however this FTS Notice does not allow for the selection of the correct procedure type. Procedure defined under regulations 74 to 76 of Section 7 Social and Other Specific Services of Chapter 3 Particular Procurement Regimes, Public Contract Regulations 2015 (Light Touch Regime) therefore the Open procedure has been selected.

**VI.4) Procedures for review**

**VI.4.1) Review body**

Foreign Commonwealth and Development Office (FCDO)

King Charles Street

London

SW1A 2AH

Country

United Kingdom

**VI.4.2) Body responsible for mediation procedures**

Foreign Commonwealth and Development Office (FCDO)

King Charles Street

London

SW1A 2AH

Country

United Kingdom

**VI.4.4) Service from which information about the review procedure may be obtained**

Foreign Commonwealth and Development Office (FCDO)

King Charles Street

London

SW1A 2AH

Country

United Kingdom

