07/07/2026

Invitation to Tender – Audit services

Projects:	1) Technical Assistance Project Portfolio Manager (PPM) 2) Facilitation
Tender for:	The 2 Projects, part of Forest Governance, Markets and Climate – Phase 2 (FGMC2) programme, are looking for audit services as per ToR.
Activity Number	N/A
The Company:	Palladium International Limited (PIL)
Closing Date and Time:	7 August 2026 – 23:59
Contact Person:	Annie Levy, Finance and Portfolio Officer
Details for submission:	We encourage organisations to register interest ASAP. We will share clarification responses and any other updates with organisations that express interest. Documents should be named in the following convention for submission: 1) Technical submission: OrganisationName_TECHNICAL 2) Commercial submission: OrganisationName_COMMERICIAL All final submissions to be sent to the Contact Person through the delivery email address by the closing date and time.
Tender Validity Period:	60 days
Number of Hard Copies of Tender:	N/A
Delivery Address:	Submission at annie.levy@thepalladiumgroup.com
Jurisdiction	United Kingdom
Contract term:	3 years.
Pricing validity:	Tendered fees shall remain fixed for the full 3-year contract term unless otherwise agreed in writing.

Thank you for your interest in the above procurement. As the managing contractor for the Projects, the Company invites you to tender for this activity. This pack includes:

- Part 1: Terms of Reference (TOR) with Annex 1.1 and 1.2.
- Part 2: Conditions of tender
- Part 3: Technical and financial selection criteria
- Part 4: Client Terms and Conditions
- Part 5: Standard contract template which the successful tenderer is required to sign once the agreed commercial terms have been included.
- Part 6: Declaration by Tenderers

Please forward your Tender in accordance with the Details for Submission above by the Closing Date and Time: 7 August 2026 – 23:59.

I look forward to your response. If you have any queries, please do not hesitate to contact me by e-mail annie.levy@thepalladiumgroup.com.

Yours sincerely,

Annie Levy

Finance and Portfolio Officer

Part 1 – Terms of reference

1. Background

The **Forest Governance, Markets and Climate** – Phase 2 (FGMC2) is a major FCDO programme running from 2024–2029 with an anticipated total value of £500m over 10 years. It aims to reduce illegal and unsustainable use of forest resources while supporting poor, forest dependent communities, and promote reforms that enable sustainable, equitable forest management.

FGMC2 delivers its objectives through three core components:

- Component I – Partnerships with Tropical Producer Countries
- Component II – Forest Footprint Alliances with Consumer Markets
- Component III – Global Forest Governance

FGMC2 uses five delivery instruments (see Figure 1), coordinated to ensure agility and coherence across complex countries and markets.

Palladium currently deliver two delivery instruments:

1) **Technical Assistance Project Portfolio Manager (PPM).** A Palladium team currently mobilise, contract manage, oversee and de-risk a portfolio of 5 country-specific TA projects. Palladium project specific teams deliver the TA Projects in Cameroon, China, Ghana, Indonesia and Liberia. They are responsible to deliver the TA Projects within agreed timelines, quality standards, and budget parameters.

2) **Facilitation.** Provides politically astute, skilled, and impartial facilitation support to government-led, multi-stakeholder forest governance reform processes, at the invitation of partner governments, in order to encourage inclusive, transparent, and well-informed stakeholder deliberations that support policy and legal reform decision-making.

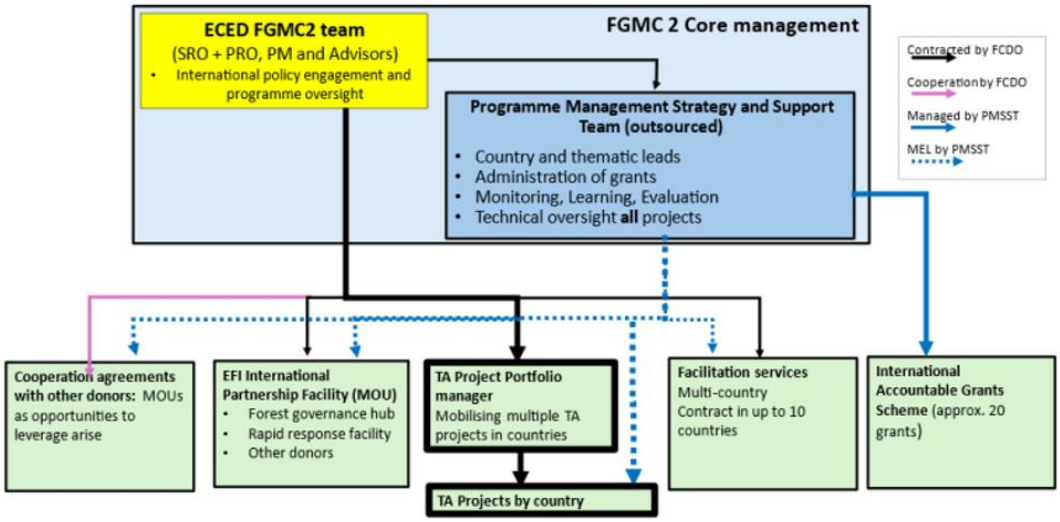

Figure 1: FGMC2 Governance Structure

2. Scope of work

Detailed Terms of Reference are available for the PPM (Annex 1.1) and Facilitation (Annex 1.2).

3. Contract duration

The successful supplier will be awarded a contract for a three-year period covering the annual audit requirements of the PPM and Facilitation projects.
Tenderers must provide pricing for all three years of the contract. Quoted fees shall remain fixed for the duration of the three-year contract.
At the end of the three-year period, Palladium reserves the right to undertake a new competitive procurement process for future audit services.

Part 2 – Conditions of tender

1. Tender content

1.1. The tender must contain the following:
- 1.1.1 a cover letter (no longer than 1 page) to the tender for the activity (specify the Activity number), including the signed declaration contained in Part 6;
- 1.1.2 a technical submission (in the form detailed in Part 3);
- 1.1.3 a financial submission (in the form detailed in Part 3).

1.2. Every Tender needs to state in the submission:
- 1.2.1 in the case of an individual, full or given names, surname and address;
- 1.2.2 in the case of a trust, the full names and addresses of each trustee of the trust;
- 1.2.3 in the case of a company, NGO or other registered entity, the full name of the entity, the address of the registered office of the entity, the relevant registration number and a copy of the certificate of registration; and
- 1.2.4 If relevant, a list (including CVs if requested) of all the nominated personnel expected to contribute to the performance of the TOR, including their names, surnames, title of their position and their proposed level of effort.

1.3. Tenders are to be written in English, Arial font 12

1.4. 'The Tenderer' (where capitalised) means the person or organisation to whom this invitation has been sent, the person or organisation responding to this invitation (as applicable). Depending on the context, an uncapitalised version of 'tenderer' may also refer to the Tenderer.

2. Tender Assessment Process

2.1. Tenders must comply with the requirements of the TOR. Failure to submit a Tender including the information required by the TOR (or this Tender generally) will factor into The Company's assessment of the level of compliance of the Tender and may result in rejection of the Tender.

2.2. The Company will evaluate Tenders on the following basis:
- 2.2.1 a technical assessment;
- 2.2.2 a financial assessment;
- 2.2.3 any other factors which may impact on the Tenderer's potential performance.

2.3. The Company reserves the right:
- 2.3.1 to accept or reject any tender, and to annul the tendering process thereby rejecting all tenders, at any time prior to the award of contract at its sole discretion;
- 2.3.2 to cancel or vary the Invitation to Tender process at any time whether before or after the closing date;
- 2.3.3 to reject any tender that does not adhere to the structure and content requirements as outlined in these Terms and Conditions;
- 2.3.4 to recall tenders from any source including those tenderers who have already submitted tenders, without thereby incurring any liability to the affected Tenderer or Tenderers or any obligation to inform the affected Tenderer or Tenderers of the grounds for this action;
- 2.3.5 to accept Tenders for the whole or any part of the requirement;
- 2.3.6 to require that tenderers submit to the Company's Due Diligence process prior to or after the submission of Tenders; and
- 2.3.7 to negotiate with the most favourable tenderer should it be deemed that the offered prices are unreasonable or greater than the targets set in the planning process.

2.4. The Company shall not be bound by any advice given or information furnished by it.

2.5. The conduct of this Invitation to Tender is not intended to give rise to any legal or equitable relationship.

2.6. Any inducements and rewards intended to influence the outcome of the Tendering process will result in Tenderer's immediate suspension from the process.

2.7. Your Tender will be valid for the Tender Validity Period specified on p.1.

3. Technical Assessment

3.1. The Technical Assessment will be undertaken by an internal procurement committee.

3.2. The Company may specify weighting for assessment criteria in Part 3.

4. Financial Assessment

4.1. Following consideration of the technical merit of Tenders, a like-for-like price assessment may be undertaken by The Company of the Tenders assessed as technically suitable.

4.2. Tenderers should note that financial submissions for those Tenders assessed by the Procurement Committee as not technically acceptable will not be subject to financial assessment.

4.3. Unless otherwise specifically stated, prices quoted must be provided as a fixed maximum price and show the tax exclusive price, the tax component and the tax inclusive price.

4.4. The contract price, which must include any and all other charges and costs, will be the maximum price payable by the Company for the Goods and/or Services.
4.5. Additionally, if requested by the Company, potential suppliers must be able to demonstrate their financial stability and ability to remain viable as a provider of the Goods and/or Services over the term of any agreement.
4.6. If requested by the Company, the potential supplier must promptly provide the Company with such information or documentation as the Company reasonably requires in order to evaluate the potential supplier's financial stability.

5. Acceptance of Tenders

5.1. The Company is not bound or required to accept the lowest priced Tender or any Tender.
5.2. A Tender will not be deemed to be accepted unless and until a Contract in the form listed in Part 6 is signed by the Company and the Tenderer (with the agreed commercial terms included).
5.3. The Company reserves the right to enter into negotiation with any other tenderer if contract negotiations cannot be concluded with the preferred Tenderer.

6. Alternative Tenders

6.1. The Company reserves the right to accept and consider alternative Tenders providing they:
  6.1.1 are submitted with a compliant Tender;
  6.1.2 clearly identify the differences and improvements offered.

7. Non-Compliant Tenders

7.1. Tenders will be regarded as non-compliant if they do not comply with any part of the requirements of this Invitation to Tender.
7.2. The Company may, however, in its absolute discretion evaluate any non-compliant Tender.

8. Lodgement of Tenders

8.1. It is the responsibility of the Tenderer to ensure that the Tender is received by the Company by the closing date and time prescribed in this Invitation to Tender. A Tender lodged after the closing date is a late Tender.
8.2. A late Tender will normally not be considered unless it can be demonstrated by the Tenderer that the Tender would have arrived at the tender point by the required date and time as prescribed in this Invitation to Tender but, for reasons proven by the Tenderer, it did not. The Company may allow a late Tender to be assessed at its absolute discretion.
8.3. The Company will not consider or entertain any queries about a decision to assess or reject a late Tender.

9. Tenderer Costs

9.1. Tenderers are responsible at their own cost to:
  9.1.1 make all arrangements and obtain and consider all information relating to the TOR;
  9.1.2 prepare, deliver and lodge their tender;
  9.1.3 deal with any issues, including disputes, that may arise out of the tendering process.

10. Confidentiality

10.1. The Tenderer acknowledges that in the course of this Tender, it may become acquainted with or have access to the Company's Confidential Information (including the existence and terms of this Tender and the TOR). It agrees to maintain the confidence of the Confidential Information and to prevent its unauthorised disclosure to any other person.
10.2. The Tenderer will not disclose or use any Confidential Information except to the extent that such disclosure or use:
  10.2.1 is strictly necessary for submitting the Tender;
  10.2.2 is required by relevant laws;
  10.2.3 is authorised by prior written approval from the Company; or
  10.2.4 occurs after the Confidential Information already is or comes into the Tenderer's possession (or in the public domain) otherwise than pursuant to this Tender, pursuant to a separate confidentiality undertaking by the Tenderer or a third parties' (or that parties') unauthorised disclosure.
  10.2.5 If the Tenderer is required to disclose Confidential Information due to a relevant law or legal proceedings, it will provide reasonable notice of such disclosure to the Company.
  10.2.6 The parties agree that this obligation applies during the Tender and after the completion of the process.

11. Request for Information

11.1. Any prospective tenderer may within a reasonable time before the closing date request information on any point of clarification in this Tender. The information requested shall be given in writing by the Company as soon as practicable. Where in the opinion of the Company the information could have an effect on other tenderers, that information may at the Company's sole discretion be given in writing to all known prospective tenderers.

12. Business Partner Code of Conduct

12.1. Tenderers shall comply with the Company's Business Partner Code of Conduct in the submission of any tenders. The Code is currently available at thepalladiumgroup.com/policies.

13. Unsuccessful Tenders

13.1. Unsuccessful Tenders will be notified in writing and shall be entitled to feedback regarding their tender.

14. Tenderer Acceptance of Conditions

14.1. A Tender lodged in response to this Invitation to Tender does so with agreement to these Conditions of Tender unless any departures from these Conditions are detailed in the cover letter of the submission. The Company reserves the right to reject any departure from these Conditions of Tender, and thereby determine that the tender submission is non-conforming for that reason.

15. Conflict of Interest

15.1. Tenderers must notify the Company immediately if any actual, potential or perceived conflict of interest arises (a perceived conflict of interest is one in which a reasonable person would think that the person's judgement and/or actions are likely to be compromised, whether due to a financial or personal interest (including those of family members) in the procurement or the Company).

16. Inconsistencies

16.1. If there is inconsistency within this ITT, the following order of precedence shall apply:

16.1.1 these Terms and Conditions;
16.1.2 the Cover Page of this ITT; and
16.1.3 Part 4 – Client Terms
16.1.4 Part 5 – Standard Contract
16.1.5 Part 1 – Terms of Reference
16.1.6 Part 3 – Financial Assessment Selection Criteria
16.1.7 Part 3 – Technical Assessment Selection Criteria
16.1.8 the Schedule

so that the provision in the higher ranked document will prevail to the extent of the inconsistency.

17. Jurisdiction

17.1. This Tender process shall be subject to the laws of the Jurisdiction.

17.2. The Supplier and the Company will use their best efforts to settle amicably any dispute, controversy, or claim arising out of, or relating to this Agreement or the breach, termination, or invalidity thereof.

17.3. If no agreeable settlement can be found, any dispute, controversy, or claim arising out of or relating to this Agreement or the breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules in effect on the date of this Agreement. The appointing authority shall be the Secretary-General of the Permanent Court of Arbitration. The Parties will be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute.

17.4. The place of arbitration shall be the headquarters location of Company at the time the claim is filed and the language of the arbitration will be English. The relevant laws shall be the laws of the Jurisdiction.

17.5. Should the claim involve a State, a State-controlled entity, or an intergovernmental organization, the case shall be administered by the International Bureau of the Permanent Court of Arbitration.

Part 3 – Technical and financial selection criteria

Requirements for the Technical Submission
The Technical Submission must:
1. be in a type font of no less than 12 points;
2. be in a single column format;
3. be ten pages or less in length;
4. be a single submission responding to both PPM and Facilitation audit requirements. Please ensure to showcase efficiencies in the event the firm is awarded both the PPM and Facilitation project audits contracts.
5. attach up-to-date CVs (no longer than 2 pages) for key staff involved in the audit services.

Requirements for the Financial Submission
1. **Pricing structure** - All prices must be fully inclusive of all costs, including personnel fees, reimbursables (e.g. travel and subsistence), and any applicable taxes.
2. **Required quotations** - The financial submission must clearly present:
   a. Annual audit fee for PPM project.
   b. Annual audit fee for the Facilitation project. Combined annual audit fee if both contracts are awarded,
   Fees should be provided for each contract year and should remain fixed for the duration of the contract (3 years).
3. **Currency** - All costs must be quoted in GBP (£).

Scoring Methodology
Tenders will be evaluated on a 'highest overall financial and technical score' basis.
The Technical weight is 80% (up to 500 points), the financial weight is 20% (up to 125 points).

Technical Evaluation
The Technical Evaluation places emphasis on the degree of confidence the evaluation team has in the Technical Response content and the extent to which an organisation has demonstrated the effective delivery of the outputs and requirements set out in the Terms of Reference. The following 4 Technical Criteria have been identified.

Detail	Weighting
1. <u>Knowledge and Understanding</u> Clear understanding of the projects, the assignment expectations, objectives and scope of the audit. This includes providing assurances on timely planning, involvement of relevant projects team members and where possible, tailored approach to the development sector and/or Palladium systems. Limit response to **2 sides of A4**.	10%
2. <u>Audit Approach and Strategy</u> Ability to provide a proportionate approach to dealing with the assignment, including any tools, strategies and timelines. This includes detailing: (a) approach to collecting and reviewing audit documentation, (b) planning high quality analytical review c) details on the sampling approach and (d) ability to balance and manage evidence, with clear systems to make informed decisions and challenges. Limit response to **4 A4 pages.** A detailed project plan may be attached as and additional annex in PDF or Excel format.	30%
3. <u>Staff Capacity and Resources</u> Appropriate resources covering all the skills and time needed, with full assurances that sufficient time is available and ability to deal with complex risk areas if necessary. The factors to consider here include: (1) Qualifications of the Team; (2) Combined experience in the Team with similar, relevant experience; (3) Number of members within the audit firm to provide backup, niche or surge support to those on the assignment (4)	30%

Options for peer review (5) appropriate oversight and direction with clear communication and reporting channels (6) ability to commit to a stable audit team throughout the three-year contract period in order to maximise efficiency and reduce transition costs. Limit response to **2 A4 pages**. Pen profiles are subject to page limit. CVs (not more than 2 pages each) are additional and not included in the page limit.	
4. <u>Relevant Experience</u> Past experience in auditing (a) Global FCDO programmes, (b) Working on a multi-year audit approach. (c) other donor programmes similar in nature to PPM and Facilitation. Experience should show successful completion of relevant audits within the proposed team. Additionally, any lessons learned or different approaches applied for these types of audits should be captured Limit response to **2 A4 pages**.	30%

Technical scoring.
A maximum of 500 points can be scored across the 4 technical criteria. A score of 0-5 (see table below) will be given to the Tender's response to each Technical Criteria. The score given to the response of each criteria identifier will be multiplied by the weighting corresponding to that criteria identifier. The multiplication will result in the final score the Tender receives for each criteria identifier.

The final score on the Technical component must be at least 370 or above for the tender to progress to the commercial evaluation (otherwise the bid will be rejected).

Score	Scoring Description
5	Demonstrates **expert** understanding of Terms of Reference and proposes **excellent and accurate** solutions which address **all** requirements, and which are innovative where appropriate. Responses are **excellently tailored** to the customer's requirements in **all aspects**. Level of detail and quality of information provides the **highest degree** of confidence in certainty of delivery.
4	Demonstrates a **very good** understanding of **the majority of** issues relating to delivery of the Terms of Reference. Responses are **relevantly tailored** to the customer's requirements in **the majority of aspects**. Provides sufficient detail and quality of information to give a **strong** level of confidence that they will deliver.
3	Demonstrates **a good** understanding of **many** of the issues relating to the delivery of the Terms of Reference. Responses are **reasonably tailored** to the customer's requirements for **many of the aspects**. Provides a **good level** of detail and quality of information to give **a good level** of confidence that they will deliver.
2	Demonstrates a **satisfactory** understanding of **some** of the issues relating to delivery of the Terms of Reference. **Only some appetite to tailor** to customer's requirements where required. Provides **only some level** of detail and quality of information to give **only some level** of confidence that they will be able to deliver.
1	Demonstrates a **poor** understanding of the issues relating to delivery of the Terms of Reference. **Poor appetite to tailor** to the customers' requirements where required. Generally, an **unsatisfactory** and a **low level** of quality information and detail leading to a **low level** of confidence that they will deliver.
0	**Complete failure** to address all material requirements of the Terms of Reference. **No tailoring** of responses to meet customer requirements. **No** quality responses providing **no** confidence that they will deliver.

Commercial Criteria

The commercial evaluators will review all sections of the Commercial Response, including ensuring there is consistency of content with these submissions and all other aspects of your Tender.

The only commercial criteria is the total audit cost.

Commercial Scoring

A maximum of 125 points can be scored on the Commercial side. The cheapest supplier will be scored 125 points, the other suppliers score will be based on this formula:

Evaluation of financial offer = (Best Offer price / Actual Price) * 125

Total scoring

The total scoring will combine the technical and the commercial scoring. The suppliers with the highest overall financial and technical score will be awarded the contract, subject to completing the due diligence checks.

Here an illustrative example:

Weighted criteria	Weight	Max score	Supplier A		Supplier B		Supplier C	
Knowledge and Understanding	10%	50	5	50	5	50	4	40
Audit Approach and Strategy	30%	150	4	120	5	150	4	120
Staff Capacity and Resources	30%	150	4	120	4	120	4	120
Relevant Experience	30%	150	3	90	4	120	4	120
Technical score		500		380		440		400
Commercial score		125	£5,000	125	£6,000	104	£8,000	78
Total		625		505		544		478

In this example, Supplier B will be awarded the contract as it provides the highest overall financial and technical score of 544 out of 650 points.

Part 4 – Client Specific Provisions

Subcontractors and Consultants will be required to comply with the terms of the Head Contract for the Project, including the FCDO Standard Terms and Conditions and any additional terms advised by the Company.

Part 5 – Standard Contract Template

Services Agreement

See Standard Contract in Annex 5.

Part 6 – Declaration by Tenderers

Tenderers shall submit their tender with the following declaration:

I declare that to the best of my knowledge the answers submitted and information contained in this document are correct and accurate.

Where requested by the Company, I/We will promptly provide the certificates or other documents referenced in this ITT.

I/We understand that any information given by us will be relied on and used by the Company to assess my/our suitability to participate further in this potential procurement.

I understand that the Company may reject my/our Tender if it is non-compliant, or false/misleading in any way.

Where this statement is being provided by an individual on behalf of the Company, that individual has the necessary corporate authorisation to provide the declaration on behalf of the Company.

I / We have not communicated to any person other than the Company the amount of any tender, adjusted the amount of any tender by arrangement with any other person, made any arrangement with any other person about whether or not I / we or that other person should tender, or otherwise colluded with any other person in any manner whatsoever, and undertake that at any time thereafter in the tendering process for the above.

I/We have not engaged in any behaviour which has or could contravene Bribery Act 2010 (UK), the Foreign Corrupt Practices Act (US) or any similar legislation.

I/We have not provided or offered any payment, gift, item, hospitality or any other benefit to the Company, its employees, consultants, agents, subcontractors (or any other person involved in the decision-making process relating to this tender) which could give arise to a perception of bribery or corruption in relation to the Tender or any other dealings between the parties.