

**Annex A: Terms of Reference**

**Request for Proposal to develop Legacies and Bequests strategy and advice on its  
implementation for Leadership Giving  
Private Sector Partnership UNHCR**

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## 1 Introduction

### 1.1 Background

#### **UNHCR [www.unhcr.org](http://www.unhcr.org)**

UNHCR, the UN Refugee Agency, is the world's leading organization dedicated to saving lives, protecting rights and building a better future for refugees.

UNHCR operates in the field in over 128 countries, using its expertise to protect and care for refugees, returnees, internally displaced people and stateless persons.

UNHCR leads international action to protect people forced to flee their homes because of conflict and persecution. It delivers life-saving assistance like shelter, food and water.

#### **Global refugee situation:**

Forced displacement, most of it arising from war and conflict, has risen sharply in the past decade, largely a result of the Syria crisis, but also due to a proliferation of new displacement situations and unresolved old ones. Some 65.3 million people are today forcibly displaced, of which 21.3 million are refugees who have been forced to flee across international borders, and the rest are people displaced within their own countries.

#### **Private sector partnerships (PSP):**

UNHCR is almost entirely funded by voluntary contributions from governments and private donors. In 2017, UNHCR needs USD 7.309 billion for its global work. This amount is set to grow with current conflicts fuelling displacement.

UNHCR has the fastest growing international private sector fundraising programme in the world with ambitious targets. By 2018 UNHCR aims to raise US\$500 million from 2.5 million donors and to have 5 million supporters.

In 2015 private sector fundraising contributed 8% to the overall budget of the organisation with the rest coming from governments. UNHCR has private sector fundraising programmes in 27 countries, including the UK, Italy, South Korea, Hong Kong, Canada, Mexico and Brazil.

In six of these countries, UNHCR has partnerships with independent charitable organizations (known as: National Partners). National Partners raise funds for UNHCR and awareness of the refugee cause. They use the UNHCR brand for fundraising purposes and engage directly with donors. UNHCR National Partners operate in: Australia (Australia for UNHCR), Germany (UNO Flüchtlingshilfe), Japan (Japan for UNHCR), Spain (España con Acnur), Sweden (Sweden for UNHCR) and the USA (USA for UNHCR).

Funds are raised through individual giving programmes (small donations from individual donors who are reached through face-to-face fundraising, digital outreach, direct television



programming, etc.) and leadership giving programmes (large donations from partnerships with corporations, foundations and philanthropists). Diversifying UNHCR's fundraising operations through these two sources, helps ensure that they are cost-effective, flexible and have maximum impact.

### **Individual Giving**

Individual giving is defined as voluntary income given by individual members of the public up to a cumulative value of \$10,000 in a year. Individual Giving accounts for 65-70% of PSP's total income raised annually equating to approximately \$220 million in 2016.

PSP has achieved rapid growth since 2008 recruiting donors primarily via face-to-face (on the street canvassing), though in recent years greater emphasis has been placed on recruiting donors through digital channels and DRTV. Approximately two thirds of donors globally are recruited directly on to monthly/sustained giving and by the end of 2016 there were 1.7 million active (donated in last 12 months) donors globally.

With such a large donor base in place there is a requirement to improve donor retention and increase average value per donor through donor development. In recent years fundraising agencies have been used by the International Individual Giving team at a global level to support Individual Giving activity, and in some circumstances at a market level to develop and implement specific campaigns.

### **Leadership Giving**

Leadership giving (LG) involves larger contributions (USD10,000+) from foundations, corporations, major donors and philanthropists. As a funding source, leadership giving has greater income growth potential, but is less predictable and sustainable, and is often more tightly earmarked to the thematic or geographic priorities of partner making the contribution. About 35 to 40 per cent of UNHCR's PSP income comes from leadership giving.

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## **1.2 Statement of Purpose & Objectives**

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UNHCR invites agencies to submit proposals to provide expert consultant support to develop Legacies and Bequests strategy and advice on its implementation. The Frame Agreement will be signed with the successful bidder(s) for two (2) years and will be extended at the sole discretion of the UNHCR for additional one (1) year.

In case of multiple agreements, UNHCR may invite Frame Agreement holders to compete for each campaign through Secondary Biddings.

Agencies can submit a proposal that responds to:

- Legacy marketing and stewardship to high level donors
- and
- Planned giving and stewardship to high-net worth individuals



Qualified vendors are requested to submit proposal for both services.

The growth in income secured from the private sector by UNHCR since 2006 has been dramatic and according to iNGO data, makes it the fastest growing private sector division amongst its peers with a growth rate of 33% p.a. over the last 5 years. The ambition is to sustain this momentum with a vision to grow into a service capable of generating \$1bn annually.

The Private Sector Partnership service (PSP) has driven its growth by being strategy-focused. It is now midway through a transformational global strategy which runs from 2014-18. A review of the development and implementation of this strategy completed in June 2016, identified areas of learning to be addressed in the development of the next strategy that will take UNHCR to achieving its \$1bn vision.

This is an enormous challenge and PSP will seek support to provide expert knowledge in developing transformational fundraising strategies and expertise in methodologies for bespoke legacies and bequests marketing approach to HNWI and Top Donors, as well as cultivation and stewardship of high value gifts initiatives.

The development of legacies and bequests contributes to the PSP global vision by offering supporters the opportunity to give significant sums of un-earmarked income at the end of their donor journey with UNHCR.

Other iNGOs are already investing in legacy and bequests marketing – for instance in 2014, legacy income in MSF generated in excess of USD 100 M, in WWF in excess of USD 80 M and in SOS in excess of USD 160 M, suggesting that the size of this opportunity is significant.

Therefore legacies are an undeveloped income stream for PSFR that offers sizable un-earmarked income opportunity that will build over the next 5-10 years. Long term, by 2025, legacy income will have risen to represent 5% to 7% of UNHCR's PSP income.

Over recent years, UNHCR has successfully built large donor files in different countries, a trend that will continue due to current rate of investment in acquisition programs. Furthermore, stewardship has become an increasingly important concept in UNHCR, and legacy marketing naturally falls into this category.

UNHCR has a size advantage that can be leveraged to invest in legacy marketing on a global scale and has capacity to sustain that investment over time with an integrated IG-LG approach. The volumes of available donors as legacy prospects, the variety of markets UNHCR fundraise in, the network of fundraisers and their different expertise, means that robust testing of different messages, channels and techniques can be undertaken in a systematic way, and that best practice examples can be shared at different markets become ready to take legacy marketing further.



LG donors are strong prospects for the legacy proposition as these have already demonstrated a strong commitment to UNHCR and being asked for a legacy pledge should be included as part of their stewardship program. Where appropriate, the legacy ask should also be positioned as part of the donor's planned and tax efficient giving (planned giving).

**Objectives:**

The objectives are:

- To increase legacy and planned giving income from existing high-level supporters
- To provide quality stewardship to legacy pledgers and planned givers
- To raise 5% to 7% of total private sector income from legacies and planned giving by 2025.

Audiences:

1. Primary audiences:

- a. Warm files
  - i. Active middle donors – donating between USD 5,000 and up to USD 10,000 segmented by age group and sex
  - ii. Active major donors – donating more than USD 10,000 segmented by age group and sex
- b. Lapsed donors

2. Secondary audiences:

- a. Intermediaries (legal representatives, notary, lawyers, financial planners and advisors) - non-financial supporters
- b. Top donors and high net worth individuals
- c. The general public receptive to a legacy proposition

LG donors (active and lapsed) are strong prospects for the legacy proposition as they have already demonstrated a strong commitment for UNHCR and being asked a legacy pledge should be included as part of their stewardship program.

Where appropriate, the legacy ask should also be positioned as part of the donor's planned and tax efficient giving (planned giving).

## 2 Requirements

### 2.1 Core requirements

For Leadership Giving we are looking for a partner agency to develop/provide:

#### 2.1.1 Strategic support

- Provide strategic advice to support the development of bespoke legacy and bequests fundraising strategies for targeted audiences - communications, case of support, cultivation and pledger stewardship / legacy cycle (including donor journeys for top donors), tools and materials;
- Advise on implementing through the PSP network of national partners and country operations;
- Provide expert guidance in agile methodologies to enable PSP to develop and pilot a new approach to delivering.
- Best practice guidance.

#### 2.1.2 Analysis and evaluation

- Perform research (legal environment, competition, statistics and the marketplace) with the aim of building a pool of knowledge which proposes a hierarchy of best prospects from warm files;
- To provide data analysis and post campaign analysis, including recommendations to support future activity.

#### 2.1.3 Industry leading development

- Develop industry leading, stand out creative from concepts through to finished artwork and may encompass a number of assets, both digital and non-digital.

### 2.2 Scenario and financial offer

It is anticipated that there will be one (1) global campaign per year and up to five (5) local campaigns per year working with specific markets. Global campaigns/projects will be primarily developed in English.

Please use Annex B (Financial offer form) to provide your financial proposal. Please provide a quotation to develop a global campaign around legacy and bequests fundraising strategy for targeted audience.

2.1.1 Quote to cover strategy development and implementation based on best practice

2.1.2 Quote to cover research and data analysis

2.1.3 Quote to cover the development of assets, both digital and non-digital

Please only include the rates for the roles and the number of days required to carry out the activities for each section.

The above rates will be used for comparison purposes.

### 2.3 Other services, required for the performance of the key requirements

Agencies are expected to:

- Bring significant knowledge and a proven track record of developing successful and transformative fundraising legacies and bequests campaigns and products.
- Understand the parameters when creating fundraising and marketing campaigns and products across a number of markets: adaptability, language, culture etc.

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## **2.4 Considerations**

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UNHCR has a size advantage that can be leveraged to invest in legacy marketing on a global scale and has capacity to sustain that investment over time with an integrated IG-LG approach. The volumes of available donors as legacy prospects, the variety of markets UNHCR fundraise in, the network of fundraisers and their different expertise, means that robust testing of different messages, channels and techniques can be undertaken in a systematic way, and that best practice examples can be shared as different markets become ready to take legacy marketing and planned giving further.

It is anticipated that there will be a phased global roll out of legacy and bequests campaigns working with specific markets.

### Skill-set

Though a level of legacy marketing/planned giving is undertaken by a number of markets, there is a relative lack of expertise within UNHCR and its fundraising partners, and to date, PSP has not provided training or materials for legacy marketing or planned giving.

### Composition of database

Donor acquisition has been largely premised on face-to-face techniques in many markets, resulting in those databases having a younger age profile. In recent years there has been greater emphasis on digital recruitment (also a younger profile) and DRTV bringer in a slightly older age profile. Some markets have maintained a cash-based cold direct mail program recruiting a more traditional charity donor.

Systematic major donor programs to acquire and steward the low tier of the High Net Worth Individuals spectrum (USD 10.000 to USD 499.000) are currently in place in Germany, Spain, Italy, Sweden and USA.

Some Top Donors (ultra HNWI) are managed by markets, others are managed globally. Most of them have an honorary title bestowed by UNHCR.

### Culture

There are specific cultural issues that can make legacy marketing harder. This is especially true in Asian markets and Islamic cultures, where legacies are still considered to be a taboo subject or where legacy marketing is not an established practice. Different markets also have different legal and tax issues which influence both motivations for giving through a will, as well as positioning of promotional messages about the benefits of this way of giving.



### Awareness

There is low brand awareness in most markets which may make promoting legacies to a cold audience more challenging.

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### **2.5 Customer Responsibilities**

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UNHCR is responsible for providing the following:

- If in the Statement of Work (SoW) and purchase order (PO) resulting from the RFP travel is requested, UNHCR shall reimburse travel expenses. Travel and terminal expenses incurred by the Contractor's personnel shall be reimbursed by UNHCR in the amount of the actual expenses incurred by the Contractor's personnel as evidenced by original supporting document, provided however that UNHCR shall not be liable to reimburse travel expenses incurred in excess of the amount indicated in the relevant purchase order. The maximum amount permitted for travel in any purchase order shall be based on the cheapest economic airfare available as determined by the UNHCR Travel Unit.
- Access to PSP financial data, supporter data and fundraising results will be provided as required under terms of strict confidentiality only to the winning agencies.
- Meeting deadlines for approvals set in collaboration with the agency, providing timely feedback and dedication to a collaborative and creative approach to project delivery.

### **3 Content of the Technical Offer**

Your Technical proposal should be concisely presented and structured in the following order to include, but not necessarily be limited to, the following information:

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#### **3.1 Company Qualifications**

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- A description of your company with evidence of your company's capacity to perform the services required, including:
  - Company profile,
  - Registration certificate
  - Last audit reports
- Experience of developing fundraising and stewardship programs for Leadership Giving audiences.
- Experience developing global (international) fundraising and stewardship programs.
- You are requested to provide a client list and from this list three (3) references that we may contact.

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#### **3.2 Proposed Services**

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- Demonstration that your company has a track record in delivering industry leading legacy best in class legacy and bequests products, supporting materials and strategies.
- Clear demonstration through case studies that your company has provided a number of the projects outlined under 'Requirements' in Section Two (2)
- Clear demonstration through case studies that you have delivered services across a number of markets internationally, particularly those where PSP undertakes Leadership Giving fundraising and stewardship, and that you understand the complexities of this.
- Outline your company's approach to delivering best in class agency/client service.

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#### **3.3 Personnel Qualifications**

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A list of the core staff to be assigned to the UNHCR account.

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#### **3.4 Vendor Registration Form**

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If your company is not already registered with UNHCR, please complete, sign, and submit with your Technical Proposal the Vendor Registration Form (Annex C).

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#### **3.5 Applicable General Conditions**

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Please indicate your acknowledgement of the UNHCR General Conditions of Contract for the Provision of Services (Annex D) including it in your submitted Technical Proposal.

## 4 Evaluation

### 4.1 Technical Evaluation

The **Technical offer** will be evaluated using the following criteria and percentage distribution, **70%** from the total score.

1. Company Qualifications (20%)	<ul style="list-style-type: none"> <li>- Time in business (5%)</li> <li>- Experience of developing campaigns/projects of similar nature (10%)</li> <li>- Overall international fundraising experience (5%)</li> </ul>
2. Quality of service (40%)	<ul style="list-style-type: none"> <li>- Overall comprehensiveness of the written proposal against these TORs (20%)</li> <li>- Demonstration through recent examples/case studies/topline results that you have undertaken similar projects as outlined in these TORs (20%)</li> </ul>
3. Project staff (10%)	<ul style="list-style-type: none"> <li>- Seniority and expertise of the key staff assigned to the account (10%)</li> </ul>
Total	Max.:70

Agencies will be asked to deliver a presentation on their proposal and to introduce the team members who will work with UNHCR via web/teleconference.

The minimum passing scores of the evaluation is 42 out of 70; if a bid does not meet these minimums it will be deemed technically non-compliant and will not proceed to the financial evaluation.

## **5 Key Performance Indicators**

### **5.1 Performance Evaluation**

UNHCR will monitor the performance of the selected suppliers on a regular basis. Among the performance indicators, UNHCR will include the following:

- Quality of creative for campaigns and products
- Being culturally attuned to working across a number of markets
- Timely delivery of campaigns and products.
- Quality of account management service.
- Overall impact of the campaigns and products developed.