



## CALL FOR PROPOSALS

**from business support organizations and service providers**

**to develop digitalized tool in wood processing industry**

### 1. Background & Rationale

The Productivity Ecosystems for Decent Work Project (PE4DW), launched by the ILO Vietnam aims at addressing constraints to productivity growth and decent job creation. The Project started in April 2022 and will run until the end of 2025 supporting the wood processing and machinery sector.

A key focus of the project involves fostering digitalization as one of its primary intervention areas. This approach entails piloting effective digital tools in a select number of enterprises, followed by the dissemination of best practices to the broader business community. Collaborative efforts with industry associations such as HAWA, BIFA, FPA, and DOWA have been instrumental in identifying impactful interventions to support enterprises within the sector.

The project is seeking a partner to develop a digitalization system specifically tailored to enhance the management of the log cutting and drying stages in wood processing factories. This initiative is a pivotal step towards advancing the sector's technological capabilities and optimizing operational processes for improved productivity and efficiency. Interested partners are encouraged to join in this collaborative effort to contribute to the project's overarching goals.

### 2. Objective/purposes

- To develop, test and operate the digitalization system that help improve the management of log cutting and drying stage in one assigned wood processing enterprise. Detail of the process is described in Annex 1: Reference of process flow.
- To promote the good practices to wider business community

### 3. Scope of works and specific tasks

The selected partner is expected to cover the below scope of works



- 3.1. Needs Assessment: Conduct a comprehensive assessment to thoroughly understand the specific needs and requirements of the chosen wood processing enterprise. This involves a detailed analysis of their current log cutting and drying processes, identifying pain points, and determining areas for improvement.
- 3.2. Proposal Development and Presentation: Develop a detailed proposal for the digitalized system, outlining its features, functionalities, and anticipated benefits. Present this proposal to both the International Labour Organization (ILO) and the selected wood processing enterprise for evaluation and feedback.
- 3.3. Proposal Refinement: Refine the initial proposal based on feedback received from both the ILO and the wood processing enterprise. Ensure that the refined proposal aligns with the expectations and requirements of all stakeholders, incorporating valuable insights for optimal system design.
- 3.4. System Development: Proceed to develop the digitalized system based on the approved and refined proposal.
- 3.5. System Test Run and Issue Resolution: Conduct a comprehensive test run of the developed system at the selected wood processing enterprise. Identify and address any issues or glitches that may arise during this testing phase, ensuring that the digitalized tool operates seamlessly and effectively in a real-world environment.
- 3.6. User Training: Develop a comprehensive training program tailored for the users of the digitalized system within the wood processing factory. Conduct hands-on training sessions to familiarize users with the system's functionalities, ensuring a smooth transition and optimal utilization of the new digital tools.
- 3.7. Documentation Preparation: Prepare detailed documentation for the digitalized system, including user manuals and technical documentation. This documentation serves as a comprehensive reference for users and facilitates future maintenance.
- 3.8. Data Migration Planning and Execution: Plan and execute the migration of existing data from any legacy systems to the new digitalized tool. Ensure meticulous attention to data integrity and accuracy throughout the transition process.



- 3.9. System Integration: Assess and integrate the new digitalized system with other existing systems within the wood processing factory. This step ensures seamless operation and efficient data flow between different components of the enterprise's infrastructure.
- 3.10. Monitoring System Implementation and Ongoing Support: Implement a robust monitoring system to track the performance of the digitalized tool over time. Provide ongoing support to address any issues that may arise post-implementation and incorporate necessary updates or improvements to ensure sustained efficiency.
- 3.11. Proactively communicate and collaborate with the selected enterprise and Dong Nai Wood processing association along the implementation.
- 3.12. Present the system and lesson learnt from the development at 2 best practice sharing workshop organized by the ILO or the associations.

## 4. Expectation to the developed system

- 4.1 Utilizing QR codes to manage product goods seamlessly throughout the supply chain, from input to output, including returns to customers, ensuring the correct information of quantity and quality. This system enables comprehensive tracking of the processing history and facilitates evaluation based on product types.
- 4.2 Implementing a streamlined approach to managing processing services in accordance with production progress. This entails overseeing the entire production process, from the input of round wood to the delivery of finished products for each order, batch, and production order. It also involves assessing the efficiency of each order, batch, and production order.
- 4.3 Establishing real-time communication channels with customers to provide timely updates on processing orders, forecasts, and planned processing stages. This allows for effective planning and adjustments to production schedules, with alerts issued if processing times exceed predetermined thresholds.
- 4.4 Implementing robust systems for managing and tracing the origin of products, ensuring transparency and accountability throughout the supply chain from round wood sourcing to final product delivery.



- 4.5 Integrating data from enterprise's existing drying system into the software platform for in-depth analysis and evaluation of drying efficiency. This integration aims to optimize the drying process, ultimately enhancing productivity and overall system performance.
- 4.6 Implementing comprehensive inventory management practices, including tracking quantities, locations, and movement of wood at various processing stages. This system also includes proactive alerts for storage duration and facilitates the calculation of storage fees.
- 4.7 Implementing effective receivables management function, including reminders for payment deadlines and monitoring payment schedules to ensure timely transactions with customers.

## 5. Eligibility and other requirements

- 5.1 The applicant is required to demonstrate prior experience in digitalization within the wood processing sector, with a specific emphasis on export factories.
- 5.2 The applicant should be able to demonstrate the capacity and willingness to promote the good practices obtained from this pilot to wider business community.
- 5.3 Interested partners are requested to submit the following:
  - a. A technical proposal outlining their competence and relevant experience in implementing digitalization solutions, particularly within the wood processing sector. While this proposal does not require a comprehensive assessment of the enterprise system mentioned in 3.1, it should demonstrate the applicant's capability to conduct such an assessment.
  - b. A financial proposal outlining the costs associated with covering all tasks mentioned in part 3.
- 5.4 Working language with the ILO: English
- 5.5 Working language with the enterprise: Vietnamese
- 5.6 To facilitate the development of proposal, the production line references are available for observation at Tavico JSC. upon the applicant's request.

## 6. Evaluation of the proposals



All proposals will be evaluated equally following the criteria below:

|   |     |
|---|-----|
| Partner profile and relevant experience   | 10% |
| Technical proposal quality                | 40% |
| Financial proposal (best value for money) | 50% |

## 7. Contact and proposal submission

- All proposals and supporting documents (proposal as per the template attached, profile, expert CV, technical information described in part 3, reference, budget) shall be submitted to [main@ilo.org](mailto:main@ilo.org) no later than 5pm on 19<sup>th</sup> Apr, 2024.
- The ILO will accept questions for clarification regarding the call for proposals, which should be sent to [duchoang@ilo.org](mailto:duchoang@ilo.org) no later than 05 working days before the deadline. Responses to these questions and clarifications will be made available to all interested applicants.
- Please note that the ILO will only contact shortlisted applicants for interviews and further steps. The selection for contract negotiation does not guarantee the awarding of a contract. A contract will only be granted after both the applicant and the ILO reach agreement on all terms and the applicant are able to fulfil the requirements outlined in the final Terms of Reference (TORs).

Annex 1: Reference of process flow

## LƯU ĐỒ QUY TRÌNH



