

# TERMS OF REFERENCE FOR ADVICE COMMISSIONED EXPLAINING HOW BEST TO INTEGRATE THE CÁMARA DE COMERCIO COLOMBO BRITANICA AND UK-COLOMBIA TRADE

## Introduction

The Cámara de Comercio Colombo Británica (henceforth the “Cámara”) and UK-Colombia Trade (henceforth “UKCT”) are bilateral chambers of commerce that support increased trade and investment between Colombia and the United Kingdom. While the two organisations specialise in certain areas, there remain overlaps in the types of service offered to members and clients. The Boards of Directors of the two chambers (hereafter the “Boards”) believe that improved efficiency and customer service can be achieved by merging the two organisations, particularly given that the two organisations share the same objectives. This study will advise members of the Boards where a merger can improve efficiency and services, which risks need to be mitigated when contemplating a merger and, finally, provide practical options for merger that maximise opportunities and minimise risk.

## Background

### The Cámara

The Colombian British Chamber of Commerce (also referred to as “BRITCHAM”) is a private non-profit organisation that has promoted business and investment opportunities between Colombia and the United Kingdom since 1982. The organisation’s mission is serving as a link for entrepreneurs to promote commercial exchange, the creation of business opportunities and strategic alliances, in addition to competitiveness and investment protection, particularly in Colombia and the United Kingdom. The Cámara is a membership organisation that, by reputation, focuses on providing high-quality events, networking and services for its members. It also supports Colombian businesses that are seeking to enter the UK market. The Cámara has its own (owned) offices in Bogota. The Cámara’s services include: high-level networking, representation at trade fairs and on trade missions, learn and travel with the masters programmes, translation and commercial interpretation, business opportunities and contacts, office space and English language courses.

### UKCT

UKCT was founded as a chamber of commerce in 2013 with the express mission of supporting more UK companies enter the UK market. UKCT became the UK government’s Overseas Business Network initiative partner in Colombia during the same year, delivering market entry services on behalf of the UK government in exchange for a financial grant. Since then, UKCT has substantially increased its membership but, by reputation, remains an organisation focused on supporting UK companies not currently present in the Colombian market (typically non-members). UKCT services include: market entry reports, events, representation at trade fairs and missions and fee-based agency work for UK companies looking for a remote sales force.

## **Objectives of the study**

Overall, the purpose of this of this study is to recommend to members of the Boards the best way to merge the Cámara and UKCT. The work will break into two parts.

### Part One

Part One of the study will define the following:

- 1) The current state of the two chambers' services, assets and business plans, including a due diligence report on each chamber;
- 2) Perceived strengths and weaknesses of the two chambers that ideally would respectively be preserved or excluded in any merger;
- 3) Best practices of other "best-in-class" bilateral chambers of Colombia and major global economies (particularly innovative case studies of non-Colombian chambers could also be considered);
- 4) Based on existing bilateral trade flows, the realistic potential ambition and scale of a single British-Colombian bilateral chamber once best practice is incorporated;
- 5) Suggested growth areas to be considered in future for a single chamber;
- 6) A proposed mission statement for a single chamber.

### Part Two

Part Two of the study will consider a number options for merging the two chambers, resulting in:

- 1) A prioritised list (with reasoning for the prioritisation) of all legally viable options for a merger considered; and
- 2) A prioritised list of future organisational structures.

The prioritised lists provided in Part Two will take into account the strengths, assets, best practices and future potential identified in Part One of the study.

## **Scope of the study and methodology**

The consultancy will require an in-depth understanding of the two chambers' objectives, stakeholders, activities and membership. An understanding of best practices amongst other chambers of commerce, what scale of single British-Colombian bilateral chamber could be supported by existing bilateral trade between the two countries and likely future growth areas for a single chamber will also be needed. This understanding will be achieved through a relevant mixture of Cámara and UKCT records, review of publically available literature, case studies, stakeholder

interviews (or other methods of consultation), trade statistics and reference to the supplier's own knowledge and experience. Views from the Boards, members and the British Embassy in Colombia should carry particular weight.

### Points to consider

- 1) Some of those consulted during the study have strong personal commitment to one or both of the chambers of commerce so sensitivity will be required.
- 2) While the merged entity will be based in Colombia and, therefore, engaged more with UK companies operating in Colombia than others (there is also a British Colombian bilateral chamber based in London, the British and Colombian Chamber of Commerce), there are trade and investment flows in both directions that could be captured more fully by a single chamber.
- 3) Both chambers have traditionally relied on membership for revenue. There are a limited number of UK companies in Colombia so not only are the two chambers competing for members but this competition has placed them under financial strain. A wider range of fee-based services including services for non-members (companies exploring or entering the UK or Colombian markets) could help deliver a single organisation's mission and generate additional revenue.
- 4) In some cases, the two chambers have avoided providing particular services to avoid duplication. However, even where there is no duplication, there may be opportunity to strengthen or expand services by bringing them together.
- 5) Coordination with British Embassy and Colombian government objectives and activities are likely to be a key element of future success.

### Tendering

Interested parties are asked to tender a short outline of how they would approach the study, relevant experience that they can provide, outputs additional to those in these terms of reference, and a timeframe and milestones for the project (this should refer to but need not be identical to the proposed timeframe below). The overall proposal need not be longer than two pages.

The proposal should be accompanied by a breakdown of costs for the project and the CVs of the supplier's project lead and main project team members.

### Proposed timeframe and milestones

Timing	Milestone
Week 2	Guidance provided by key stakeholders, one page action plan, consultation target list, desk-based research complete.
Week 4	Consultations for Phase One of project and verification of desk-based research concluded.
Week 6	Phase One report draft shared with the Boards for comment.
Week 7	Phase Two report draft shared with the Boards for comment.
Week 8	Final report (Phases One and Two) presented to the Boards.

## Outputs

There are two principal outputs to this study:

- 1) A Part One report satisfying the objectives set out in these terms of reference; the report can be provided in either English or Spanish and, preferably, accompanied by a PowerPoint presentation setting out the report's high-level conclusions;
- 2) A Part Two report satisfying the objectives set out in these terms of reference; the report can be provided in either English or Spanish and, preferably, accompanied by a PowerPoint presentation setting out the report's high-level conclusions; the Part Two report should present at least two legally viable options for merging the two chambers (more if possible) and should have considered at least four (with reasons why certain options considered have been excluded); the Phase Two report will also need to consider how to dispose of the existing assets of the two chambers in support of a new single entity.

The outputs should be written in MS Word (Arial 11 font) and supplied in electronic copy only. The supplier's involvement will end with the submission of the full final report and presentation to the Board of the report's conclusions (ideally supported by PowerPoint presentations). Once submitted, the report, information gathered during its research and analysis and any the PowerPoint presentations will become the shared intellectual property of the Cámara and UKOT.

## Skills and experience

The supplier will have excellent skills and experience in the following areas:

- 1) Mergers and structuring of legal entities in Colombia;
- 2) Colombian corporate and labour law;
- 3) Knowledge of how leading bilateral chambers of commerce in Colombia operate;
- 4) Experience gathering and analysing a range of quantitative and qualitative data from different sources, including networks of international businesses and other stakeholders;
- 5) An established reputation for providing high-quality objective advice; and
- 6) Ability to work in both English and Spanish.

## Assessment

Criteria for selection will be:

- 1) A clear, credible, structured proposed methodology;
- 2) Relevant skills and experience;

- 3) Ability to deliver the report quickly;
- 4) Demonstrable reputation for good governance; and
- 5) Value for money.

Overall, scoring of proposals will be based sixty percent on their quality and forty percent on their price.

### **Management arrangements**

A working group of the Boards, observed by the British Embassy, will review all bids. The selected supplier will report project milestones to the working group.

### **Budget**

The supplier will propose the overall budget for this study, which must be inclusive of all applicable taxes, overheads and travel costs visits to the UK and Colombia. It is expected that bidders submit competitive bids that demonstrate value for money. The supplier will be paid on the delivery of project outputs.

### **Duty of care**

The supplier is responsible for the safety and well-being of their personnel and third parties affected by their activities under this contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.

The implementing agency is responsible for ensuring appropriate safety and security briefings for all of their personnel working under this contract.

### **Submission of proposals**

Please submit final proposals in English or Spanish to Ramin Hassan, Director of the Department International Trade Office in Colombia ([ramin.hassan2@fco.gov.uk](mailto:ramin.hassan2@fco.gov.uk)) by 17:00 (Bogotá time) on Tuesday 5 June 2018, who will collate responses for consideration by a joint panel of the Cámara and UKCT. This deadline for this exercise has been extended; the original deadline was 17:00 (Bogotá time) on Friday 18 May 2018.

Should you have any questions about the terms of reference above, please contact Ramin Hassan using the email address above.