

Joint Schedule 2 (Variation Form)
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Joint Schedule 2 (Variation Form)

This form is to be used in order to change a contract in accordance with Clause 24 (Changing the Contract)

Contract Details	
This variation is between:	The Foreign Commonwealth & Development Office (FCDO) ("the Buyer") And PRICEWATERHOUSECOOPERS LLP (PWC) ("the Supplier")
Contract name:	MOBILIST PROJECT ("the Contract")
Contract reference number:	PO 10059
Details of Proposed Variation	
Variation initiated by:	Buyer
Variation number:	1
Date variation is raised:	1 June 2021
Proposed variation	Increasing the financial limit of the contract by £120,000 excl. VAT Extending the timeframe for delivery to 1 December 2021 Adding a break point at 31 July 2021 (Terms of Reference)
Reason for the variation:	Strategic decision taken by FCDO to expand the number of Competition Participants in stage 2 Related, a strategic decision taken by FCDO to extend the timing of the Competition Phase II
An Impact Assessment shall be provided within:	N/A
Impact of Variation	
Likely impact of the proposed variation:	Variation to allow time to manage larger number of participants through the RfP stage and for assessment of all participants' RfP responses. Time extension to 1 December 2021 to allow for support to FCDO in progressing successful Participant proposition(s) towards investment.
Outcome of Variation	
Contract variation:	This Contract detailed above is varied as follows: Framework Schedule 6 – Order Form Delete: Call – Off Expiry Date: 16 June 2021 Insert: Call – Off Expiry Date: 1 December 2021 Delete: Call – Off Initial Period: RFP Phase (Work Phase 2) – 4 February 2021 to 16 June 2021

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	<p>Insert:</p> <p>Call – Off Initial Period: RFP Phase (Work Phase 2) – 4 February 2021 to 31 July 2021</p> <p>Delete:</p> <p>Call - Off Charges</p> <p>Insert:</p> <p>Call – Off Charges - Revised 09 June 2021 (Appendix A) REDACTED</p> <p>Call – Off Schedule 20 (Call – Off Specification)</p> <p>Delete:</p> <p>Annex A: Terms of Reference for the Investment Product Competition Lead (MOBILIST Programme) PROJ 10142</p> <p>Insert:</p> <p>Annex A: Terms of Reference for the Investment Product Competition Lead (MOBILIST Programme) PROJ 10142 – Revised 04 June 2021 (Appendix B)</p> <p>Add:</p> <p>MOBILIST Infrastructure Competition: Stage 2 Contract Extension (Appendix C) REDACTED</p>						
Financial variation:	<table> <tr> <td data-bbox="587 1211 991 1261">Original Contract Value:</td><td data-bbox="991 1211 1396 1261">£ 600,000 excl. VAT</td></tr> <tr> <td data-bbox="587 1261 991 1310">Additional cost due to variation:</td><td data-bbox="991 1261 1396 1310">£ 120,000 excl. VAT</td></tr> <tr> <td data-bbox="587 1310 991 1359">New Contract value:</td><td data-bbox="991 1310 1396 1359">£ 720,000 excl. VAT</td></tr> </table>	Original Contract Value:	£ 600,000 excl. VAT	Additional cost due to variation:	£ 120,000 excl. VAT	New Contract value:	£ 720,000 excl. VAT
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Additional cost due to variation:	£ 120,000 excl. VAT						
New Contract value:	£ 720,000 excl. VAT						

1. This Variation must be agreed and signed by both Parties to the Contract and shall only be effective from the date it is signed by the Buyer
2. Words and expressions in this Variation shall have the meanings given to them in the Contract.
3. The Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

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Signed by an authorised signatory for and on behalf of the Buyer

Signature

Date

Name (in Capitals)

Address

Signed by an authorised signatory to sign for and on behalf of the Supplier

Signature

Date

Name (in Capitals)

Address

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Appendix A – Call - off Charges

REDACTED

Appendix B

**ANNEX A: TERMS OF REFERENCE for the INVESTMENT PRODUCT
COMPETITION LEAD ([MOBILIST](#) Programme) PROJ10142**

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ANNEX B: DFID INDICATIVE INVESTMENT APPETITE STATEMENT

Acronyms

CRS	The Common Reporting Standard
DFI	Development Finance Institution
DFID	Department for International Development
EOI	Expression of Interest
ESG	Environmental, Social and Corporate [governance]
FCA	Financial Conduct Authorities
FSDA	Financial Sector Deepening Africa
GLD	Government Legal Department
HMG	Her Majesty's Government
HMT	Her Majesty's Treasury
IP	Investment Product
ITT	Invitation to Tender
KPI	Key Performance Indicators
LIC	Low Income Country
LMIC	Low Middle-Income Country
LSE	London Stock Exchange
MDB	Multilateral Development Bank
MIC	MOBILIST Investment Committee
NDPB	Non-departmental Public Body
NIIF	National Infrastructure Investment Fund
ODA	Official Development Assistance
OECD-DAC	Organisation for Economic Co-operation and Development's Development Assistance Committee
PIDG	Private Infrastructure Development Group
PSI	Private Sector Instrument
RfP	Request for Proposals
SDGs	Sustainable Development Goals
SLA	Service Level Agreements
SRO	Senior Responsible Officer
TOR	Terms of Reference

I. SUMMARY

1. DFID seeks a corporate partner (the "IP Competition Lead" or "Supplier") to navigate a range of stakeholders and complex structuring concepts in formulating an effective IP Competition plan, and then leading potential competition entrants through the IP Competitive process.
2. This is an exciting and high-profile work stream, that for the successful Supplier, would afford a significant opportunity to contribute in helping shape DFID's long-term policy ambitions to explore non-subsidy based systemic market interventions, and a transitioning from a funding (or "leveraged") model to a financing model for the SDGs.

II. BACKGROUND

3. The UK's Department for International Development (DFID) is an HMG Department

whose purpose is to reduce poverty in developing countries and help achieve the Sustainable Development Goals (SDGs).

4. Developing countries continue to face significant shortfalls in their private (and sovereign or public) sector financing needs. Taken together, there is a \$2.5 trillion financing gap, \$1.4 trillion of which is needed for Low Income and Low Middle-Income countries. This gap already accounts for all funding flows from multilateral development institutions and banks, bilateral development agencies, governments and other official sources, and cannot be bridged by either public finance or traditional aid alone.
5. Mobilisation of private additional finance is the one of the most important ways to meet the investment need. But Emerging and Frontier Markets have so far managed to attract a very small percentage of the estimated \$90-\$150 trillion of assets under management by institutional investors globally. If only a fraction of the £7.7 trillion of asset under management in the UK could be directed – sustainably – to developing countries, this would have a significant demonstration effect across global financial centres addressing the behavioural and structural barriers that are preventing the flow of SDG-capital at scale.

III. OVERVIEW OF THE PROGRAMME, 'MOBILIST'

6. DFID has a structured mobilisation agenda which encompasses programmes and initiatives with Multilateral Development Banks and UK supported investment agencies such as CDC, the Private Infrastructure Development Group (PIDG) and Financial Sector Deepening Africa.¹
7. This Competition (and resulting investment product) to which this TOR relates, resides under DFID's new MOBILIST Programme. MOBILIST is DFID's first programme to target listed markets for their potential to mobilise large scale investment and is supported by HMG's ambition to position the City of London as one of the world's most major development finance hubs.
8. Partnering with UK and overseas-based financial institutions, DFID's ambition is to invest up to £90m into helping address the financing gap. Outputs include 5 new listed products (subject to a successful competition(s)), which must have the ability to list on major and or local exchanges and be easily replicable in the market. These products will demonstrate the opportunity and begin to address the critical barrier of information asymmetry, helping to grow investment choices and bring greater transparency to price and risk for investors that will be needed if large flows of institutional capital to bridge the SDG financing gap are to be possible.
9. With DFID capital or technical assistance, our support will enable the critical 'nurturing' phase for these new funds whose ambition is to list. The absence of investment capital to help incubate products with a strong development focus is identified as a priority focus for the programme. Building a track record in relation to the risk return profile and demonstrating the ability to source assets and recycle capital during the nurturing phase are thought principle obstacles to listing and to attracting volumes of

¹ MOBILIST's focus on public market instruments complements the suite of financial instruments DFID currently deploys to address the SDGs financing gap, including early stage financing, financial inclusion and capital market development and macroeconomic policy support.

institutional capital for the SDGs.

10. MOBILIST represents an evolution in DFID's approach to mobilising private investment, as the programme focuses on supporting investment products that can help with price discovery and serve as demonstration effect in public markets with none or only very limited use of concessional finance. The products supported by MOBILIST need to be viable investment opportunities in their own right, and at the same time contribute to systemic change in secondary market that over time, can mobilise billions of pounds of funding for poverty reduction and SDG delivery.
11. Hence, the investment vehicles supported by MOBILIST will be structured like mainstream investment products, easily traded and sold on public exchanges, while the underlying assets will be chosen for their development impact, with clear line of sight to the SDGs. The products will be easily replicable and scalable and begin to demonstrate the role that listed products can perform in unlocking institutional capital to flow at scale.
12. Through MOBILIST, and through this competitive process, DFID has the ability to deploy anchor investment capital and or technical assistance, as the need is identified and in accordance with competition investment appraisal criteria.
13. From the Supplier DFID is looking for a team with two key senior leadership capacities, most likely in the form of a Principle Expert and Senior Expert and Programme Manager and team with the following attributes:
 - expertise and institutional capability in managing a competitive Request for Proposals as described in the TORs and as could be potentially revised following the initial scoping Phase I;
 - expertise in corporate finance in relation to infrastructure and related investment vehicle structures, including investment appraisal, listing investment products/vehicles on stock exchanges, comprehensive understanding of fund management and institutional investment sectors

IV. PROJECT AIMS AND OBJECTIVES

14. In the second half of 2020, DFID will initiate a competitive process to identify the most compelling listed investment product concepts available (the "Investment Products Competition" or "IP Competition". The Secretary of State announced this intention at the Africa Investment Summit on 20 January 2020.
15. The Supplier will design and run the IP Competition which will include a 'Request for Proposals' (RFP) process to invite market participants to propose new infrastructure vehicles with the ambition to list on a major stock exchange (the Services). Should the need to be identified, DFID has the ability to deploy anchor capital to support the vehicle through a pre-IPO stage.
16. The IP Competition will serve four purposes:
 - It will help elicit the best product ideas from a broad pool of market leading investment firms;
 - It will help identify an investment vehicle and sponsor(s) that meets DFID's ambition (as set out in the DFID Indicative Investment Appetite Statement) as well

as the investment objectives of identified investors;

- At the completion of Phase II, the vehicle will be sufficiently developed with sponsors and potential investors identified that DFID can proceed to Phase III, with a realistic intention that the vehicle can be launched and having the realistic ambition to list on an international stock exchange such as the LSE and/ or a local exchange within a 6 to 24 months period;²
- Phases of the IP Competition will be transparent and of sufficient profile to further elevate MOBILIST's policy agenda into the consciousness of money managers and investors.

17. This Service specification sets out all the services requirements and obligations on the Supplier. The Supplier has been appointed as a result of its specialist Corporate Finance and/ or advisory transaction expertise.

18. The Services are expected to be delivered in the UK and no overseas travel is required.

V. DURATION OF SERVICES

19. The assignment is expected to start in November 2020 and complete within 7-10³ months, with the most active period from November to February 2021. There is flexibility to extend the duration of the contract should the Supplier and DFID agree this is needed. There will be a break point in the contract at 31 July 2021 to allow the further two stages of the process to be complete by the Supplier.

IP Competition execution (indicative)	
Scoping Phase (Work Phase 1)	Contract Start Date to 27 Jan 2021
RFP Phase (Work Phase 2)	27 Jan 2021 to 31 July 2021

VI. AVAILABLE BUDGET AND PAYMENT STRUCTURE

20. The proposed budget for Work Phases 1 and 2 is £720,000 (seven hundred and twenty thousand) (excluding VAT) and the actual contract value will be linked to the Supplier's bid (and set out in the Payment Schedule).

21. For the bid, the Supplier will provide an Implementation Plan and corresponding results framework that sets out outputs, activities and milestones therein, a time frame for each output and a budget per output and its timeframe in their technical proposal, and a budget per output in their commercial proposal. The Implementation Plan will be the basis of the finalised Workplan agreed between Supplier and DFID within one month of contract signing. Please note, **no pricing detail should be included within the technical response**. The corresponding financial proposal should be include in

² These timelines are subject to revision as market consultations and Supplier advice proceeds.

³ Phases I and II are estimated at 7 months, with Phase III a further 3 months

Part C written commercial response only. Payment will be made monthly in arrears and will be dependent on the successful achievement of the outputs and activities as detailed in the Workplan. The Framework Prices shall include all costs and expenses relating to the provision of the deliverables, and should be equal or lower to than the Framework price agreed for this lot No further amounts shall be payable in respect of matters such as:

- incidental expenses such as travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs, network or data interchange costs or other telecommunications charges; or
- costs incurred prior to the commencement of any Call Off Contract.

22. As per framework conditions, "Reimbursable Expenses"; The Framework Prices shall be inclusive of all Supplier's travel and expenses for work carried out in Greater London and/or in the location for performance of the Services specified in the relevant Call-Off Agreement. In the event that DFID requires the Supplier to travel to locations other than Greater London and/or the location for performance of the Services specified in the relevant Call-Off Agreement, the suppliers shall seek written approval by DFID for travel costs at standard class, hotel expenditure up to a maximum of DFID standard rate, and receipts for all expenditure will be required prior to reimbursement.
23. It is DFID's preference to pay for Work Phase 1 (WP1) on daily fee rates⁴ linked to DFID's acceptance of the prescribed WP1 work plan deliverables and input days. The Supplier's Implementation Plan will form the basis of WP1 work plan, to be agreed between DFID and the Supplier within one month of contract signature. Work Phase 2 (WP2) will consist of a dual fee structure; consisting of daily fee rates and a completion fee. The completion fee will be based on successful delivery of WP2 and securing a preferred competition entrant⁵. It is assumed that the 40% of total input days will be required in WP1 and 60% in WP2. The work plan for WP2 to be agreed between DFID and the Supplier before moving to WP2. The maximum fee provided by each Supplier are binding under the terms of the Framework and as such the supplier should not submit any fee bids in excess of these maximums.

VII. TWO-STAGED REQUEST FOR PROPOSALS

24. The Supplier will seek interest from credible Fund or Investment Managers with relevant experience managing assets of over US\$250 million and who are eligible under applicable laws, including the relevant FCA regulations, to manage a fund that meets DFID's criteria (see Annex A).
25. The Supplier will be responsible for a competition preparation or 'scoping' Work Phase '1,' followed by the RfP or 'execution Work Phase '2' There is a degree of latitude on how both phases are managed, and Supplier bids will in part be scored on the quality

⁴ Suppliers are expected to design their own Team composition. However, we would expect at least one role in all Job Family (This will be evaluated as part of the commercial criteria, please see ITT Vol 1 commercial criteria 4 (C4) for a worked example of the calculation and the accompanying note re zero resources and/or costs for job families.).

⁵ Chosen by the MOBILIST Investment Committee

of these proposals.

26. During both Work Phases for the IP Competition, the Supplier will:

- i) design and run a professional structured competitive investment competition process;⁶
- ii) advise DFID in defining the parameters of the types of investment fund DFID is interested to invest in in order to meet its objectives;
- iii) receive, sift and appraise competition entries against the DFID criteria for final decision-making by the MIC.⁷

Accordingly, fees are based on the following outputs (as opposed to timesheets):

Work Phase 1 Scoping (November – December 2020):

- Detailed Scoping of the relevant stakeholders and product characteristics to inform the IP Competition approach, including a Work Plan and Results Framework for approval.
- The Supplier should produce professional competition documentation and an associated stakeholder communication strategy, that support subsequent phases of the competition, including; competition forms, principally documentation that would be required to support a RfP process and stakeholder communication mechanisms and materials. The documentation will evidence a professional, fair, open and competitive process that clearly articulates DFID's objectives.
- Competition design report containing the recommended approach for the IP Competitive process.
- By end of WP1, likely competition participants and key elements of the desired product structure will have been identified through an Expression of Interest (EoI) process, and competition documents will have been developed ready for WP2 (competition launch).

Work Phase 2 Delivery of competition process (expected date: between January - July 2021):

- A second stage Request for Proposals (RfP) during which fully designed proposals for investment vehicles are solicited, processed and assessed, enabling and facilitating the MIC's decision-making process to select the most appropriate proposal/s. Proposals must be ready or close to ready for DFID to enter into a commercial negotiation with the 'preferred' entry or entries (i.e. including a reserve).

⁶ Likely to comprise a pre-qualification and RfP stage

⁷ These TORs do not detail the scope of the work which is typical for such a Fund. In brief, the scope of the work for the Fund Manager will cover all activities that are customarily undertaken such as raising domestic and international capital, sourcing and managing infrastructure investments across selected geographies (and in accordance with the investment mandate), ensuring value addition to portfolio investments all through the holding period until the end of the fund's duration, aiming for above benchmark returns to investors by delivering to the highest standards of governance, meeting all compliance requirements under applicable laws and effective external representation on behalf of sponsors and investors.

- The Supplier will review all initial proposals identified through the EoI, and in full-RfP stage, provide a technical appraisal and assessment of proposals against the competition criteria and market norms that the Supplier has designed into the competition to achieve DFID's objectives. During the RfP, the Supplier will score, rank and recommend proposals to the MIC based on 'investment readiness,' as well as providing a risk assessment for identifying and assessing any feasibility, regulatory or reputational risks that competition entries present.
 - The Supplier will have a robust plan, policies and procedures in place to safeguard all information received from third parties who are submitting applications as part of the IP Competition, including for example; the handling of data through electronic portals, dedicated email accounts and over secure servers.
 - It is for the MIC to provide the final evaluation of proposals, supported by the Suppliers' review and assessments.
 - Following appraisal, the Fund Manager (and associated investment product) with the highest score will be the preferred competition entry, with the entry scoring second highest considered the "reserve."
27. DFID then anticipate a third Commercial Negotiation Work Phase (WP3) during which DFID expects to enter into detailed commercial negotiation with the preferred competition entry, and a final (fourth) Due Diligence Phase (WP4).⁸
28. If both DFID and the Supplier agree, there is an option to extend the contract into these third and fourth Work Phases (subject to an approved Implementation Plan), with the Supplier providing specific support to DFID in these commercial negotiations and due diligence, without the need to re-tender.
29. Should negotiations with the preferred competition entrant fail (Work Phase 3) or should they fail at the due diligence (Work Phase 4), then the next highest scoring entrant would become the preferred entrant (the "reserve entrant").

VIII. INDICATIVE TIMELINES

ITT stages	Dates
ITT Pack issued (indicative)	Week of 24 th August 2020
Supplier bids due	Week of 30 th September 2020
Supplier contract awarded	Week commencing 26 th October (subject to standstill period)

⁸ Prior to the commencement of the Due Diligence stage, preferred entrants will be required to self-certify their compliance with exclusion criteria. A self-certifying checklist would be issued to the preferred and reserve entrant covering the following issues: fraud; corruption; money laundering or terrorist financing; child labour/trafficking; compliance with environmental and social obligations; bankruptcy and insolvency; professional misconduct; anti-competitive collusion; deficiency in prior contracts; misrepresentation; insurance cover as per relevant legal requirements; transparency; membership of UN Global Compact; etc. Failure to meet these criteria may result in the entrant failing to meet minimum standards and the reserve entrant would become the preferred entrant.

IX. UK AID BRANDING

30. The project and objectives will be widely publicised to financial market participants both here in the UK and internationally. The Supplier will also ensure that stakeholders in target markets, including DFID country offices should be aware of what DFID is seeking to do at a high-level and should be able to access the detail on request, although the bulk of this task is expected to fall to DFID and the MOBILIST team. In part therefore, a competitive process seeks to raise the profile and effect wider market changes in relation to the policy objectives, and this effort will be supported by multiple MOBILIST work streams, including a 'policy' work stream now being operationalised.
31. A *limited* branding strategy will be agreed with DFID during WP1 and WP2 of these Services and the Supplier will collaborate with DFID communications teams. Press releases and public information should also be checked with DFID prior to release. More information on UK aid branding is available [here](#).

X. MANAGEMENT INFORMATION AND GOVERNANCE

32. The Supplier will report to the MOBILIST Senior Responsible Officer.
33. Reporting will be on a weekly basis, with fortnightly written progress reports, capturing stakeholder feedback, an up to date implementation plan and risk register.
34. Ad hoc briefings and de-briefings will be required in support of the DFID team.

XI. CONSTRAINTS AND DEPENDENCIES

35. The Supplier and their affiliates will not be able to bid as an entrant in the IP Competition, or as part of any consortium or downstream partner that may choose to bid into the IP Competition.
36. To support the delivery of the IP Competition, the Supplier will be able to draw upon specialist advice and support within DFID including:
37. Quality assurance of the Competition design and implementation (through the MIC) at a series of checkpoints in the competition process. The Commercial Law Group, as part of the Government Legal Department (GLD) will continue to provide support during competition design and implementation, and in WP2, external legal advice will also be relied upon. The Supplier will take account of legal advice pertaining to the IP Competition process and any DFID investment, for example on state aid and any decision regarding legal risk will be determined by DFID. The Supplier may highlight to DFID if additional legal questions need to be addressed.
38. Product specialists from Her Majesty's Government's Financial Transactions Advisory Services will provide support, and these teams will help define the parameters of each DFID investment and/ or risk mitigation and support the assessment due diligence of the applicants and their proposed product. This will also be helping DFID to quality assure the work delivered by the Supplier.
39. The Supplier will escalate promptly any issues faced when working with other suppliers that is impacting on the delivery of the objectives in this TOR.

XII. DELIVERY CHAIN MAPPING

40. If the Supplier contracts other organisations to conduct aspects of the contract, a delivery chain map is required. The delivery chain map should be reviewed and updated regularly, in line with agreed programme monitoring processes and procedures. As a minimum, it should include details of the name of all downstream delivery partners and their functions and funding flows (e.g. amount, type) to each delivery partner, as well fiduciary and other risk management strategies.

XIII. PERFORMANCE AND MEASUREMENT

41. Performance targets and means of verification should be included in the Implementation Plan, these will be agreed between the Supplier and DFID and included in the finalised Workplan, one month after contract signing

XIV. FLEXIBILITY AND ADDITIONAL SERVICES OR TRANSFORMATION

42. With agreement of both DFID and the Supplier the contract may be extended in duration and/or increased in value (by up to 50%) to allow for unexpected eventualities that impact on the timeline or contingency for unforeseen work and or extended timelines identified in WP1 and or WP2, or a need to do additional work of a similar scope, envisaged in a subsequent Commercial Negotiation Work Phase 3.
43. Where, as a result of a stage or phase in the IP Competition, it appears that there are no viable competition entrants, DFID reserve the right to terminate this Contract. Further details on the consequence of early termination will be set out in the Contract terms and conditions.

XV. GENERAL DATA PROTECTION REGULATIONS (GDPR)

44. Please refer to the details of the GDPR relationship status and personal data (where applicable) for this project as detailed in Joint Schedule 11 (Processing Data).

Annex B: DFID Indicative Investment Appetite Statement

The below table sets out the high-level *indicative* parameters of the nature of the investment that DFID would be willing to make in investment structures/ vehicles identified through the competition process.

Nature, size and tenure of Investment	DFID may provide an equity only investment or a risk mitigation instrument (that is not classified as debt) (and/ or technical assistance in relation to wider public good interventions not directly for the benefit of the fund manager, that might produce a more supportive investment context), as a majority or minority investor. However, it is DFID's strong preference to be a minority, co-investor. Therefore, we would prefer applicants to include a co-anchor investor.
	Initially scoped infrastructure concepts have identified products that comprise either equity or debt, green field or brownfield. WP1 should seek to narrow these options, and WP2 give clear direction on competition preference for the nature and type of assets, based on feasibility and institutional investor appetite.
	Any investment or grant will only be made in GBP, unless otherwise agreed with DFID Finance (currency exposure on DFID's balance sheet is normally not permitted).
	Support for any particular investment product must be predicated on the reasonable expectation that the product can be listed on LSE or another major exchange in an international financial centre or local exchange (primarily focussed towards pension funds - how easily investors can trade in the instruments would influence how liquid the market is, and therefore appetite for investment by 3 rd parties at IPO).
	DFID requires its participation to count as Official Development Assistance ⁹ , meeting both structural requirements (developmental impact), and broader tests on primary purpose and additionality ¹⁰ . It is not necessary for all fund activities to take place in ODA-eligible countries, and the relative share will be determined by a co-efficient, as per OECD-DAC Guidelines.
	DFID does not seek or have ambition to exert a controlling role in the new Vehicle and is not intending to create a controlling stake. DFID's investment must not create a non-departmental public body (NDPB) in compliance with Her Majesty's Treasury Rules and ESA 10 guidance ¹¹ .
	Any selected fund will apply IFC performance standards or their equivalent as part of the vehicle's risk management framework.
	Returns as compared to other markets and benchmark investments in the local market
Relevance, Impact and additionality	Development impact, and a Monitoring & Evaluation framework are critical elements of any Investment Mandate agreed between DFID and the Fund Manager.
	There will be strong preference toward higher asset exposure in LICs and LMICs (while recognising the investment rationale for diversification) and a high bar of additionality for UMICs.
	Any DFID participation must be compliant with State Aid Rules, with advice from HMT and Legal.

⁹ Reporting on Private Sector Instruments as ODA will be subject to a specific procedure consisting of i) an assessment of the mandate and objectives of the vehicle providing PSI, in particular the extent to which it has the economic development and welfare of developing countries as the main and primary objective of its operations (developmental criterion of ODA) and provides finance which is additional (characteristic of operations for PSI to be in line with the concessional in character criterion of ODA); ii) provision of flow data in the CRS at the activity level; and iii) publication of data on PSI under agreed transparency provisions and rules on data disclosure.

¹⁰ We use the instrument approach for our investment portfolio in DFID India, which includes our investment in the Green Growth Equity fund under India's National Infrastructure Investment Fund (NIIF). DFID India's investments are equity investments, which are 100% ODA-eligible.

¹¹ <https://ec.europa.eu/eurostat/documents/3859598/10042108/KS-GQ-19-007-EN-N.pdf/5d6fc8f4-58e3-4354-acd3-a29a66f2e00c>

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	Competition participants must demonstrate a commitment to mobilising institutional capital for SDG financing as a differentiating characteristic of the Fund, its assets and operating geographies.
	Demonstrated track record and ability to execute. Competition entries must demonstrate an ability to source, develop and execute on the Fund's investment mandate based on its team, geographic presence, asset origination capability, etc.
	The competition participant will be expected to demonstrate how the fund manager can raise institutional and/ or retail capital for the Vehicle as it would for any other fund in its portfolio.
	Strong evidence that the fund is feasible to establish and listable on LSE or another major exchange in an international financial centre or local exchange.
Ability to deliver	Attainment of certain minimum due diligence thresholds, such as authorisation with the FCA and their good standing with all other regulatory bodies
	Approval to conduct investment management services in the UK (i.e. have the necessary regulatory approvals to create and manage a listed vehicle in the UK) [Minimum AUM of USD 50 million or equivalent]
	Minimum of 7 years of operating as a fund manager in a relevant sector or asset class.
	Demonstrable knowledge of the relevant sector(s) in one or more of the selected geographies
	Credibility of sponsors involved in the fund, including previous investments
Attributes of the fund manager	Demonstrable capability to raise funds from international investors, and in WP2 a reasonable level of confidence that the competition entry has secured interest and appetite from institutional investors at the point of listing.
	Access to an investment pipeline, or existing portfolio of assets, ready to deploy funds within six month of fund closure.
	Origination capabilities or sourcing strategy
	High-quality investment track record
	Evidence of familiarity with MDB and DFI levels of ESG requirements
	Fund management fees must be demonstrated to be comparable to benchmark and appropriate to the nature of the investment and/or risk mitigation.
	Clear and transparent understanding or legal and regulatory regime, including in the event of insolvency/default, is key
	Vehicle demonstrates capacity to comply with industry relevant compliance requirements as well as sanctions list, anti-terrorism financing, anti-money laundering, and anti-bribery and corruption legislation and regulations.

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Appendix C - MOBILIST Infrastructure Competition: Stage 2 Contract Extension

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