



## Section 4 Appendix A

## CALLDOWN CONTRACT

**Framework Agreement with:** PricewaterhouseCoopers Private Limited (PwC)  
**Framework Agreement for:** International Multi-Disciplinary Programme (IMDP) Framework Agreement  
**Framework Agreement Purchase Order Number:** PO 8373  
**Call-down Contract For:** Technical Assistance Services for conducting Due Diligence Assessments of Potential Delivery Partners (Due Diligence Hub)  
**Contract Purchase Order Number:** PO 10036

I refer to the following:

1. The above-mentioned Framework Agreement dated: **April 2019**
2. Your proposal of **25 March 2020, commercial clarifications dated 8 April 2020 and revised commercial proposal dated 14 April 2020**

I confirm that DFID requires you to provide the Services (Annex A), under the Terms and Conditions of the Framework Agreement which shall apply to this Call-down Contract as if expressly incorporated herein.

### 1. Commencement and Duration of the Services

- 71.1 The Supplier shall start the Services no later than **27 April 2020** ("the Start Date") and the Services shall be completed by **26 April 2021** ("the End Date") unless the Call-down Contract is terminated earlier in accordance with the Terms and Conditions of the Framework Agreement.

### 2. Recipient

- 2.1 DFID requires the Supplier to provide the Services to Her Majesty's UK Government (HMG) aid programmes delivering ODA. The service will be accessible by DFID and all UK government departments that deliver programmes funded by UK ODA ("the Recipient").

### 3. Financial Limit

- 3.1 Payments under this Call-down Contract shall not, exceed **£200,000** ("the Financial Limit") and is inclusive of any government tax, if applicable as detailed in Annex B.
- 3.2 REDACTED

### 4. Officials

DFID

April 2020

- 4.1 The Contract Officer is:

REDACTED

- 4.2 The Project Officer is:

REDACTED

### **Supplier**

- 4.3 The Contract Officer is:

REDACTED

- 4.4 The Project Officer is:

REDACTED

## **5. Key Personnel**

- 5.1 The following of the Supplier's Personnel cannot be substituted by the Supplier without DFID's prior written consent:

REDACTED

## **6. Reports**

- 6.1 The Supplier shall submit project reports in accordance with the Terms of Reference/Scope of Work at Annex A.

## **7. Duty of Care**

- 7.1 All Supplier Personnel (as defined in Section 2 of the Agreement) engaged under this Call-down Contract will come under the duty of care of the Supplier:

- 7.2 The Supplier will be responsible for all security arrangements and Her Majesty's Government accepts no responsibility for the health, safety and security of individuals or property whilst travelling.

- 7.3 The Supplier will be responsible for taking out insurance in respect of death or personal injury, damage to or loss of property, and will indemnify and keep indemnified DFID in respect of:

7.3.1 Any loss, damage or claim, howsoever arising out of, or relating to negligence by the Supplier, the Supplier's Personnel, or by any person employed or otherwise engaged by the Supplier, in connection with the performance of the Call-down Contract;

7.3.2 Any claim, howsoever arising, by the Supplier's Personnel or any person employed or otherwise engaged by the Supplier, in connection with their performance under this Call-down Contract.



Department  
for International  
Development



- 7.4 The Supplier will ensure that such insurance arrangements as are made in respect of the Supplier's Personnel, or any person employed or otherwise engaged by the Supplier are reasonable and prudent in all circumstances, including in respect of death, injury or disablement, and emergency medical expenses.
- 7.5 The costs of any insurance specifically taken out by the Supplier to support the performance of this Call-down Contract in relation to Duty of Care may be included as part of the management costs of the project, and must be separately identified in all financial reporting relating to the project.
- 7.6 Where DFID is providing any specific security arrangements for Suppliers in relation to the Call-down Contract, these will be detailed in the Terms of Reference.
- 8. Limitation of Liability**
- 8.1 The Supplier's limit of liability shall be as provided for in Clause 35.2 of Section 2 (Standard Terms and Conditions)
- 9. Monitoring of Call-down Contract Performance**
- 9.1 The Supplier shall comply with the performance monitoring conditions set out in Annex A.
- 10. Commercial Caveats**
- 10.1 REDACTED
- 11. Extension Options**
- 11.1 The contract may be extended by an additional £850,000 (DFID contribution) for up to a further 24 months subject to Supplier performance, programme requirement, Business Case extension and DFID approval.
- 12. Due Diligence Assessment Call – Down Arrangement**
- 12.1 REDACTED
- 11. Call-down Contract Signature**
- 11.1 If the original Form of Call-down Contract is not returned to the Contract Officer (as identified at clause 4 above) duly completed, signed and dated on behalf of the Supplier within 15 working days of the date of signature on behalf of DFID, DFID will be entitled, at its sole discretion, to declare this Call-down Contract void.

For and on behalf of  
The Secretary of State for  
International Development

Name:

Position:

Signature:



Date:

For and on behalf of

Name:

PricewaterhouseCoopers Private Limited

Position:

Signature:

Date:



## Department for International Development (DFID)

### Terms of Reference

#### Call-down for technical assistance services for conducting due diligence assessments of potential delivery partners

### Contents

|   |    |
|---|----|
| <b>About DFID</b> .....   | 2  |
| <b>Introduction &amp; Background</b> .....                              | 2  |
| <b>Objectives</b> .....   | 2  |
| <b>Recipient</b> .....  | 3  |
| <b>Scope of Services</b> .....  | 3  |
| <b>Requirement:</b> .....   | 4  |
| <b>Timing</b> .....   | 6  |
| <b>Budget</b> .....   | 6  |
| <b>Reporting Requirements</b> .....                                     | 7  |
| <b>Contract Management</b> .....  | 7  |
| <b>Duty of Care</b> .....   | 8  |
| <b>General Data Protection Regulation</b> .....                         | 9  |
| Annex F – Schedule of Processing, Personal Data and Data Subjects ..... | 10 |

## About DFID

1. DFID's mission is to end extreme poverty, leading delivery of the global development goals. Our focus is on supporting poor and fragile and conflict affected states, making the international system work better for the poor, improving access to and quality of, basic services, supporting sustainable economic development and prosperity, building resilience to crises and responding effectively when they occur, supporting peace, security and improved governance, and unlocking the full potential of women and girls.
2. DFID wishes to work with PricewaterhouseCoopers Pvt Ltd (PWC) who will commit to ensuring that the best Value for Money (VFM) technical expertise is quickly and efficiently accessible to DFID staff and other colleagues across the civil service to complete Due Diligence Assessments (DDAs) of delivery partners. The aim is to ensure that the UK development programme and VFM Official Development Assistance (ODA) is at the forefront of international development best practice.

## Introduction & Background

3. Following an internal review of our due diligence processes across both the commercial and non-commercial funding routes and conducting due diligence assessments, we are aiming to increase the quality and efficiencies within our approach and significantly reduce the burden and time taken for completing DDAs.
4. This is a new DFID requirement responding directly to DFID's Internal Audit's assessment of the operational approach to due diligence assessments. There is a need to support the capacity and capability of programme teams to complete quality assessments, which provide insight into the supply partner's ability to deliver the programme. The DDA's should be supported by evidence of the partners capacity and capability to deliver the programme, as well as identifying risks that the programme teams should monitor for the lifetime of the programme, through DFID's Risk Management Framework to enable the programme teams to have confidence and take credible assurance from the assessment. The introduction of this contract framework has an overall aim of supporting the objectives to make DFID's due diligence process more efficient and effective.

## Objectives

5. There are three levels of outsourcing services for the call-down tasking orders. The main objectives and scope of the services for these options will be;
  - a. To conduct a full due diligence assessment which will provide programme teams with insights into their delivery partners' capacity and capability to deliver. Providing technical assistance across the 5 pillars of the due diligence assessment, identifying risks the programme team should monitor for the life of the programme. The technical expert should provide the programme team with advice and guidance on the improvement actions from the due diligence

findings, to support the delivery of robust programme and risk management controls.

- b. To complete Corporate Engagement Risk Assessments (CERA), to quickly and thoroughly assess the reputational risk to DFID of sharing a public platform with International Organisations. This process will extend to reviewing their social and environmental ethics, corporate governance control of organisations, the business integrity, crime or corruption record of its shareholders, owners, directors or similar issues which may affect DFID's own reputation.
- c. To provide partial technical assistance support and contribute to our programme teams for completing 1 or more pillars of a due diligence assessment of the delivery partner(s). There are five (5) Pillars as follows; (See Annex A REDACTED)
  - i. Governance & Internal controls
  - ii. Ability to Deliver
  - iii. Financial Stability
  - iv. Downstream Delivery
  - v. Safeguarding

## Recipient

6. The recipients of the services will be Her Majesty's UK Government (HMG) aid programmes delivering ODA. The service will be accessible by DFID and all UK government departments that deliver programmes funded by UK ODA as under terms of the International Multi-Disciplinary Programme (IMDP) framework.

## Scope of Services

7. To provide outsourced technical expertise to UK HMG / DFID Programme Teams in the UK and in our overseas offices. This will include but is not limited to: technical support to complete a full DDA across the five pillars, clear identification of potential risks in working with a delivery partner which may affect the partner's capacity or capability to deliver a programme, working with programme teams to maintain 'empowered accountability', to ensure the SRO and programme teams have a full understanding of the partners risks and defining appropriate mitigations and controls in delivery. In option 2 the aim is to identify any potential reputational risk to DFID in their engagement with International Corporations.

**Option 1:** Completion of a full due diligence assessment across the five pillars

**Option 2:** Completion of Corporate Engagement Risk Assessment

**Option 3:** Technical support to complete 1 or more of the five pillars

8. PWC will be able to demonstrate their ability to rapidly provide high quality, support with recent and relevant technical and/or country



Department  
for International  
Development



experience in the completion of high-quality due diligence assessments and corporate engagement assessments. Strong communication and clear interpersonal skills to interact both with the programme teams and the local in-country teams.

9. Support may be required for all countries in which DFID and Other Government Departments (OGDs) work using ODA funding including those in conflict affected and fragile states. Contractors must be able to provide support and be prepared to work in potentially difficult environments. Countries will include but may not be limited to the following: Afghanistan, Bangladesh, Burma, Cote d'Ivoire, DR Congo, Egypt, Ethiopia, Ghana, Guinea, India, Jordan, Kenya, Kyrgyzstan, Liberia, Libya, Malawi, Montserrat, Mozambique, Nepal, Nigeria, Occupied Palestinian Territories, Pakistan, Pitcairn, Rwanda, Sierra Leone, Somalia, South Africa, St Helena and dependencies, Sudan, Syria, Tajikistan, Tanzania, Turkey, Uganda, Yemen, Zambia and Zimbabwe.

## Requirement:

### Test Phase

10. DFID will test the quality of the due diligence assessments from April to June, to test all components of the call down, to allow the hub to verify the quality of the DDA.
11. DFID will engage programme teams to ensure PWC is provided with feedback, to enable PWC to develop the content or style of the DDA where required to ensure the call down contract continues to be a satisfactory business solution.
12. The reports will be drafted using DFID's standard due diligence assessment template, covering the five pillars. (template Annex B - REDACTED)

### DDA Requirement Tasking Orders

13. PWC will respond to DDA request Terms or Reference within a minimum of two (2) weeks with CVs of relevant personnel for a DDA requirement, to the due diligence hub and deploy those staff within two (2) weeks of agreeing staffing with the spending department. Interdependent on VISA approvals, if required. VISA processing with confirmed timescales completed and advised within 3 days of call-down award to finalise deployment timetable.
14. The timeframe for the CERA assessment will differ depending on the complexity of the International Corporation. Time will be the essence in terms of delivery of these assessments and suppliers should have the ability to deliver these reports within 3-10 working days.
15. All call-down arrangements will be agreed at the point of engagement within the capped fee rate for the levels of expertise requested.
16. DFID/OGDs will be responsible for identifying the due diligence requirements in a Terms of Reference that will deliver a quality due diligence assessment through agreed activities.
17. The final DDA requirement for each programme will be developed, in collaboration with PWC and submitted for approval to DFID/OGDs. DDA's produced will also be



assessed against the main technical evaluation criteria for quality improvement and feedback in Annex C - REDACTED

18. DFID/OGDs will review PWC's response and will provide feedback or recommend changes. Once the final DDA requirement is approved by the DFID/OGDs SRO, the supplier will define the budget and resourcing requirements and complete the "Activity Schedule" (template tba). The activity schedule will be authorised by the DFID/OGDs SRO within 2 weeks of being submitted by the supplier. No activity can start without a formal DFID/OGDs approval.
19. The activity schedule will set out:
  - i. Details of the work to be carried out by PWC and the outputs / outcomes to be achieved by the activity, and explanation for how the activity fits into the theory of change.
  - ii. Details of the experts to be deployed by PWC (in line with the expert bands information in the commercial proposal)
  - iii. Level of input required for each expert
  - iv. Expenses related to the delivery of the activity
  - v. An appropriate payment by results mechanism
  - vi. Amount of NPAC/profit being reclaimed through the activity (core/state/federal/team members)
  - vii. Approval by DFID/OGDs
20. There is no pre-defined ceiling to the value of each DDA requirement, however each requirement will be expected to demonstrate value for money within the capped rates and expenses and will require approval from DFID/OGDs before work can begin. PWC will complete the Procurement and Commercial Department's (PCD) Commercial Pro Forma v3.9 (Annex D - REDACTED) for each requirement. The costs contained within the pro forma will be capped at the pre-defined capped fee rates and expenses and will be inline with the PCD Cost Eligibility Guidance v3.0 (Annex E – REDACTED).
21. Any changes to the activity schedule must be formally recorded and approved by the DFID / OGDs / SRO. No change of activity can start without a formal approval

### **Assessment Qualities**

22. PWC will be required to provide:
  - Access to a pool of corporate due diligence technical expertise (Finance, Audit, Safeguarding, Programme Management, Technical Specialist input, Delivery Experts & Risk Specialists), which will provide substantive experience across a range of evidence-based technical support delivered in a variety of challenging development environments.
  - A flexible partnership developed and maintained with its subcontractors, networks and DFID, providing the quality of expertise and services required to complete DDAs which identifies any potential risks to a delivery partners' capacity and capability to deliver a development programme
  - The ability to source, deploy skills and build capability across the Sustainable Development Goals (SDGs) to deliver on the objectives of DFID's development requirements as stated within our business case delivery plans.

- Demonstrate an understanding of UK government's development strategy.
- Ability to respond to requests for technical support to assess potential partners across the 5 pillars of the Due Diligence Assessment framework.
- In-depth understanding of, and a team with specialist skills in Finance, Audit, Safeguarding, Programme Management, Technical Specialist input, Delivery Experts & Risk Specialists, with networks in, a range of developing country contexts, including but not restricted to those where DFID has a bilateral presence.
- Developing local networks and where possible utilising local expertise.
- Proven track record working within international development and demonstrating excellent evidence of managing risks in fluid contexts with good understanding of the international development system.
- Contribution to wider learning through proactive support to programme teams to guide how they should monitor and manage the risks identified within the due diligence assessment process, setting out clear controls and mitigations
- Appropriate management, quality control (technical reviewers, editors, proof readers, etc) replacement of expertise, secretariat and any other support staff necessary to undertake requirements to the quality and standards required.
- Consistent approach to completing the final assessment, using the DFID standard template for completing a Due Diligence Assessment. Each report should provide a clear narrative for each risk identified, to allow programme teams to make an informed decision on whether a partner has the capacity and capability to deliver the programme.
- An opportunity to discuss each risk identified to allow programme teams to clearly understand why they are a monitoring each risk identified in the due diligence process.
- Continuous improvement; PWC will receive constructive feedback after each engagement to help improve the outputs and service delivery. This will be a two-way process, helping DFID and PWC in identifying important process efficiencies and mitigations for any barriers that have or could affect the quality of the resulting assessment.

**For the avoidance of doubt the overall contract value includes the costs of the requirements.**

## Timing

23. The call down contract will commence in April 2020 for the period of 12 months with the option to extend for up to a further 24 months.

## Budget

24. DFID's contribution to the budget for this requirement is up to £200,000 inclusive of all applicable taxes, for the 12-month contract duration. The Due Diligence Hub will also be made available to OGD's who will fund their own DDA requirements. Therefore, the total budget of this requirement may exceed £200,000. The contract may be extended by an additional £850,000 (DFID contribution) for up to a further 24

months subject to Supplier performance, programme requirement, Business Case extension and DFID approval.

25. All call-down arrangements will be agreed at the point of engagement within the capped fee rate for the levels of expertise requested. For the avoidance of doubt, DFID will not incur any charges over the contract term if no requirement for a DDA is identified (including but not limited to retention fees, management fees, etc.) A budget will be prepared by PWC for individual DDA requirements at the point of engagement based on the fee rates and expenses as per Section 6 – Fee Rate Card and Section 7 – Worldwide Subsistence Rates of the International Multi-Disciplinary Programme Framework Agreement Contract. For the purpose of this call down PWC will submit a Fee Rate Card which will include any known experts that will be engaged for this requirement and their actual fee rate.

## Reporting Requirements

26. Formal communication with DFID will be through quarterly performance meetings with the Due Diligence Hub and at annual review.
27. PWC will be required to maintain detailed records and submit annual financial reports to DFID (and to submit financial records and reports, as and where appropriate, to OGDs who are using the contract/service).
28. PWC will be required to provide detailed management information, including an up to date names and roles database, on a quarterly basis within regard to each call-down.
29. PWC will be required to report regularly on the progress, quality assessment and outcome of each assignment, as set out in the call-down contract awarded.
30. DFID has transformed its approach to transparency, reshaping our own working practices and encouraging others across the world to do the same. DFID and OGDs require successful suppliers receiving and managing funds, to release open data on how money is spent, in a common, standard, re-usable format and to require this level of information from immediate subcontractors, sub-agencies and delivery partners.
31. It is a contractual requirement for all successful suppliers to comply with this, and to ensure they have the appropriate tools to enable routine financial reporting, publishing of accurate data and providing evidence of this evidencing to DFID and OGDs– further International Aid Transparency Initiative (IATI) information is available from <http://www.aidtransparency.net/>

## Contract Management

32. PWC will be responsible for implementing robust contract management, including management supervision of staff and sub-contractors engaged in delivering of the framework, maintaining effective communication with DFID staff and OGDs.



Department  
for International  
Development



33. PWC will, as part of the monitoring of all services, establish and implement adviser feedback exercises and user satisfaction surveys for each call-down. An example of these templates to gather feedback will be included in the tender response.
34. PWC must make available an appropriate management, quality control (editors, proof readers etc) and backstopping mechanism, secretariat and any other support staff necessary to undertake the programmes and projects. PWC will assign a project director to each requirement they are commissioned to undertake. The project director will have overall responsibility for the programme or project and for formal contact with the contracting authority. Please refer to the terms and conditions Section 21 satisfactory performance.

## Duty of Care

35. The framework participant 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 staff and property.
36. DFID and OGDs will share available information with the supplier on security status and developments in-country where deemed appropriate.
37. The supplier is responsible for ensuring appropriate safety and security briefings for all personnel working under this call down. Travel advice is also available on the Foreign and Commonwealth Office (FCO) website and the framework participant must ensure they (and their personnel) are up to date with the latest position.
38. This procurement may require the framework participant to operate in a seismically active zone and is considered at high risk of earthquakes. Minor tremors are not uncommon. Earthquakes are impossible to predict and can result in major devastation and loss of life. There are several websites focusing on earthquakes, including <http://geology.about.com/library/bl/maps/blworldindex.htm>.
39. The framework participant should be comfortable working in such an environment and should be capable of deploying to any areas required within the region in order to deliver the contract (subject to travel clearance being granted).
40. The framework participant is responsible for ensuring that appropriate processes and procedures are in place for their personnel, considering the environment, they will be working in and the level of risk involved in delivery of the contract (such as working in dangerous, fragile and hostile environments etc.)
41. Contractors must develop their proposals based on being fully responsible for duty of care in-line with the details provided above and the initial risk assessment matrix prepared by DFID. In country risk assessments will be provided within the Terms or Reference of the individual DDA requirement, by the programme team through the hub.



42. Acceptance of responsibility must be supported with evidence of duty of care capability and DFID reserve the right to clarify any aspect of this evidence.

## **General Data Protection Regulation**

43. Please refer to the details of the GDPR relationship status and personal data (where applicable) for this project as detailed in Annex F and the standard clause 33 in Section 2 of the Framework Agreement Contract.

## Annex F – Schedule of Processing, Personal Data and Data Subjects

| Description   | Details  |
|---|--|
| <b>Identity of the Controller and Processor for each Category of Data Subject</b> | <p>The Parties acknowledge that for the purposes of the Data Protection Legislation, the following status will apply to personal data under this contract:</p> <ol style="list-style-type: none"> <li>1) The Parties acknowledge that Clause 33.2 and 33.4 (Section 2 of the Framework Agreement) shall not apply for the purposes of the Data Protection Legislation as the <b>Parties are independent Controllers</b> in accordance with Clause 33.3 in respect of Personal Data necessary for the administration and / or fulfilment of this contract.</li> <li>2) For the avoidance of doubt the Supplier shall provide <b>anonymised data</b> sets for the purposes of reporting on this project and so DFID shall not be a Processor in respect of Personal Data necessary for the administration and / or fulfilment of this contract.</li> </ol> |