



Foreign, Commonwealth & Development Office

CALL DOWN CONTRACT

Framework Agreement with: DAI Global UK Ltd

Framework Agreement for: Global Development Delivery Framework (GDD)

Lot 7 – Governance and Conflict

Call Down Contract For: Nigeria Governance and Climate Change Programme

Contract ECM Number: ECM_6612

I refer to the following:

1. The above-mentioned Framework Agreement dated 18 December 2023;
2. Your proposal of 25 March 2024

and I confirm that FCDO requires you to provide the Services (Annex A, Terms of Reference), 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

- 1.1 The Supplier shall start the Services no later than 15 July 2024 (“the Start Date”) and the Services shall be completed by 15 July 2028 (“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 FCDO requires the Supplier to provide the Services to FCDO Nigeria (the “Recipient”).

3. Financial Limit

- 3.1 Payments under this Call Down Contract shall not, exceed £ 26,000,000 (“the Financial Limit”) and is inclusive of any government tax, if applicable as detailed in Annex B.

4. FCDO Officials

- 4.1 The Project Officer is:

[REDACTED]

- 4.2 The Contract Officer is:

March 2024



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[REDACTED]

5. Key Personnel

- 5.1 The following of the Supplier's Personnel cannot be substituted by the Supplier without FCDO'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:
- I. 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.
 - II. 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 FCDO in respect of:
 - II.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;
 - II.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.
 - III. 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

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Supplier are reasonable and prudent in all circumstances, including in respect of death, injury or disablement, and emergency medical expenses.

- IV. 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.
- V. Where FCDO 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. Call Down Contract Signature

- 8.1 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 FCDO, FCDO will be entitled, at its sole discretion, to declare this Call Down Contract void.

No payment will be made to the Supplier under this Call Down Contract until a copy of the Call Down Contract, signed on behalf of the Supplier, returned to the FCDO Contract Officer.

Annex A

Terms of Reference

Call Down Title: Nigeria Governance and Climate Change Programme

ITT Number: 6278

Framework: GDD Lot 7 – Governance and Conflict

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1. Summary

- 1.1. The UK Foreign, Commonwealth and Development Office (FCDO) is procuring a service provider ("Supplier") to implement components of the Nigeria Governance and Climate Change Programme (NGCP).
- 1.2. NGCP aims to support coalitions to influence government to resolve climate and governance problems affecting the poorest and most vulnerable Nigerians and hold government accountable; increase state government income from internally generated revenue; mainstream climate action in the centre of state government policy, planning and budgets; and strengthen elections delivery and credibility. It will achieve this by working with civil society organisations, the private sector, progressive state governments, and the Federal government. NGCP budget is 10%-30% UK International Climate Finance (ICF) eligible.
- 1.3. This tender is for a Supplier or consortium to act as the lead technical assistance provider and fund manager. The Supplier will lead implementation of Issue Based Coalitions (Component 1); provide technical assistance under Core Governance Capability and Accountability (Component 2); deliver Monitoring, Research, Evidence and Learning (Component 4); and manage the Strategic Opportunities Fund (Component 5) enabling the programme to flexibly respond to political opportunities as they arise.
- 1.4. The Supplier contract will be for up to four years from the Commencement Date, subject to break points at the end of the Inception Phase and at the end of Year 2 and scale up options as set out below. The total budget for the services to be provided under this contract, will be up to £26 million (inclusive of all applicable taxes and grant financing at £1.7 million). The Supplier is required to include £750,000 in their bid within the £26m financial limit as unallocated for potential bonus payments for the successful delivery of agreed Log-Frame Outcome or Impact indicators (para 8.46.1)
 - 1.4.1. Two financial scale-up options will be available. The first will be up to £12.8m, subject to performance and availability of funds (both ICF and non-ICF). The second will be up to a total of £26m i.e. a maximum contract value of £52m, subject to performance, availability of funds, internal FCDO business approvals, and approval of a time extension as detailed in 1.4.2 below.
 - 1.4.2. FCDO Nigeria may also seek a Phase 2 time extension up to a maximum of a further 3 years, subject to demand and need; affordability; programme and supplier performance; value for money; and recommendations from the mid-term independent evaluation of the contract.
- 1.5. Conversely, FCDO reserves the right to scale down or discontinue the programme at any point in line with the Terms and Conditions.

2. Context and Rationale

- 2.1. The context in which NGCP will operate is described below. Further information is available in the NGCP Business Case and accompanying annexes (Annexes 1 and 2). NGCP will operate in a highly conflict-prone, climate vulnerable and complex political context and the Supplier must consider these risks in their bids.
- 2.2. NGCP seeks to address Nigeria's interrelated governance and climate change challenges:

- 2.2.1. **Dependence on oil revenues:** at the heart of Nigeria's political economy lies a system based on distribution of oil revenues. External drivers and shocks today place this system under stress: the global economic crisis and oil price volatility has undermined the fiscal base of the Nigerian state. Even with high oil global prices, a government fuel subsidy (recently removed by President Ahmed Bola Tinubu), costing an estimated Nigerian naira N10 trillion from 2006 to 2018, has pushed Nigeria further into debt. Economic growth has not kept pace with rapid population increase; alternative revenue streams have not reduced dependency on oil; climate change is diminishing productive capacity and increasing food insecurity, and the state has been unable to adapt and respond.
- 2.2.2. **Weak social contract:** both domestic service delivery and taxation are essential for a strong social contract between citizens and the state. Dependency on oil revenues has historically meant underinvestment in internal revenue generation, with tax to GDP ratios amongst the lowest in the world at 8%. On average, state governments generate 20% of their revenues, with the remaining 80% coming from centrally distributed oil revenues. Low levels of domestic revenue mobilisation are inadequate to support growth and have limited public expenditure in health, education, social protection and other basic services.
- 2.2.3. **Lack of accountability:** at all tiers of Nigeria's Federal system of government, power is concentrated in the hands of the few, with minimal constraints on the executive. State legislatures and Judiciary have only recently secured financial independence from state governments and local governments lack autonomy from state governments. Appointments and budgets of oversight institutions, including audit and the judiciary, are heavily influenced by the executive.
- 2.2.4. **Unfair power structures:** widespread in Nigeria, this manifests most acutely when it comes to elections. The electoral process marginalises youth, women and other vulnerable groups and the issues that matter to them, such as livelihoods (and the impact climate change is having on them) and service delivery. Representation and participation of youth, women, people with disabilities are low, with Nigeria ranking 180th in the world for the number of female legislators. Approximately 74% of Nigerians want a democratic system, but voter turnout (27% in 2023) reflects widespread dissatisfaction with governance and lack of trust in politics.
- 2.2.5. **Climate action is siloed:** despite a raft of climate related laws and policies, a new Climate Change Council, and ambitious international commitments, climate mitigation, adaptation, resilience, and climate finance are not mainstreamed in Federal or State level policy, planning and budgets. The political economy constraints around power structures, the social contract, and accountability, as described above, mean that states do not currently adequately plan, budget or track climate spend. State Ministries of Budget and Planning are not guided by Nigeria's Nationally Determined Contributions (NDCs) and the majority of state development plans do not prioritise climate action. There is poor coordination horizontally and vertically across the multiple different parts of government working on climate or climate related issues.
- 2.3. Nigeria is Africa's largest democracy and economy and by 2050 will be the third most populous country in the world. The country is experiencing severe impacts

of climate change, including increased floods, droughts, deforestation and reduced agricultural productivity. This is exacerbating conflict, with Nigeria's fatalities now 4th highest in the world, and undermining development amid economic decline.

- 2.4. Despite this overarching context, there has been progress in Nigeria in some areas and there are opportunities to build on this through the NGCP. Power has changed hands peacefully five times since the end of military rule in 1999 including an opposition victory. The Electoral Act (2022) strengthened the independence of the Independent National Electoral Commission (INEC), improved transparency and legal basis for electronic transmission of results. Civil society and citizens groups are increasingly demanding and driving change through better organisation and mobilisation of constituencies. Recent examples include #NotTooYoungToRun, a youth driven campaign which successfully sought a constitutional amendment to reduce the age limit for running for office. On tax reform and internal revenue generation there are also bright spots. Since 2015, Kaduna State has demonstrated and implemented reforms that have resulted in increases of Internally Generated Revenue (IGR) from 20% of total revenue in 2015 to 30% in 2020. Lagos provides an example of what is possible. In the last 20 years Lagos State has increased IGR thirty-fold. In 2021 a new Climate Change law was enacted, the second stand-alone climate law in Africa. The Climate Change Act (2021) provides an overarching legal framework to cut greenhouse gas emissions and strengthen climate action. It establishes a Climate Change Council with a mandate to lead and coordinate national climate change efforts and developed the Energy Transition Plan for the achievement of net-zero emissions.

3. The Recipient

- 3.1. The main beneficiaries of NGCP are Nigerian citizens through programme support provided to recipients such as government institutions, civil society organisations, research institutions and private sector organisations at both the federal and sub-national levels.

4. Objectives

- 4.1. The intended **impact** of NGCP is to support a more stable and climate resilient Nigeria. All Supplier activities must contribute to achieving this impact statement. The Supplier will develop and monitor indicators to measure progress towards the impact statement, which will include stability-related indicators and a high-level climate change target - the Supplier is expected to deliver against ICF KPIs 1, 4 and 15 (see para 9.58). Indicators may include:
- 4.1.1. State level index of selected indicators on delivery of public goods and services (methodology to be agreed with FCDO by the end of month 5).
 - 4.1.2. State level index of selected indicators on budget participation, transparency, and freedom of information (methodology to be agreed with FCDO by the end of month 5).
 - 4.1.3. Share of state budgets aligned with Nigeria's Nationally Determined Contributions (NDCs).
 - 4.1.4. Number of people reporting improved adaptation to the effects of climate change (disaggregated by gender and other relevant identity markers).
 - 4.1.5. Increased levels of women and youth leadership and participation in electoral processes, and across programme activities.

- 4.2. The Outcome will be to promote more inclusive and accountable institutions that respond to Nigeria's interrelated governance and climate challenges. All Supplier activities must contribute to achieving this outcome statement. During Inception, the Supplier will propose and FCDO will approve indicators and methodology to measure progress towards the outcome statement, which may include but not to be limited to:
- 4.2.1. Increased government revenues by 1.5%-2%.
 - 4.2.2. Evidence of improved effectiveness of government expenditure on climate, social protection, health, and education.
 - 4.2.3. Evidence of issue-based projects supported by NGCP being adopted or scaled up by relevant Nigerian or other international stakeholders.
 - 4.2.4. Evidence of increased influence of citizen constituencies (including marginalised groups) on governance reforms to which NGCP has contributed.
 - 4.2.5. Evidence of targeted and other stakeholders becoming more responsive to climate and environmental issues.
 - 4.2.6. Extent to which programme partners are undertaking research and generating evidence to inform policy and advocacy and adapt interventions.
- 4.3. The NGCP Theory of Change and structure sets out 5 interrelated Components and 6 Outputs:
- 4.3.1. **Component 1: Issues Based Coalitions (approx. 35% of the budget):**
Under this component, the programme will facilitate coalitions of reformers in government, civil society, the private sector, politicians, and others who have an interest in positive change on governance, climate mitigation, adaptation and resilience, rapid population growth and service delivery problems.
 - 4.3.1.1. **Output 1:** Coalitions of state and non-state actors that work together effectively to tackle issues linked to climate adaptation/resilience/delivery of public goods and services/social protection.
 - **Indicative interventions** include: Support for coalitions including the private sector and government departments on Nigeria's Energy Transition Plan to reduce methane emission, and or address corruption and transparency in the oil and gas sector. The types of governance, climate or social protection issues will vary depending on location. Selection of the right issues will be critical and will depend on whether addressing the issue is politically feasible, whether material results for the poor can be achieved and whether there is potential to scale up. Issue identification will be done through research carried out at the start of the programme.
 - 4.3.2. **Component 2: Core Governance Capability and Accountability (approx. 50% of the budget):** This component will build on the achievements and lessons from over 20 years of UK governance programmes in Nigeria focused on facilitating reform-minded coalitions of state and non-state partners, supporting 'supply-side' reform to government systems and 'demand-side' initiatives with non-state actors.
 - 4.3.2.1. **Output 2:** State government capability and accountability to citizens to mainstream climate and deliver social protection in core governance processes is increased.

4.3.2.2. **Output 3:** State government capability and accountability to manage internal revenue and plan for and access climate finance increased.

- **Indicative interventions for outputs 2 and 3 include:** Technical assistance and peer learning to: ensure climate, mitigation, adaptation, and resilience are at the centre of government policy, planning and budgeting processes; strengthen vertical integration between federal and state governments on climate governance; strengthen state, and - where it is strategic - federal level social protection systems, including potentially shock responsive and/or gender responsive social assistance, as a way of enhancing the adaptive capacity amongst the poorest and most vulnerable to climate change; navigate the increasing digitalisation of social assistance and the expansion of social insurance; improve internally generated revenue, reducing dependency on oil revenues, through strengthening legal and policy frameworks for taxation and the functioning of state revenue authorities, and sensitise state government to climate finance opportunities. Support to civil society organisations, media and communities, including women and young people, to strengthen advocacy and participation in budget process and implementation tracking of state commitments on climate change, social protection, demography and service delivery; improve access to information, tax education and public-private dialogue on taxes; and, support state legislatures to scrutinise state government plans and budgets, including on climate mitigation, adaptation and resilience.

4.3.3. **Component 3: Fair Power Structure (0% of the budget): Not for this contract.** This component will be managed by FCDO Nigeria to support citizen engagement in the electoral process and civil society oversight and monitoring of it. The programme will look for synergies between citizen participation in issues-based projects (under Component 1) and voter mobilisation efforts.

4.3.3.1. **Output 4: Not for this contract.** Civil society and state institutions contribute to more transparent and credible elections.

4.3.4. **Component 4: Crosscutting – Research, Evidence and Learning (approx. 10% of the budget):** this will ensure that investments are underpinned by strong analysis and evidence, improving their likely effectiveness. A robust research and evidence function is important for flexible and adaptive programming and vital if the programme is to contribute to strengthening the national and global evidence base on the applicability of political economy approaches to addressing climate change and governance problems. While monitoring and learning will be cross cutting and delivered by the Supplier, independence of research and evidence can be assured through an independent consortium member, procured under the main contract. The Lead Supplier will need to demonstrate in the procurement process how independence will be ensured.

4.3.4.1. **Output 5:** Learning and evidence informs programme approaches and builds the evidence base.

- **Indicative interventions:** Political Economy Analysis, Climate and Environment Assessment, Gender Equality, Disability and Social Inclusion Analysis, Learning Strategy, independent research on the nexus between governance and climate, thematic reviews and significant change case studies.

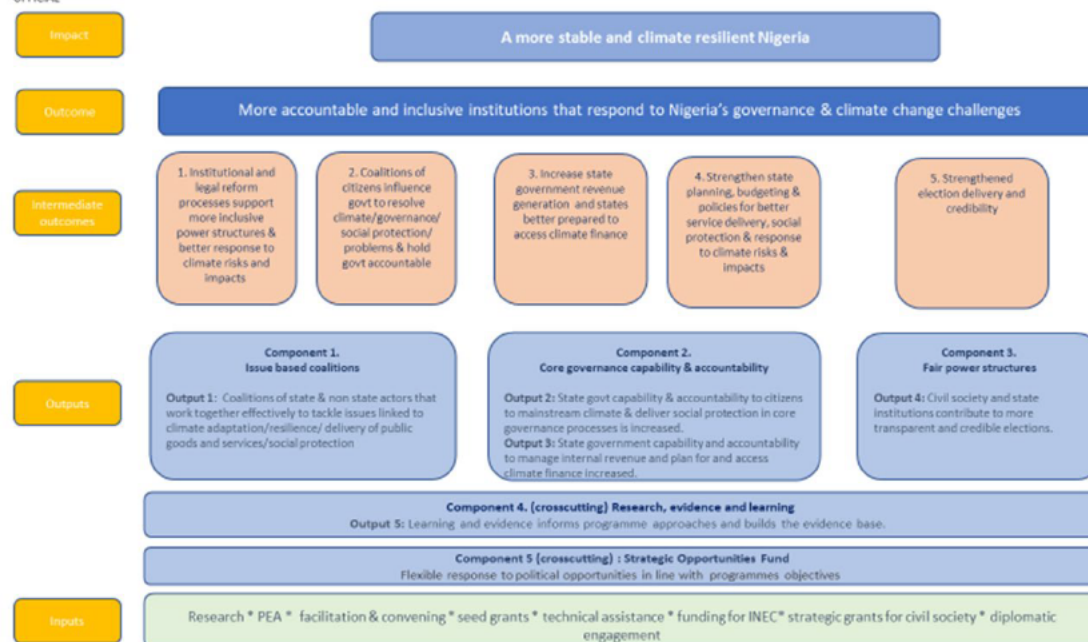
4.3.5. **Component 5: Crosscutting – Strategic Opportunities Fund (SOF) (approx. 5% of the budget):** This will enable the programme to flexibly respond to political opportunities as they arise and where there is a clear added value that cannot be delivered through other components. Criteria for investment will be developed in the Inception Phase of the programme but are likely to include strategic fit with HMG objectives and alignment with Business Case objectives. Suppliers are required to include appropriate management, oversight, and financial mechanisms for the SOF.

4.3.5.1. **Output 6:** Flexible response to political opportunities in line with programme objectives.

- **Indicative interventions include:** commissioning analysis, events, media/ advocacy activities and learning visits that complement the work of the NGCP implementing partners.

4.4. NGCP Theory of Change (ToC) is shown below. The Supplier will be required to provide an updated version of this ToC, detailing any assumptions, to align with its strategic approach, which will be assessed as part of its bid. The results indicators and targets will be agreed with FCDO by the end of the Inception Phase. Further, NGCP expects to deliver against ICF KPIs 1 (adaptation), 4 (resilience) and 15 (transformational change). The Supplier will be responsible for monitoring and reporting against the ICF indicators. The proposed KPIs will be integrated into the results framework at output and outcome levels. Methodologies for tracking these will be further developed during the Inception Phase and will be consistent with ICF and FCDO reporting.

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5. Scope of Work

- 5.1. The scope of NGCP is detailed in the Business Case (See Annex 1). Specifically, for this contract, the Supplier shall be responsible for delivery of the following NGCP components:
 - 5.1.1. Issue based coalitions (NGCP Component 1)
 - 5.1.2. Core governance capability and accountability (NGCP Component 2)
 - 5.1.3. Research, evidence and learning (NGCP Component 4)
 - 5.1.4. Strategic Opportunities Fund (NGCP Component 5)
- 5.2. The Supplier will provide day-to-day management of the programme, including intervention design, development and implementation through the programme budget, financial and fiduciary management, managing downstream partners and their related due diligence, risk management, internal Monitoring, Evidence, Research and Learning (MERL), and logistical and administrative duties.
- 5.3. The Supplier will be responsible for effective engagement, communication, coordination and collaboration with stakeholders including Government of Nigeria at various levels, other components of NGCP, other FCDO Nigeria programmes, and other partners and projects working in Governance and Climate Change in Nigeria. FCDO will require the Supplier to adhere to reporting requirements, facilitate programme meetings (including with FCDO and other stakeholders) and deliver on interventions and activities that meet the needs of the recipients of NGCP.
- 5.4. Between 10 - 30% of the contract spend will be ICF funding. This figure is indicative and will be subject to future adjustments, learning and availability of ICF funds. The contribution will start at the lower end, with a focus on climate focussed issue-based projects and sensitising state governments on 'Green' Public Financial Management (PFM). Through testing, scale-up and building the evidence base, the ICF contribution could potentially increase up to 30% of the contract value. Indicative interventions include: state issue-based projects focussed on climate linked issues; core governance interventions focussed on climate mainstreaming and green PFM; Federal/Regional Core governance interventions focussed on climate mainstreaming; Research, Evidence and Learning budget contributing to the evidence base on climate and governance; Strategic Opportunities Funds reserved for climate linked interventions, tackling sudden onset climate disasters.
- 5.5. The 48-month programme will be divided into three phases:
 - 5.5.1. A 6-month Inception Phase - which will be used to confirm programme design, to undertake a series of analytical studies and agree issues selection (See Section 8 below), including a review point in Month 6.
 - 5.5.2. A 39-month Implementation Phase, including a review point at the end of Year 2 of the contract and a 3-year time and cost extension option.
 - 5.5.3. A 3-month Closure and Learning Phase following the delivery of programme results in Year-4 and a responsible exit. If the programme and contract are extended, the Closure and Learning Phase will move to the final year of the contract.

6. Approach and Methodology

Requirements

- 6.1. NGCP Outputs will be delivered through a combination of technical assistance and grants to third parties.
- 6.1.1. Technical assistance (TA): Recipients of the programme will receive TA delivered by in-house programme staff or consultants to strengthen PFM, Public Service Management, Policy and Strategy, Civil Society Advocacy, Legislation, Social Protection, Climate Mitigation, Adaptation and Resilience and/or others in support of approved issue-based interventions.
- 6.1.2. Grants: Grants to coalitions of not-for-profit organisations to lead issues-based campaigns and help unblock delivery problems linked to climate adaptation and resilience or delivery of public goods. The Supplier will be responsible for managing the grants on behalf of FCDO and must adhere to the [Government Functional Standard for Grants and follow the Cost Eligibility guidance \(Annex 3\) for any Grants issued to third parties](#).
- 6.2. Suppliers should factor into their bids that the annual budget available will be lower in Year 1 of the contract and include an approach for an uplift in spend from Year 2 onwards. Bids should include an approach if they are required to scale down activities and/or scale-up activities. Alongside these specific contract points, Suppliers should include how their activities could intensify or reduce on at least three months' notice. Budgets below are indicative and subject to change.

Component	Y1	Y2	Y3	Y4	Total
Issue-based projects	0.4	3.3	3.5	1.5	8.7
Core governance capability and accountability	0.4	4	4	3.8	12.2
Research and evidence	0.4	0.8	0.8	0.4	2.4
Strategic opportunities fund	0.3	0.4	0.7	0.55	1.95
Total (£m)	1.5	8.5	9	6.25	25.25

- 6.3. The Supplier is required to submit a draft four-year strategy as part of its bid which will be revisited and finalised during the Inception Phase of the programme. The draft strategy should include a detailed **strategic approach for each component** within the scope of these Terms of Reference (see para 5.1 above). The Supplier should provide a revised Theory of Change, including assumptions, that reflects its strategy. The draft strategy should be dynamic rather than static, detailing how NGCP's approach will evolve during implementation and include an exit strategy.
- 6.4. The programme interventions will be guided by:
- 6.4.1. **Political Economy Analysis/Thinking and Working Politically:** NGCP takes an explicitly political approach in addressing governance challenges, including climate governance. The Supplier is expected to embed the use of Political Economy Analysis (PEA) to understand the context and incentives of different stakeholders and facilitate constructive partnerships between government and non-state actors to jointly tackle climate and governance challenges. The approach should reflect how the Supplier will

influence government policy and support Nigerian partners to own and lead NGCP supported reforms.

- 6.4.2. **Flexible and adaptive programming:** The Supplier will be required to demonstrate a flexible and adaptive approach that will enable NGCP to take advantage of political opportunities as they arise, allowing scale up or scale back of activities. The Supplier will be required to build in testing, deliberate learning, and experimentation on how best to achieve the desired outputs and outcomes. The Supplier will have flexibility at the output level, not the outcome or impact level. While NGCP is a flexible programme, the Supplier must still develop and maintain a workplan to implement its strategy; flexibility allows for this plan to change but a plan must still exist.
- 6.4.3. **Gender equality and inclusion:** The Supplier will be required to demonstrate a strong and clear approach to embedding gender and social inclusion (GESI) throughout all aspects of programme delivery including compliance with the International Development (Gender Equality) Act 2014 and other relevant legislation. The Supplier will integrate GESI in PEA, conflict analysis, risk management and safeguarding, climate and environment, partnership principles and counter terrorist financing. All programme data and results will be disaggregated by gender and other relevant inclusion markers.
- 6.4.4. **Climate and environment mainstreaming:** in line with FCDO guidelines, the Supplier will need to demonstrate how NGCP will align with the Paris Climate Agreement, do no environmental harm, and identify, record and report all climate-related activities. The Supplier will also need to demonstrate how climate change considerations will be integrated across NGCP's interventions. That would require an in-depth understanding of state-level climate change risks, the national climate governance architecture, and an identification of politically-feasible opportunities to apply ICF-eligible funds across programme components. The Supplier will also need to demonstrate how it will effectively incorporate climate finance considerations within the programme, at both federal and sub-national levels.
- 6.4.5. **Conflict analysis:** Given the locations where the programme will operate, the Supplier will be required to develop a conflict sensitive approach that will enable the programme to identify drivers of conflict and mitigate any risk of exacerbating tension. The Supplier will need to demonstrate that NGCP will adhere to the principle of 'do no harm' to ensure that no programme activities inadvertently increase the risk of conflict.
- 6.4.6. **Systems strengthening:** The Supplier will need to demonstrate how it will support institutional capacity development of state and non-state actors through technical assistance and peer learning on climate change, public financial systems, planning, social protection, and climate related agencies. Capacity building of partnership organisations will be a key requirement of this programme to enable long-term impact.
- 6.4.7. **Issue-based programming.** At the core of NCGP is a focus on facilitating coalition building and providing support to reform minded groups and individuals that are interested in identifying and resolving tractable issues that stakeholders have incentives to resolve. The Supplier will develop and apply criteria to assess and select which issues to work on, including but not limited to: 1) potential for the issue to bring stakeholders together with

power to act; 2) potential to be transformative (to tackle root causes and create sustainable change); 3) where there is a realistic chance of building or leveraging political consensus; 4) likely benefits to the poorest and most marginalised; 5) level of coverage by other development partners/actors. At the end of the Inception Phase, the Supplier would be expected to identify one issue in each focal state and at the federal level to support. Except where FCDO advises otherwise, the Supplier will ensure that at least one of the issues identified is climate-related and could build towards achieving NGCP's climate change objectives.

- 6.4.8. **Partnership with others:** The Supplier will demonstrate how NGCP will maximise synergies with other UK and development partners' programmes and mobilise additional resources to support NGCP and focal states' priority reforms.
- 6.4.9. **Evidence-based:** The Supplier will be required to demonstrate a robust Monitoring, Research, Evidence and Learning system that is fit for NGCP as a politically smart and flexible programme. The proposed approach should support the results framework revision at the Inception Phase and after annual reviews, enable programme learning and adaptation, research and analysis, and knowledge management.
- 6.4.10. **Working with national and regional platforms:** While the bulk of NGCP activities will be at the state level, the programme will collaborate with national and regional platforms with convening powers, to support non-focal states and civil society actors through peer learning events and targeted technical assistance. The Supplier will be required to demonstrate experience and ability to work with diverse platforms, to broaden support to state and non-state actors across Nigeria.
- 6.5. The NGCP will adopt a **three-tier approach to geographic engagement:**
 - 6.5.1. Tier 1. Partner States – 3 partner states in the North-West would see full programme engagement across all components. A final decision on focal states will be made during inception considering the political economy and FCDO geographic review priorities.
 - 6.5.2. Tier 2. Light touch engagement – centring on technical assistance delivered on a demand basis via a helpdesk model through national or regional platforms such as the Nigeria Governor's Forum, the Dawn Commission, the South-East Governors Forum. NGCP would look to partner with other organisations to ensure any UK investments leverages other donors.
 - 6.5.3. Tier 3. Federal Government - limited engagement, focussed on political opportunities and issues where interventions support broader policy agendas or policy coordination that impacts the subnational level.

7. Team Structure and Human Resource

Key Requirements

- 7.1. **Core Team:** The Core Team will sit within the Supplier and be responsible for the delivery of these ToR. It will be responsible for managing and delivering the relevant components of NGCP in an effective and coherent manner, which drives value for money and is fully accountable to the FCDO. The Core Team will have responsibility for:

- Providing strategic advice to FCDO, highlighting areas of political opportunity or challenge, and making recommendations to the FCDO on project selection, scale-up or termination.
 - Identifying, designing and managing the implementation of projects and grants at federal and sub-national levels, including the procurement of downstream delivery partners and ensuring alignment with the direction given by FCDO.
 - Designing and implementing a robust MREL system that: harvests data, results and learning from across the programme; iteratively informs decision making and enables adaptive programming; and commissions periodic thematic reviews and research to assess effectiveness, impact, and test NGCP's overall ToC and strategy.
 - Coordinating across the programme, ensuring that the components work together to deliver the desired outcomes and contribute towards the stated impact.
 - Conducting Political Economy Analysis, Climate-related analysis, Gender Equality, Disability and Social Inclusion Analysis, Stakeholder Mapping and other analysis when needed to inform decisions related to NGCP.
 - Providing advice and information to inform rapid decision-making as well as quarterly (and as needed) analysis on specific issues or areas to support wider FCDO decisions and programmes.
 - Providing technical advice and expertise relevant to the programme.
 - Managing relationships with external stakeholders.
 - Managing relationships with FCDO to ensure effective decision-making, risk management and value for money (VfM) of interventions. This will include day-to-day cooperation with the PRO/SRO; delivery of monthly progress and financial reports; and regular engagement with the Steering Committee (SC) to report progress and results, as well as to seek approval for high-level decisions where necessary.
 - Organise and set the draft agenda for the 6 monthly steering committee meetings.
- 7.2. The Core team should include the following full-time and country-based positions: Team Leader, State Team Leaders, and a Senior Programme Manager. Flexibility is allowed on the rest of the core team personnel, the organogram and job titles. Suppliers are required to provide named individuals and CVs for all members of the core team in their bids. Bidders should note that their score for Technical Criterion will be affected by the quantity (i.e. number of days allocated per year) as well as the quality of resource allocated to achieving NGCP objectives.
- 7.3. **Long Term Expert Pool:** The long-term expert pool includes personnel with skills that NGCP will likely require for 5+ days/month on average for the duration of NGCP's implementation. Potential Suppliers are required to provide named individuals and CVs for the following personnel in the long-term expert pool: Public Financial Management, Climate Governance and Climate Finance, Social Protection, Public Sector Management, Gender and Inclusion, and Citizen Accountability. Suppliers will be assessed on the breadth and quality of expertise provided in the long-term expert pool.
- 7.4. **Short term expert pool:** The short-term expert pool includes personnel with specific skills that NGCP may draw on if required. Potential Suppliers are not

required to provide named individuals for the short-term expert pool in their bid (but they will be expected to when submitting proposals for work). Instead, potential Suppliers are required to demonstrate the breadth and quality of their consultant network and their approach for rapidly recruiting high-quality, niche expertise. This must include proposed day charge rates and a total number of anticipated short-term expert pool days across the length of the contract.

- 7.5. The Supplier must demonstrate its ability to build a diverse and inclusive team with a deep understanding of Nigeria, including deep cultural, social, political, and linguistic knowledge. This will be weighted highly in the assessment of bids. The Supplier must also demonstrate that all staff have internationally competitive competencies regarding strategic thinking, analysis, seeing the bigger picture and communication skills. Potential Suppliers' bids must detail how these characteristics will be maximised without compromise.
- 7.6. All named personnel offered in the bid are expected to be available to work on the programme and any replacements must have an equal or better CV at the same or lower daily rate. Failure to meet this requirement will be a material breach of the contract.
- 7.7. The Supplier is required to design and implement robust performance management processes. The Supplier should ensure that an individual's day rate reflects the value they are contributing to NGCP. If it is judged that an individual staff's day rate does not represent good value for money, the Supplier should be proactive in resolving this mismatch. The Supplier is expected to be particularly rigorous at ensuring that short-term consultant outputs represent good value for money. FCDO reserves the right to require changes to personnel in exceptional circumstances, following discussions with the Supplier.
- 7.8. Key criteria that will be assessed in the tendering process include:
 - 7.8.1. Programme and Grant Management – this will include governance and management of the components.
 - 7.8.2. Technical expertise across the core areas of delivery.
 - 7.8.3. Deep understanding of the Nigerian context at Federal and State levels.
 - 7.8.4. Approach to issues-based working, ability to think and work politically to bring about change in difficult areas, expertise and experience to manage a portfolio of governance, social protection and climate issues-based projects that cut across diverse sectors.
 - 7.8.5. Research, evaluation and learning capability.

Consortium Management

- 7.9. While not a requirement, it is possible that NGCP will be implemented by a Primary Supplier ("Lead organisation") that manages a consortium of specialist sub-contracted suppliers ("Subcontractors") or consortium members.
- 7.10. The Lead organisation is referred to interchangeably as the "Supplier" in this Terms of Reference. The Supplier will be responsible for ensuring the effective management and implementation of NGCP, delegating responsibilities to subcontractors/consortium members as necessary to achieve the programme's objectives. The Lead organisation will be solely accountable to FCDO for the delivery of the Terms of Reference. The Lead organisation will be solely responsible for fulfilling the programme management and delivery requirements.

- 7.11. NGCP is a flexible programme that will adapt its intervention portfolio during implementation. To enable this flexibility while providing a level of certainty to subcontractors, the Lead organisation may consider different sub classifications, for example:
 - 7.11.1. **Key Subcontractors.** Subcontractors that provide the cross-cutting skills required throughout the duration of NGCP. All Key Subcontractors should be named in bids.
 - 7.11.2. **Associate Subcontractors.** Subcontractors that are on call to provide specialist, intervention specific input as required by the programme.
- 7.12. This categorisation is non-prescriptive as the Supplier may undertake some or all the above-mentioned functions itself. The lead will have the flexibility to add other subcontractors during the life of the programme subject to meeting the standard terms and conditions.
- 7.13. If NGCP is implemented by a Lead organisation managing a consortium of subcontractors, it is essential that all suppliers work together in an inclusive, transparent, and coordinated manner. The Lead organisation and all subcontractors are required to work as one team and not in silos. The Lead organisation will be responsible for developing and maintaining a cohesive team spirit, based on transparency, equal partnership, and a shared vision and objectives. These requirements also apply to the Lead organisation and subcontractor's working relationship with partners funded under the Strategic Opportunities Fund, where if appropriate, the Supplier continues to fund activities.

8. Programme Management and Delivery

Mobilisation and Inception Phase

- 8.1. NGCP will have a six-month Inception Phase.
- 8.2. By the end of month 1, the Supplier is required to have:
 - 8.2.1. Established an office in Abuja, Nigeria.
 - 8.2.2. Finalised contractual arrangements with Subcontractors.
 - 8.2.3. Mobilised team to deliver Inception Phase deliverables.
- 8.3. During the Inception Phase, the Supplier will:
 - 8.3.1. Establish at least one office in an agreed focal State capital. The location will be agreed upon during Inception.
 - 8.3.2. Have the core team, including technical experts, established and functioning to full capacity.
 - 8.3.3. Undertake research and analysis (e.g. PEA and Conflict Analysis, Climate Change Risk and Adaptation Assessment, Gender Equality, Disability and Social Inclusion Analysis) into potential entry points for interventions, and into issues that have potential to shift elite incentives. Analytical work will be informed by a review of prior work of FCDO Nigeria governance, climate change, social development programmes, and a mapping of other development partners' programming. Consultation with state governments and relevant non-state actors will form part of this Phase, as their willingness to engage with NGCP will be a key factor in the selection of geographies. Additionally, this phase will help to scope the networks of individuals, civil society organisations, private sector organisations and

non-state actors with which the programme may work on issue-based projects.

- 8.3.4. This phase will also be used to finalise strategy, design and management of the Implementation Phase, including its strategic approach, budget, results framework, and milestones. The detailed MERL system will also be designed in partnership with FCDO, establishing a schedule of learning events and processes required, including the Annual Review cycle. All required governance, stakeholder, advisory, and financial management policies will be finalised and documented.
- 8.4. Supplier performance for the Inception Phase will be judged against delivery of the following:

	Deliverable (Inception Phase)	Due by
1.	Terms of Reference for Analytical Studies	Month 2
2.	Communications and engagement plan with stakeholders	Month 2
3.	Governance, programme management, finance systems and exit plan	Month 3
4.	Quarterly Report	Month 3
5.	Initial Political Economy Analysis and state diagnostic work	Month 5
6.	Climate Change Risk and Adaptation Assessment	Month 5
7.	Climate and Environment Review and Strategy	Month 5
8.	Terms of Reference and approach to managing the Strategic Opportunities Fund	Month 5
9.	Criteria and method approved for identification and selection of issues-based projects	Month 5
10.	Detailed Theory of Change and Results Framework	Month 5
11.	Gender, Disability and Social Inclusion Analysis and strategy	Month 5
12.	Conflict Sensitivity Analysis	Month 5
13.	Draft Inception Report, Programme Strategy and Annual Work Plan	Month 5
14.	Monitoring and learning strategy approved and mobilised	Month 5
15.	Work plans for first 6 months implementation phase and milestones agreed with state governments	Month 6
16.	Final Inception Report	Month 6

- 8.5. At the end of the Inception Phase there will be a review and break point. FCDO will conduct an inception review at the end of the Inception Phase, which will include assessing progress against the draft logical framework, assessment of strategy, agreement on implementation workplans and a discussion on future workplan priorities. Progress to the Implementation Phase will be subject to the satisfactory performance of the Supplier and FCDO's approval of the Inception

Phase deliverables and report. If FCDO deems that sufficient progress has not been made, or that the Supplier's performance at Inception Phase has not been satisfactory, FCDO may exercise its rights to terminate the contract.

- 8.6. FCDO will review the draft inception report and provide feedback within 2 weeks of receipt. A final inception report will be due within two weeks of receiving feedback from FCDO.

Implementation Phase

- 8.7. This programme will be managed by FCDO Nigeria. The Senior Responsible Owner (SRO) with overall responsibility for the programme will be FCDO Nigeria's Governance Team Leader. The Programme Responsible Owner (PRO) will be an FCDO Nigeria's Governance Adviser who reports to the Governance Team Leader. This staffing make-up may change depending on the future workforce of FCDO.
- 8.8. The SRO will take decisions on direction of the programme in consultation with the Head of the 'Governance and Stability Block' of the British High Commission in Nigeria. The PRO will be responsible for overseeing day-to-day implementation and performance of the programme, including management of the Operational Team. This staffing make-up may change depending on the future workforce of FCDO.
- 8.9. The PRO will manage and be supported by an FCDO Operational Team consisting of Programme Management staff, Finance and Political team members. Programme management staff will manage programme finances, ensure compliance with FCDO's Programme Operating Framework (PrOF) Rules and operating systems, oversee the contractual and commercial relationship with the supplier/s, and manage implementation through the programme's Delivery Plan. The Operational Team will provide the necessary management inputs to maintain a balanced portfolio, provide quality assurance, ensure risk is well managed and within agreed tolerances, and review all programme components before implementation.
- 8.10. An FCDO Climate Adviser will provide ongoing support and technical advice to the programme. FCDO Governance, Economic Advisers, Social Development Advisers, Education and Health and Regional Coordinators will also support delivery. FCDO Regional Coordinators will play a critical role in ensuring effective coordination between FCDO programmes operating at state level, escalating and managing risk, and supporting reform processes through coordination of FCDO Nigeria's Mutual Accountability Framework processes and influencing state governments. FCDO Nigeria may explore the option of an insourced adviser in partnership with the Supplier during the Inception Phase of the programme. The responsibilities of the insourced adviser will be jointly agreed with the Supplier, if considered necessary for the programme.
- 8.11. The Supplier will deliver the programme against workplans agreed and approved at the end of the Inception Phase. Workplans will be agreed and revised on a six-monthly basis thereafter. During the Inception Phase, an agreement will be reached on the types of changes that require FCDO

- approval, and on the mechanisms required to capture all key changes to the programme, including to the workplan.
- 8.12. Implementation Phase deliverables will include but not be limited to (see Annex 4):
 - 8.12.1. Continuous review process to ensure effective delivery and value for money.
 - 8.12.2. Monthly submission of financial statements and quarterly progress reports by the Programme Delivery.
 - 8.12.3. Quarterly Programme Management meetings.
 - 8.12.4. Six-monthly Steering Committee meetings (see para 8.18 and 8.19)
 - 8.12.5. Annual reviews of the programme will be conducted by FCDO and will serve as decision points for the programme. In consultation with FCDO, the Supplier will amend the programme workplan to reflect the recommendations of the annual reviews.
 - 8.13. The programme has been designed to scale activity and maximise value from available budget. There is sufficient flexibility to scale up or down according to available budget, built within the programme structure. Extension options are outlined in para 1.4 above.
 - 8.14. FCDO reserves the right to exit from NGCP should there be reasonable cause. Decision points are embedded within the lifecycle of the programme (notably, at the end of the Inception Phase, mid-term review after approximately 2 years, and as part of Annual Reviews) and can be introduced at other times. Exit from the programme would be likely in the case of programme failure. This would require clear evidence that making progress against the intended outcomes and impact will not be possible in the current context (i.e. as a result of significant changes in the context) or with the established delivery model, and therefore no longer represents good VfM. Failure will lead to a managed exit from NGCP.

Closure and Learning

- 8.15. An exit plan should be produced within 3 months of the commencement date of the contract and then further reviewed and finalised and agreed 12 months prior to closing that will cover exit, continuity, and handover strategies for each intervention, including for multiple linked interventions that will require consolidation or coordinated exit. The exit plan and implementation will be reviewed monthly with FCDO's Programme Team during the last 12 months.
- 8.16. The Supplier should aim for delivery of full and final results by the end of Month 45. Following this, a 3-month responsible close down/exit will be required although Suppliers should be prepared to retain flexibility for scale up and expansion after this point if required. This will be reviewed between FCDO and the Supplier during the programme cycle to allow for timely planning and implementation of close-down or extension. A formal, high-quality final report will be required, documenting overall programme results, breakdown of costs and delivery, and lessons learned. A detailed assets register will also be required to be submitted for asset disposal discussions. The report will need to be provided prior to Programme Completion Review (PCR) commencement. Cooperation with the PCR team will be fundamental.
- 8.17. FCDO expects bidders to work with any future FCDO Supplier(s) in relation to the NGCP programme and/or with national and local governments to ensure

smooth handover of and sustainability of activities into the future. The Supplier is expected include a sustainability plan as part of its final year outputs.

Governance and Portfolio Management

- 8.18. Strategic direction for the programme will be set and managed by a Steering Committee (SC), which will meet quarterly during the Inception Phase, moving to twice a year during implementation phase. The SC will be chaired by the FCDO Governance Team Lead and Portfolio Senior Responsible Owner. Insourced roles, Regional Coordinators and cross-cutting FCDO advisers will be represented and options for external representatives, e.g., from the World Bank will be considered. The SC will include senior representative(s) from the Supplier and senior representatives from Component 3 implementing partners. The NGCP Supplier will act as a secretariat, with terms of reference and governance arrangements (including membership) finalised during the Inception Phase.
- 8.19. The Steering Committee will be responsible for making decisions about NGCP's adaptive approach ensuring the programme remains flexible and continues to focus on the right issues and interventions. During the Inception Phase, the Supplier will develop the criteria for selecting the issue-based projects, which will be approved by FCDO, as well as a draft research plan for thematic assessments. The criteria for issues selection could include 1) potential for the issue to bring stakeholders together with power to act; 2) potential to be transformative; 3) where there is a realistic chance of building or leveraging political consensus; 4) likely benefits to the poorest and most marginalised; 5) level of coverage by other development partners/actors.
- 8.20. The Strategic Opportunities Fund (Component 5) will be managed by the Supplier but directed by an FCDO committee (under the direction of the Steering Committee) that includes regional coordinators, advisers, political and policy team members. The Terms of Reference for the SOF will be developed in the Inception Phase. Criteria for accessing the fund are likely to include the following: 1) contribution to the programme theory of change and strength of evidence e.g., that intervention has worked elsewhere; 2) clarity of objectives; 3) added value of activity / wouldn't be delivered through other programme components; and 4) alignment with UK strategic priorities.
- 8.21. The Supplier will maintain a conflict-of-interest register for all staff employed on the programme and ensure comprehensive systems are in place to avoid conflicts of interest between staff and organisations supported by NGCP.
- 8.22. The Supplier is required to develop and implement a strong governance structure designed to enable NGCP to have the flexibility required to adapt its activities as it learns what works and new opportunities arise, while effectively managing risk and ensuring value for money.
- 8.23. The Supplier is required to develop and maintain a beneficiary due diligence database on an ongoing basis. Due diligence should include an assessment of links to politically exposed people or illicit financing, as well as safeguarding, including child-related, sexual exploitation and abuse and sexual harassment-related, and environmental safeguarding. More comprehensive due diligence

will be required for beneficiaries that receive more intensive support from NGCP.

Compliance Requirements

- 8.24. The Supplier should ensure systems that respond to the key compliance requirements set out below. These may evolve as new requirements come on board.
- 8.25. **Asset management.** The Supplier is required to develop and maintain an asset management plan (including disposal) and asset register. These must be developed and agreed with FCDO during the Inception Phase.
- 8.26. **Audit.** The Supplier will be expected to submit annual audited financial statements of programme expenditure in relation to milestone payments and expenses in comparison to budgets and programme activities.
- 8.27. **Delivery chain mapping** is a process that identifies and captures, usually in visual form, the name of all partners involved in delivery of a specific commodity, service or charge, ideally down to the end beneficiary. Addressing this is required to manage regular and exceptional risk throughout the network to reduce exposure and vulnerability. The Supplier will be responsible for developing and maintaining a delivery chain that maps the flow of FCDO funds or support to downstream recipients. If a consortium is contracted to implement NGCP, the Supplier will be the 'Tier 1 Partner' and the subs will be 'Tier 2 Partners'. All recipients that receive direct support from NGCP must be included in the delivery chain map. A risk-based approach will be developed by the Supplier and agreed with FCDO to determine which Tier 2 Partners should provide further details about their suppliers (Tier 3 Partners). The Supplier is free to design their own format.
- 8.28. **Digital.** The UK government defines "digital" spend as "any external-facing service provided through the internet to citizens. FCDO is required to report all digital spend and show that it meets with the 'Digital Service Standard'". Plans to spend programme funds on any form of digital service must be approved by FCDO. The approval process will apply to any spend on web-based or mobile information services, websites, knowledge or open data portals, transactional services such as cash transfers, web applications and mobile phone apps. Further guidance can be found in **Annex 5**.
- 8.29. **Enhanced due diligence.** The Supplier will be responsible for undertaking enhanced due diligence of all downstream suppliers. This will include verification of the strength of their internal financial and fiduciary risk mitigation systems and procedures, track record of operational effectiveness, safeguarding measures, ownership structures, links to Politically Exposed People, links to terrorist or criminal organisations or illicit financing. Further details of FCDO's Due Diligence requirements can be found in **Annex 6**.
- 8.30. **Environmental protection.** The Supplier will be responsible for ensuring there is an action plan to avoid, minimise and mitigate environmental risks throughout implementation. The Supplier will also be responsible for project-level environmental appraisal procedures to be built in which apply best possible safeguards, during intervention design and development and monitored during programme implementation.

- 8.31. **Fraud.** The Supplier (including any subs) is required to set out their fraud and safeguarding mitigation strategies including internal risk management and reporting systems. FCDO takes a zero-tolerance approach to fraud. The Supplier and subs are required to immediately report all suspicions of fraud to FCDO without delay. The requirement will also be written into partnership agreements with Tier 2 Partners. Reporting should be at the point of suspicion of fraud, not the conclusion of the fraud case. All suppliers, staff and downstream recipients should be made aware of FCDO's counter fraud and whistleblowing hotline, details of which can be found here:

Foreign, Commonwealth and Development Office, Counter Fraud and Whistleblowing Unit (CFWU): +44 (0) 1355 843747 or reportingconcerns@fcdo.gov.uk

The Supplier should also set up a local whistleblowing mechanism and ensure this is widely communicated.

- 8.32. **Personnel use.** The Supplier is required to ensure that assets and services paid for by NGCP are not used for staff's personal use. This includes, but is not limited to, mobile phone credit, internet, vehicles, and IT equipment.
- 8.33. **Per diems.** The Supplier is required to design and implement a strict policy on per diems, subsidies, and similar payments. This policy should be underpinned by the per diem policy in the standard terms and conditions and agreed with FCDO during Inception. The Supplier is responsible for ensuring that such payments are used sparingly, with long-term behaviour change prioritised over short-term results.
- 8.34. **Programme closure:** The Supplier is required to plan for a three-month closure period at the end of the contract. No new implementation activities will take place in the closure period. The Supplier will undertake the necessary steps to responsibly exit the programme, including handing over existing interventions to local partners, disposal of assets, finalising financial accounts and drawing down to essential staff. If FCDO has contracted a successor programme to NGCP, the Supplier (primary and subcontractors) will cooperate fully with the new programme to handover the relationships, knowledge and workstreams developed by NGCP.
- 8.35. **Risk management.** The Supplier will also be required to develop a risk management plan during the Inception Phase which should include a robust approach to appraising and managing risks. The Supplier is required to develop and maintain a risk register aligned with FCDO's risk register. The Supplier is required to update the risk register on a quarterly basis in consultation with FCDO and flag any realised risks throughout the course of the programme implementation. The risk register should cover the following categories: strategy and context, policy and programme delivery, public service delivery and operations, people, safeguarding, financial & fiduciary, and reputational.
- 8.36. **Transparency.** FCDO has transformed its approach to transparency, reshaping our own working practices and pressuring others across the world to do the same. FCDO requires the Supplier receiving and managing funds, to release open data on how this money is spent, in a common, standard, re-usable format and to require this level of information from immediate subcontractors, sub-agencies and partners.

- 8.37. It is a contractual requirement for the Supplier 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 FCDO. Further information is available from: <http://www.aidtransparency.net/>
- 8.38. **Branding.** Supplier(s) that receive funding from FCDO must follow UK Branding Guidance for ODA-funded Programmes to be transparent and acknowledge that they are funded by UK taxpayers. The branding approach should be agreed with FCDO during the Inception Phase. If the perception of donor involvement among stakeholders could undermine NGCP's objectives, exceptions may be required to ensure local ownership and buy-in.
- 8.39. Subject to prior FCDO agreement, Supplier(s) should actively promote the work and results of the programme throughout the programme lifecycle and are required to inform FCDO of any important milestones, events, planned media activity or queries from the media. Supplier(s) should also provide FCDO with first-hand human-interest stories that show how UK aid funding for the programme is making people's lives better. This can take the form of positive stories of people receiving or delivering our aid through the programme, any interesting innovations, research or statistics and results from the programme. Full guidance on branding can be found in **Annex 7**.

Do No Harm

- 8.40. FCDO requires assurances regarding protection from violence, exploitation, and abuse through involvement, directly or indirectly, with FCDO suppliers and programmes. This includes sexual exploitation and abuse but should also be understood as all forms of physical or emotional violence or abuse and financial exploitation. The design of interventions including research and programme evaluations should recognise and mitigate the risk of negative consequence for women, children, and other vulnerable groups.
- 8.41. The Supplier will be required to include a statement that they have duty of care to informants, other programme stakeholders and their own staff, and that they will comply with the ethics principles in all programme activities. Their adherence to this duty of care, including reporting and addressing incidences, should be included in both regular and annual reporting to FCDO.
- 8.42. A commitment to the ethical design and delivery of interventions including the duty of care to beneficiaries, other programme stakeholders and their own staff must be demonstrated.
- 8.43. Project-level appraisal procedures will be built in which apply best possible safeguards, during intervention design and development and monitored during programme implementation. Proportionate environmental impact assessments will also be included in due diligence procedures with downstream markets and suppliers and include implementation of safeguards.

Financial Management

- 8.44. Recognising the complexity of NGCP, the high level of contextual uncertainty and the requirement to innovate, FCDO will espouse a "partnership-based" approach to managing this contract. FCDO will award a hybrid contract, with payments made as follows;

- 8.44.1 For the Inception Phase, there are 16 deliverables referenced in the Table under paragraph 8. 100% of all Supplier costs will be paid equally divided on delivery and approval in the judgement of FCDO of those 16 deliverables. It will be feasible with agreement of the FCDO to undertake additional activities within the Inception Phase and these will be paid on an agreed Input cost.
- 8.44.2 At the end of the Inception Phase there will be a review (Inception Review) and break point. FCDO will review the draft Inception Report and Six-Month Work Plan to assess the progress and quality of the Inception Deliverables (table para. 8). These will be paid on successful delivery. Final acceptance of each of the 16 deliverables will rest exclusively in the judgement of FCDO. Upon which, the payment can be made. The Supplier will be permitted (if required) to submit a 2nd document within one month of receipt of FCDO feedback of the first submission (if the first submission was not approved) and still be able to invoice and be paid if FCDO approve the 2nd document. If the 2nd submission is deemed by FCDO to not be acceptable for approval, then FCDO can at its discretion and in agreement with the Supplier permit the Supplier to provide a further amended report within an agreed timeframe and still make the full payment for that Deliverable. However, FCDO reserves the right not to make the payment for that deliverable should the 2nd submission be deemed in the judgement of FCDO to not to be acceptable or the Supplier does not deliver within the agreed timeframe.
- 8.44.3 For the Implementation Phase 10% of all Core Team costs will be paid quarterly based upon the delivery of Contract Management Indicators (CMIs) as referenced in Annex 8. FCDO will initially assess and provide feedback to the Supplier no later than the 15th of the month following the end of the quarter. The Supplier will review and provide feedback and/or acceptance within 2 weeks of receipt. Final decisions on scoring and therefore payments rest with FCDO. If full payment is not achieved in any one quarter, these costs cannot be carried across to any subsequent quarters.
- 8.45 Payment of 20% of Core Team costs are subject to the Implementation Phase Reporting Requirements specified in Annex 4. These payments and therefore 20% are applicable and apportionable only for quarterly, six-monthly and annual reporting as outlined in Annex 4 i.e. months 3,6,9 and 12 of each Implementation year. These payments will only be made on final approval from FCDO of the reports submitted as per the reporting requirements stated in Annex 4. FCDO will assess all reports and provide feedback within 2 weeks of receipt from the Supplier. The final decision on the approval of the report and payment will be with FCDO. FCDO may at its discretion permit the Supplier to re-submit reports within an agreed timeframe, whereupon FCDO can still grant approval and make the payment.
- 8.45.1 For the Implementation Phase, the Supplier is eligible to be awarded bonus payments for the successful delivery of agreed Log Frame Outcome or Impact indicators. The bonus value is up to £750,000 maximum across the initial 4 years of the contract and specifically the 39 months of the Implementation Phase. It is anticipated that the maximum permitted bonus per full Implementation year will be £250,000. If any time and/or value contract extension is agreed, FCDO will make a decision on the allocation of any additional bonus and then finalise with the Supplier prior to the commencement

of the extension period. Details on the mechanism for the application of the bonus are shown in Annex 9.

- 8.45.2 For the Implementation Phase, all remaining Fees and costs will be invoiced monthly in line with actual expenditure incurred and paid based upon satisfactory (in the judgement of the FCDO) receipt of the Monthly dashboard or the satisfactory receipt (in the judgement of the FCDO) of the quarterly report if the quarterly report is due (all within the agreed budget parameters). Payments for Grants will be made in arrears at the end of the month in which the Supplier has made the agreed Grant payment. Grant agreements and payments can only be entered into with agreement from FCDO as part of the agreed workplan. During the Inception Phase, FCDO and the Supplier will agree an appropriate process for the use and award of Grants.
- 8.46 New six-monthly workplans must be submitted to FCDO for review and approval a minimum of one month prior to the end of the 6-month period.
- 8.47 Changes to the workplan during the course of each 6-month period must be agreed by FCDO unless specific joint agreement is reached on which elements of each workplan FCDO wish to be consulted on and which FCDO is happy for the Supplier to exercise their own judgement if needing to amend. The Supplier must maintain a 'Change Log' for all recorded changes to the workplan.
- 8.48 The Supplier will be responsible for the effective oversight, management and governance of programme funds, procurement, and spending and ensure compliance with FCDO policies and international best practices in prudent financial management regulations.
- 8.49 The Supplier will be responsible for aggregating expenditure and forecasts from all downstream suppliers and providing transparent, disaggregated invoices accompanied by a clear and concise narrative to FCDO. The narrative should proactively highlight issues to FCDO to maximise the efficiency of the invoice sign-off process. Invoices will be submitted monthly in arrears within no more than two weeks of the month end. The Supplier should manage downstream suppliers to ensure that this deadline is met.
- 8.50 The Supplier will provide monthly and yearly expenditure forecasts based on resource accounting standards. Forecasting accuracy is a primary metric used by FCDO to assess a programme's performance. The Supplier will be expected to forecast one month ahead (and can update monthly and each month will be assessed) the calendar year and financial year with an accuracy of +/- 5% in Q1-2, and +/-3% in Q3-4.¹ The Supplier will notify FCDO immediately if expenditure is expected to exceed this range.
- 8.51 Annual forecasts must be prepared to reflect FCDO financial reporting expectations such as Overseas Development Assistant (ODA) targets and other formats as they arise.
- 8.52 Note: FCDO programmes are not automatically tax exempt and therefore Suppliers may be liable to pay tax in respective countries of operation. Full tax compliance of individuals is expected. Purchased equipment/assets should however be exempt for tax and customs on import. There is a considerable volume of existing assets in country which it is hoped the programme could take over from third parties e.g. cars. Tax liabilities should therefore be taken into

¹ Q1 = April– June; Q2 = July – September; Q3 = October – December; Q4 = January – March.

consideration in commercial proposals. However, any asset transfer cannot be assumed as part of bids.

- 8.53 At the 2nd anniversary of the contract start date, FCDO will commit to a review of inflation impacts in Nigeria. Likewise, a further review would take place on the 4th anniversary if there is a decision to extend the contract. This will be an opportunity for both parties to review the impact of external factors on cost – typically this will be inflation and exchange rate fluctuations in Nigeria and therefore will only apply to costs incurred by the Supplier in Naira. Any increase or decrease must be fully justified by either party. Failure to agree a change may result in termination of the Contract. To ensure consistency – inflation and exchange rates will be baselined on the published rates against widely recognised and published indices at the time of the Supplier submitting their tender proposal (see Annex 11).

Value for Money

- 8.54 The Supplier must allow for development of a Value for Money (VfM) framework in its bid and for its use throughout the contract.
- 8.55 NGCP will employ a VfM framework nested within the wider delivery framework to inform VfM judgements, decision making and improve programme performance. The VfM framework will be developed during the Inception Phase and used throughout the programme life. The VfM framework will ensure that the VfM proposition in the Business Case can be traced through to programme completion, with decisions to change the original proposition recorded.
- 8.56 The VfM framework will include indicators covering economy, efficiency, effectiveness, equity, and cost effectiveness. The VfM framework should be co-created alongside the logframe. This will help ensure they are complementary, do not overlap and together provide a strong basis for managing performance and informing programme decisions.
- 8.57 VfM indicators will be a combination of quantitative metrics and qualitative indicators. Milestones and targets will be set for a small number of selected indicators and reported on in Annual Reviews. Indicators with milestones and targets should be developed and monitored with comparable treatment to indicators in a logical framework e.g. they should be Specific, Measurable, Achievable, Relevant and Time-Bound (SMART), have protocols for monitoring them, etc. As with logical framework indicators, VfM milestones and even indicators may change during the programme life; when this happens changes will be documented as part of the Annual Review or similar process.
- 8.58 The Supplier will report on VfM, including progress on selected indicators, in the Quarterly and Annual Reports. The VfM framework should also ensure that FCDO Annual Review reporting is supported by a clear system for reporting on VfM in aggregate as part of the Annual Review process. The methodology for the VfM framework should be included in the technical proposal and therefore must not include any commercial or budget information.
- 8.59 The VfM framework should include indicators that the Supplier will monitor throughout the programme. These indicators will be revised if necessary during the Inception Phase and on an annual basis.
- 8.60 A VfM framework for NGCP will comprise the following pieces of reporting and information:

- 8.60.1 Indicators/metrics to be identified, representative of key programme outputs and proportionality in funding value. They are similar to logframe indicators but will often include a cost element. Annualised milestones will be determined for a select number of indicators. These will be adjusted in the light of implementation experience in a similar way that result milestones and budgets can be revised and decisions documented in an annual review or similar process.
- 8.60.2 VfM Case Studies. These are case studies or 'VfM stories' which focus on one intervention or activity, have a clear resource and benefit focus, and are systematically captured. These are particularly useful to document what is not meaningfully or feasibly captured in periodic metrics (such as qualitative benefits). Furthermore, VfM case studies present a clear opportunity to showcase examples of adaptive management that NGCP and partners may want to highlight.
- 8.61 Suppliers will track their own performance by using year-on-year VfM results, and internal trend comparisons. External benchmarking will also be used where meaningful.
- 8.62 The Supplier, with support from FCDO, will develop VfM metrics to assess the climate-related elements of the programme, in particular the VfM of applying ICF funding to an adaptive governance and climate change programme in Nigeria.
- 8.63 The VfM framework should include indicators that the Supplier will monitor throughout the programme. These indicators will be revised if necessary, during the Inception Phase and on an annual basis. The Business Case specified a small number of VfM indicators with indicative targets on revenues and expenditure: 1.5% increase in the revenues of three priority states and 1.0% of savings and efficiency gains in the expenditure of these states. Although FCDO recognise that achieving such sustained change and attributing to the programme is difficult.
- 8.64 A table of indicative indicators is below. These will need to be refined during Inception Phase. Indicators will need to be monitored at the portfolio, outcome, output and intervention levels ex ante and tracked accordingly.

Economy (Inputs):	<ul style="list-style-type: none"> • Ratio of programme to administrative spend • Ratio of national to international consultants • Mix of full-time to short-term TA • Fee rates
Efficiency (Inputs Outputs)	<ul style="list-style-type: none"> • Delivery of interventions according to work plans in terms of budgets and outputs • Indicators of changing and stopping activities so as to reallocate NGCP resources. • Progressively handing over responsibility and funding for beneficial activities to others.

Effectiveness (Outputs Outcomes)	<ul style="list-style-type: none"> • Assessment of quality of interventions at design stage and during implementation, including climate and GEDSI considerations • Changing the behaviour of stakeholders: interventions that resolve bottlenecks, remove blockages, and improve service delivery • Reduced losses through waste and corruption: NGCP interventions that target fraud, abuse, and low-value activity • Learning and adaptation: improved NGCP interventions as a result of PEA, previous experience, and capitalising on the work of others
Cost effectiveness (£ - outcomes/ impact)	<ul style="list-style-type: none"> • Interventions can demonstrate monetizable gains that exceed their costs • Qualitative assessment of results through analysis e.g., 'most significant change' or 'attribution' analysis
Equity (Cost of meeting inclusion etc goals)	<ul style="list-style-type: none"> • Relative cost and quality of activities benefiting target groups by sex, age, disability, geography • Distributional analysis on the outcomes against wealth quartiles, age, sex and disability • Share of interventions which aim to deliver significant benefits for disadvantaged groups, namely women, PWD, and/or youth

- 8.65 The VfM framework will be used proactively during implementation to inform decisions and to gauge whether activities/interventions are on-track. For instance, the Supplier will be required to build in 'warning' and 'stop go' procedures – i.e. the programme should know when to close down a project that is deemed to be failing. It is intended this approach will facilitate decisions on stopping interventions, ensuring resources are directed to where they are more likely have impact. This approach will need to balance risk with reward, and other criteria in the portfolio.
- 8.66 The Supplier will be responsible for developing a culture of VfM around cost management within the NGCP team. To support this, the Supplier will detail in its bid processes that it will implement to maximise Value for Money in the day-to-day implementation of the programme. Such processes may include:
- 8.66.1 A policy on booking flights and hotels no later than one month ahead of the travel date unless there is a strong reason not to.
 - 8.66.2 Office and accommodation sharing arrangements.
 - 8.66.3 Determining an optimal balance between owned and leased vehicles.

Reporting and Communications (see Annex 4)

- 8.67 The Supplier will engage with FCDO to ensure reporting is concise, efficient and meets requirements with minimal unnecessary information and effort. The Supplier is required to provide the following narrative reports. The final reporting requirement will be agreed between the Supplier and FCDO by the end of the Inception Phase.
- 8.67.1 Monthly Dashboards: a two-page maximum briefing format providing concise updates on key achievements, upcoming events/actions and emerging risks and mitigations.
 - 8.67.2 Quarterly Reports: a 20-page maximum report summarising key achievements in the previous quarter, an assessment of how the programme performed against the objectives set in the previous quarter, priority objectives for the next quarter, interim progress against output, outcome and value for money indicators, updated risk analysis, and progress against objectives.
 - 8.67.3 Annual Report and Refresh: a 30-page maximum report delivered three months ahead of FCDO's Annual Review deadline. The first section should include the same information as the quarterly report but cover the full year. The second section should include a refresh based on lessons learnt from the previous year, and recommendations from FCDO and the independent evaluation, where appropriate.
 - 8.67.4 Six-month workplan. The Supplier is required to submit a six-month workplan in Gantt chart format, detailing the activities and timelines for each component.
- 8.68 All reports submitted to FCDO must be thoroughly quality assured. The Supplier is required to demonstrate in its bid how it will ensure all reports are quality assured to a high professional standard before being sent to FCDO.
- 8.69 The Supplier is required to commit to the following:
- 8.69.1 Monthly invoices submitted to FCDO on or before the 15th calendar day of the following month.
 - 8.69.2 Updated monthly forecasts for the current financial year submitted to FCDO on or before the 25th calendar day of the month.
 - 8.69.3 Monthly dashboards and quarterly reports submitted to FCDO on or before the 15th calendar day after the month-end, together with monthly invoice.
 - 8.69.4 Updated programme risk register to be submitted to FCDO on or before the 20th calendar day after the quarter-end, as part of an Annex to Quarterly Report; and when the need arises for an update of the risk register.
 - 8.69.5 Updated financial year and monthly forecasts for the remaining years of the programme submitted to FCDO on or before the 28th of February of each year.
 - 8.69.6 Annual Report, Strategy Refresh and Workplan submitted to FCDO no later than three calendar months before FCDO's Annual Review deadline or as otherwise agreed.
 - 8.69.7 Updated asset register and delivery chain map to be submitted to FCDO as part of the Annexes to Quarterly Report, and when the need arises for an update of the asset register and delivery chain map.
- 8.70 The Supplier will need to keep records of all work and expenditure, including for 7 years after contract end, to have this in a form which can be transferred to FCDO and available upon request, for example for FCDO internal audit, National

Audit Office (NAO), the Independent Commission for Aid Impact (ICAI), and so on. FCDO Nigeria uses Microsoft Teams so the Supplier is encouraged to use this platform as well for document retention and facilitating sharing of documents. The Supplier is also required to be open to changes in requirements and opportunities in relation to evolving technologies.

9 Monitoring, Evaluation, Research and Learning

Overview

9.1 The following principles will define NGCP's flexible and adaptive approach to MERL:

- 9.1.1 **Accountability.** Using MEL tools to provide assurance that funds are spent for their intended purpose, provide good VfM for FCDO and UK taxpayers, and meet the needs of target beneficiaries, according to the scope and objectives of the programme.
- 9.1.2 **Evidence-based.** Ensuring that new activities supported under NGCP (both during Inception and as the programme evolves) are informed by robust evidence. Where such evidence is weak or uncertain, NGCP can test and learn and strengthen the evidence base.
- 9.1.3 **Learning.** A foundational principle and approach which cuts across all of NGCP's activity and interventions. Principally to inform ongoing delivery of the programme, as well as other FCDO and donor partner programmes in Nigeria.
- 9.1.4 **Strengthening local and global evidence.** Given the innovative approach of the programme and emerging evidence base on the links between governance interventions and political economy approaches to addressing climate change, the programme seeks to make a key contribution to the local and global evidence base. This will also underpin NGCP's strategy of influencing other funders and partners for scale-up.
- 9.1.5 **Social inclusion.** MERL strategy should systematically track impact on women, people with disabilities, the youth and other disadvantaged groups, and provide recommended mitigations where required. The strategy should also ensure that all data collected is, where possible, disaggregated by sex, age, disability status.

Key Requirements

9.2 The Supplier is required to design and implement a robust and comprehensive Monitoring, Evaluation, Research and Learning (MERL) system during NGCP's Inception Phase.

9.3 The MERL system must include:

- 9.3.1 Reporting and forecasting logical framework results, as well as identifying broader non-logical framework indicators that can support the effective strategic management of NGCP.
- 9.3.2 Working with workstream leads to design appropriate intervention indicators, gather baselined data, milestones, data collection methodologies, verify assumptions, and monitor outputs, outcomes, and impacts.

- 9.3.3 Developing a robust VfM framework based on the 5 E's – economy, efficiency, effectiveness, equity, and cost-effectiveness, including developing benchmarks, targets, and thresholds.
 - 9.3.4 Building 'stop-go' procedures and rolling analysis to guide when to cut losses and not proceed with a project that is deemed to fail thus saving on costs, and when to continue investing in a project, balancing risk, rewards, and other criteria in the portfolio.
 - 9.3.5 Generating management information and results data to inform decision making for the Supplier workstream leads and FCDO.
 - 9.3.6 Supporting lesson-learning within and between programme components and interventions, facilitating information sharing and identifying synergies.
 - 9.3.7 Providing strategic advice through commissioned research and diagnostics to evaluate progress, test programme performance, and assess interventions as they are being trialled.
 - 9.3.8 Developing a learning and dissemination plan, including commissioning evidence-based case studies and human-interest stories, for distribution to domestic and international audiences.
 - 9.3.9 Collaborate with the third-party independent monitoring, evaluation, research, and learning, responding promptly and fully to information and data requests.
- 9.4 Each intervention will have its own 'mini-Theory of Change' and standardised results monitoring tool, which will feed into a portfolio-level results aggregation tool. At the intervention level, the MERL system will need to adopt a differentiated approach for intervention design, assessing intervention performance, and to guide investment decisions that recognises the strength of evidence, including gaps.
- 9.5 This tool will then feed into FCDO's overarching results framework. The Supplier is required to develop systems to ensure the seamless translation of data and results at the intervention / issue-based project level to the portfolio level.
- 9.6 The results framework will be subject to routine review to ensure it is a flexible and not restrictive tool. It can be amended via written FCDO sign-off, underpinned by programme learning and recommendations from the SC, Operational or Programme Delivery Teams, provided a clear justification is given and documented.
- 9.7 The programme is expected to maintain a public website during and for a period after the project (at least 4 years) to facilitate sharing of lessons or hosting of virtual events.
- 9.8 An independent Mid-Term Evaluation (MTE) will be commissioned by FCDO after approximately 2 years of contract signature to assess progress and results against the logical framework. Draft Terms of Reference for the MTE will be shared with Supplier before the MTE is contracted. The MTE will determine the future direction of the remainder of the programme and will be a formal contract break point review point. If following a review of the MTE findings that FCDO in its judgement believes that the programme is unlikely to deliver its intended objectives, it may decide to terminate the contract.

Logical Framework

- 9.9 The logical framework forms the basis for internal monitoring of programme progress. The Supplier will provide quarterly and annual narrative reports, including a summary of progress made against the logical framework indicators.

- 9.10 The Supplier is required to submit a logical framework which will be assessed as part of its bid. The logframe will be assessed on the quality of the indicator definitions, the quality of justification provided for the indicator targets, and alignment with the programme's vision to be flexible, adaptive, politically-led and inclusive. Indicators will be designed to monitor the political, equitable, climate and environmental effects of NGCP. The logframe should be accompanied by a justification for the outcome and impact targets.
- 9.11 The Supplier will develop and refine a more detailed logical framework during the Inception Phase to guide programme implementation. The logical framework should be integrated with the VfM framework, and include output, outcome and impact indicators and targets for the duration of the programme. This should feed into FCDO Nigeria's Country Business Plan and FCDO results framework reporting.
- 9.12 All relevant impact, outcome and output indicators should be disaggregated and tracked in terms of their gender, disability and youth impacts.

ICF Indicators

- 9.13 The Supplier is required to demonstrate how it will report on the following ICF indicators²:
- 9.13.1 KPI 1: Number of people supported to better adapt to the effects of climate change.
 - 9.13.2 KPI 4: Number of people whose resilience has been improved.
 - 9.13.3 KPI 15: Extent to which ICF intervention is likely to lead to Transformational Change.
- 9.14 Additional ICF indicators will be considered by the Supplier and FCDO during the Inception Phase.

10 Commercial Requirements

- 10.1 The contract will run for 48 months, with a contract value of up to £26million. The Supplier will likely be informed of its budget on an annual basis ahead of the FCDO financial year (April to March) and will have to demonstrate flexibility as annual budgets might change. The contract value is inclusive of all applicable taxes. It is the Supplier responsibility to establish its taxation position both in the UK and in Nigeria and ensure it meets its obligations, but UK Value Added Tax (VAT) is excluded from the evaluation
- 10.2 The contract may be extended on a time or value basis (see para 1.4).

Contract Review Points

- 10.3 The contract will be subject to break points after Inception (at month 6) and following the Mid-Term Evaluation at approximately 24 months.
- 10.4 The Supplier should have the capacity to rapidly mobilise and start delivering outputs within the Inception Phase. To ensure the Supplier is held accountable to this expectation, there will be a formal review point at six months at the end of the Inception Phase, at which FCDO will decide whether to continue the

² <https://www.gov.uk/government/publications/uk-climate-finance-results>

contract. Equally, the mid-term evaluation will inform the on-going direction of the contract and programme and will be a formal review point to confirm the on-going viability of the contract.

Extension Provisions and Scale Up and Down

- 10.5 FCDO reserves the right to scale back or discontinue the programme at any point in line with the Terms and Conditions. Scaling down is at FCDO's discretion, and may occur for a number of reasons, including but not limited to:
- 10.5.1 Shortage of funds.
 - 10.5.2 Not achieving the results anticipated or weak value for money.
 - 10.5.3 A change in the security and/or political circumstances of the country.
 - 10.5.4 Political economy reasons, including a change in the situation of the security, government stability, corruption or delays in key, necessary government engagement.
- 10.6 Conversely, FCDO may also decide to scale up the programme should it prove to be having a strong impact and the potential to yield better results, dependent on budget and ongoing effectiveness of the programme. The provision for any scale-up does not need to be factored into Supplier bids.
- 10.7 The Supplier must maintain flexibility in approach, for example adjustments and changes to sectors and geographies, and be able to exit as required and with agreement from FCDO. We expect the Supplier to be able to adjust to such requests.

General Data Protection Regulation

- 11 General Data Protection Regulations (GDPR) - Please refer to the details of the GDPR relationship status and personal data (where applicable) for this project as detailed in the standard clause 33 in section 2 of the contract.

Duty of Care and Security Requirements

- 11.1 The Supplier is responsible for the safety and well-being of their Personnel (as defined in Section 2 of the contract) and Third Parties affected by their activities under this contract, and for ensuring appropriate security arrangements are in place. They will also be responsible for the provision of suitable security arrangements for their domestic and business property. Suppliers must set out how they will respond to these requirements in their bid documentation. This should include how they will ensure subcontractors meet these requirements too (as they will have full responsibility for subcontractor compliance).
- 11.2 FCDO will share available information with the Supplier on security status and developments in-country where appropriate. A named person from the contracted organisation should be responsible for being in contact with FCDO to ensure information updates are obtained. There should be a process of regular updates so that information can be passed on (if necessary). This named individual should be responsible for monitoring the situation in conjunction with FCDO.

- 11.3 The Supplier is responsible for ensuring appropriate safety and security briefings for all of their Personnel working under this contract and ensuring that their Personnel register and receive briefing. Travel advice is also available on the FCDO website and the Supplier must ensure they (and their Personnel) are up to date with the latest position.
- 11.4 This procurement will require the Supplier to operate in conflict-affected areas. The Supplier 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.
- 11.5 The Supplier is responsible for ensuring that appropriate arrangements, processes, and procedures are in place for their Personnel, taking into account 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.). The Supplier must ensure their Personnel receive safety in the field training prior to deployment if judged necessary and that appropriate systems and processes and equipment are in place, including subscription to security companies who carry live information on security situations and can do due diligence on routes, hotels and work locations and use of appropriate equipment such as trackers. These facilities should be set out in the bid documents.
- 11.6 The Supplier will be contracted on the basis of being fully responsible for Duty of Care in line with the details provided above. The Supplier must confirm in their Tender that:
- 11.6.1 They fully accept responsibility for Security and Duty of Care.
 - 11.6.2 They understand the potential risks and have the knowledge and experience to develop an effective risk plan.
 - 11.6.3 They have the capability to manage their Duty of Care responsibilities throughout the life of the contract.
 - 11.6.4 They will give responsibility to a named person in their organisation to liaise with FCDO and work with FCDO to monitor the security context for the evaluation.
 - 11.6.5 They have effective security policies and know how to manage security within the company.
 - 11.6.6 They will have appropriate facilities and/or equipment in place to cover in particular travel to amber and red zones under FCDO travel advice.
- 11.7 FCDO will not award a contract to a Supplier who cannot demonstrate that it is willing to accept and have the capability to manage its duty of care responsibilities in relation to the specific procurement. Please refer to the Supplier Information Note on the FCDO website for further information on our Duty of Care to Suppliers Policy. 11.7 FCDO reserves the right to clarify any aspect of this evidence and to require that the Supplier upgrades any aspect of the policies, processes and/or working arrangements that in the opinion of FCDO compromise the Supplier's ability to discharge its Duty of Care obligations.
- 11.8 Other country-specific sources of information on potential risks can be obtained from the following sources:**

FCDO Travel advice: <https://www.gov.uk/foreign-travel-advice/nigeria>

World Meteorological Organisation: <http://severe.worldweather.org/>

Global Flood risk map: <http://globalfloodmap.org/>

CIA World Fact file: <https://www.cia.gov/library/publications/the-world-factbook>

Annexes

Annex 1: NGCP Business case (attached as part of tender pack documents)

Annex 2: NGCP Business case annexes (attached as part of tender pack documents)

Annex 3: [Programme Expenditure Eligible Cost Guidance for August 2021.pdf \(publishing.service.gov.uk\)](#)

Annex 4: Reporting Requirements (see below)

Annex 5: [Guidance on digital spend and controls for FCDO partners and suppliers](#)

Annex 6: [Due diligence guide for external partners](#)

Annex 7: [Branding guidance for ODA-funded programmes](#)

Annex 8: Contract Management Indicators (see below)

Annex 9: Bonus Payment Mechanism (see below)

Annex 10: Data Protection (see below)

Annex 11: Inflation (see below)

Annex 4: Reporting Requirements

The Supplier shall submit the following reports to the project SRO as set out below:

Inception Report

- i. *Page limit:* Maximum of 40 A4 pages, Arial font size 11.
- ii. *Submission:* Draft by email to the FCDO SRO before the end of Month 5, to allow 2 weeks review for FCDO and then the final Inception Report to be submitted by the Supplier by the end of Month 6 i.e. the last date of the Inception Phase.
- iii. *Content:*
 - Summary of progress and achievements against Inception Phase Key Deliverables including set up of the programme teams and offices.
 - Outcomes and analysis of consultations and research to define the approach and entry points.
 - A mapping of all other donors and stakeholders with an analysis of gaps and opportunities
 - A detailed MREL system design establishing a schedule of learning events and processes required.
 - An agreed Results Framework.
 - The initial 6 month implementation phase work-plan (can be longer if appropriate)
 - Finalised VfM framework
 - Indicative budget for the life of the contract together with a detailed annual budget for the first year of operation.
 - Updated risk matrix with mitigation measures.

Implementation Phase reporting:

The Supplier will engage with FCDO to ensure reporting is concise, efficient and meets requirements. The Supplier is required to provide the following narrative reports according to the reporting rhythm set out in the table below. The final reporting rhythm will be agreed between the Supplier and FCDO by the end of the Inception Phase.

Which supplier's team will be responsible?	Topic	Deliverable	Content	Payment mechanism
Core team	Contract Management	Monthly Dashboard	A two-page maximum briefing, providing concise updates on key achievements, upcoming events/actions and emerging risks and mitigations.	Input Costs

Core team	Contract Management	Quarterly report	A 10-15 page report, summarising key achievements in the previous quarter, an assessment of how the programme performed against the objectives set in the previous quarter, priority objectives for the next quarter, interim progress against output, outcome and value for money indicators, updated risk analysis, and progress against objectives.	Output-based (Fees, which include NPAC and profit)
Core team	Contract Management	6-month workplan	A Gantt chart, detailing the activities and timelines for each workstream.	Output-based (Fees, which include NPAC and profit)
Core team	Contract Management	Annual report	A 30-page maximum report, delivered three months ahead of FCDO's Annual Review deadline. The first section should include the same information as the quarterly report but cover the full year. The second section should include a refresh, based on lessons learnt from the previous year and recommendations from FCDO, and where appropriate the	Output-based (Fees, which includes NPAC and profit)

			independent evaluation.	
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Month 1 (1 st month of Implementation Phase)	Monthly Dashboard
Month 2	Monthly Dashboard
Month 3	Quarterly Report
Month 4	Monthly Dashboard
Month 5	Monthly Dashboard
<u>Month 6</u>	Quarterly Report and 6-month Workplan
Month 7	Monthly Dashboard
Month 8	Monthly Dashboard
Month 9	Quarterly Report
Month 10	Monthly Dashboard
Month 11	Monthly Dashboard
Month 12	Annual report and 6-month Workplan

Financial & Compliance

The Supplier is required to commit to the following:

- Monthly invoices submitted to FCDO on, or before, the 15th calendar day of the following month.
- Updated monthly forecasts for the current financial year submitted to FCDO on, or before, the 25th calendar day of the month.
- Monthly dashboards and quarterly reports submitted to FCDO on, or before, the 15th calendar day after the month-end, together with monthly invoice.
- Updated programme risk register to be submitted to FCDO on, or before, the 20th calendar day after the quarter-end, as an Annex to the Quarterly Report; and otherwise as the need arises for an update of the risk register.
- Updated financial year and monthly forecasts for the remaining years of the programme submitted to FCDO on, or before, the 28th February of each year.
- Annual Report, Strategy Refresh submitted to FCDO no later than three calendar months before FCDO's Annual Review deadline, or as otherwise agreed.

- Updated asset register and delivery chain map, to be submitted to FCDO as an Annex to the Quarterly Report, and otherwise when the need arises for an update of the asset register and delivery chain map.
- The Supplier will provide monthly and yearly expenditure forecasts based on resource accounting standards. Forecasting accuracy is a primary metric used by FCDO to assess a programme's performance. The Supplier will be expected to forecast one month ahead, the calendar year and financial year with an accuracy of +/- 5% in Q1-2, and +/-3% in Q3-4.³ The Supplier will notify FCDO immediately if expenditure is expected to exceed this range.
- Annual forecasts must be prepared to reflect FCDO financial reporting expectations such as Overseas Development Assistant (ODA) targets and other formats as they arise.
- Downstream Grant Partners' due diligence action plans monitored/verified as needed.
- Financial spot checks conducted to verify Downstream Grant Partners' records/reports as needed, supplemented by physical spot checks on a random sample of six partners over the period.
- The Supplier will be expected to help arrange each Annual Review mission schedule and set up the associated meetings.

Annex 8: Contract Management Indicators, Scoring Methodology and CMI Payment Mechanism

Contract Management Indicators (CMI) for payments of 10% of Core Team costs during the Implementation Phase

<u>Contract Management Indicators</u>	<u>CMI Description</u>	<u>CMI % Weighting</u>	<u>Score</u> (1 to 6)	<u>Max. Possible Total Score</u>
1. Quality and Delivery	1a) Quality of deliverables determined by analysis of deliverables undertaken by the FCDO PRO and, where needed, by FCDO technical advisers. 1b) Timeliness of milestone delivery to the satisfaction of FCDO. 1c) Appropriate and timely identification and management of risks. 1d) Supplier meet up with periodic programme update meetings with FCDO core programme team	30		180
2. Financial Management	2a) Robust cost control in line with contract, as determined by the FCDO PRO and the FCDO Operational Team. 2b) Accurate and timely submission of forecasting and invoices. 2c) Maximising Value for Money, with VfM analysis accompanying regular reporting.	20		120
3. Strategic Partnerships and stakeholder relations	3a) Supplier is responsive and flexible to client and stakeholder needs and seeks to align with FCDO priorities as demonstrated by regular reporting against the Stakeholder Communications and Engagement Plan. 3b) Dissemination of lessons learned, public good documents or similar. 3c) Access to government agencies (State and Federal as appropriate) and civil society facilitates programme implementation. 3d) Active engagement and communication with other relevant FCDO programmes and development partners.	20		120

4. Innovation, adaption, and continuous improvements	<p>4a) Supplier responds quickly and adapts to the changing contexts or requests within the agreed timeline, as determined by FCDO SRO and/or PRO.</p> <p>4b) Supplier effectively integrates political economy considerations, learning and new evidence into programme interventions as determined by analysis of Supplier's proposals for issues-based projects, support for coalitions, and grant funding.</p> <p>4b) The Supplier's management team responsiveness to FCDO's recommendations based on the findings of annual reviews, mid-term reviews, annual audit reports and performance improvement plans or evaluation reports.</p>	30		180
	TOTAL	100	-	600

CMI Scoring Methodology

Score	Definition
6	Responsibilities delivered with a high level of efficiency and effectiveness. Supplier proactive in taking steps to achieve outcomes according to contracted responsibilities.
5	Responsibilities delivered efficiently and effectively.
4	Minor effort required to improve delivery of one or more contracted responsibilities.
3	Effort needed to deliver contracted responsibilities.
2	Major effort needed to deliver responsibilities. Significant effort required from DFID where provider is not delivering.
1	Serious under performance. Not meeting most contract deliverables.



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CMI Payment Mechanism

In line with the maximum total score of 600, the proposed payment KPI % structure shall be as follows:

Scoring Methodology	Total Score Achieved	% KPI Payment
Serious Underperformance Consistently below requirements	0-200	20% payment
Underperformance Often below requirements	201-300	40% payment
Less than Satisfactory Performs below requirements	301-350	60% payment
Satisfactory Sometimes performs below requirements	351-400	75% payment
Generally Satisfactory Mostly meets requirements	401-450	100% payment
Good Performance Consistently meets requirements	451-550	Full Payment
Outstanding Performance Consistently exceeds requirements	551-600	Full Payment



Annex 9 – Bonus Payment Mechanism

- At the end of the Inception Phase when there is a finalised Logframe, FCDO will determine up to a maximum of 3 Logframe Outcome or Impact Indicators (or Milestones leading to delivery of the Final Outcome or Results Targets) per full Implementation Year as the potential for bonus payments.
- These will be stretching targets to demonstrate a high level of delivery and impact.
- FCDO will make the decision on the allocation of the annual bonus up to £250,000 bonus fund against each of the (up to) 3 agreed annual Indicators.
- FCDO and the Supplier will agree on the verifiable indicators to assess delivery.
- FCDO and the Supplier will agree the timelines within each Implementation Phase year on when that assessment should be made.
- The intention would be that any assessment falls within the scope of the on-going monitoring and assessment activities being undertaken by the Supplier, but FCDO reserve the right to seek an independent review.
- The intention would be that Indicators would be stretching but will be largely within the scope of the Supplier to deliver.
- Bonus indicators for the 2nd and 3rd full years of Implementation will be finalised prior to the end of the prior Implementation Phase year. The 3rd Implementation Phase year is predicted to be for 15 months.
- FCDO will prepare a contract amendment to confirm and finalise the agreed details for the bonus indicators and payments at the start of each Implementation Phase year.
- Where details of bonus indicators cannot be agreed or there are no indicators applicable, FCDO reserve the right not to initiate any bonus mechanisms for the Implementation Phase year under discussion.
- Achievement of the bonus value and therefore projected invoice from the Supplier must be part of the Supplier's on-going spend forecasting requirements.
- Payment for the bonus value will be made in arrears on receipt of the Supplier invoice in the month following confirmation of achievement by FCDO.
- FCDO reserve the right to propose a partial bonus payment if it is deemed in the view of FCDO that full achievement has not been achieved. However, this is purely discretionary. FCDO reserve the right not to pay any bonus amount if full delivery has not been achieved.
- Given the importance of NGCP being flexible and being able to adapt to opportunities, amendments to the in-year bonus indicators can be made by joint agreement between FCDO and the Supplier.
- Bonus indicators not achieved within the agreed timeline (which will be no later than the end of the Implementation year of the contract) cannot be carried across into the following Implementation year.



Annex 10: Schedule of Data Protection - Processing, Personal Data and Data Subjects

This schedule must be completed by the Parties in collaboration with each-other before the processing of Personal Data under the Contract.

The completed schedule must be agreed formally as part of the contract with FCDO and any changes to the content of this schedule must be agreed formally with FCDO under a Contract Variation.

Description	Details
Identity of the Controller and Processor for each Category of Data Subject	<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> <p>The Parties acknowledge that Clause 33.2 and 33.4 (Section 2 of the contract) shall not apply for the purposes of the Data Protection Legislation as the Parties are independent Controllers in accordance with Clause 33.3 in respect of the following Personal Data:</p> <p>Personal Data necessary for the administration and/or fulfilment of this contract.</p>



Annex 11 – Inflation Review Mechanism

FCDO recognises that inflation levels are high in Nigeria and seeks to ensure that inflationary pressures are managed appropriately under this contract.

- This inflationary annex only applies to Nigerian inflation and costs incurred in Nigeria in Naira, which we anticipate being the majority of the costs for the contract.
- Suppliers are required to advise if they have included any Nigerian inflationary provision within their bids and if so, what this annual percentage provision is?
- Suppliers are required to provide the percentage of total contract costs they expect to be incurred in Nigerian Naira. Costs in Naira should be itemised in bids.
- Suppliers are required to state the ex-rate to the Pound Sterling they are basing their Nigerian costs on within their bids;

For example:

- Naira expenditure inflationary provision per annum included in bid - 0%
 - Percentage of contract costs in Naira (excluding the Grant Financing budget) – 70%
 - Exchange rate basis NGN 1000 - £1 Sterling
-
- FCDO commits to a discussion on or around each anniversary of the contract on Nigerian inflation rates only.
 - On or around each anniversary of the contract, FCDO will review the official exchange rate covering all items as reported by the Central Bank of Nigeria (CBN)
 - FCDO will compare the CBN reported rate at the annual anniversary review date of the contract in comparison to any provisioned inflation increases provided by the supplier as part of their bids.
 - Where the actual inflation level as reported by the CBN on each anniversary of the contract is higher than the provisioned inflation rate the Supplier has stated in their bid, then FCDO will commit to paying an inflationary increase for all Nigerian Naira costs within the contract at that level. However, this will be calculated to also take into account any depreciation in the Nigerian Naira to the Pound Sterling at the anniversary review date of the contract.
 - Inflation increases will not be paid on retrospective spend.
 - Inflation increases will not be paid on activities undertaken within the prior period of the anniversary review even if payments have not formally been made by FCDO.
 - Any inflationary increases can only be included for new activities and new expenditure and will only be applicable from the date of agreement.
 - Inflationary increases will not be paid on the £750,000 bonus value of the contract, or any UK Sterling incurred costs, profits, NPAC or Grant Financing budget.

Example calculation;

Baseline



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- *Supplier inflation rates included within bids – 0%*
- *Percentage of contract costs in Naira (excluding the Grant Financing budget) – 70%*
- *CBN inflation rate on the first anniversary of the contract = 20%*
- *Total percentage above the Supplier provisioned inflation rate of 0% = 20% increase*

At the anniversary of the contract

- *Value of the contract spent to date @ the 1st anniversary of the contract = £3,000,000.*
- *Remaining value of the contract (minus the bonus) = £22,250,000*
- *Expenditure in Naira 70% = £15,575,000 Sterling value*
- *CBN ex-rate advised by the Supplier within their bid = 1000*

Calculation

- *This equates to £15,575,000 x 1000 = NGN 15,575,000,000*
 - *Percentage increase agreed = 20% = NGN 15,575,000,000 * 20% = NGN 3,115,000,000*
 - *Actual CBN ex-rate on the 1st anniversary = 1100 (this will not be averaged across the year and will be the spot rate on the anniversary date)*
 - *This equates to £15,575,000 x 1100 = NGN 17,132,500,000*
 - *Subtract 15,575,000,000 from 17,132,500,000 = NGN 1,557,500,000*
 - *Subtract 1,557,500,000 from 3,115,000,000 = NGN 1,557,500,000*
 - *NGN 1,557,500,000/1100 ex rate at the point of review = £1,415,909 or 6.4% of the remaining contract value or 5.6% of the total contract value.*
- *If inflation levels are lower than provisioned by the Supplier at the time of bidding, combined with favourable movements in the ex-rate then FCDO reserve the right to seek reductions in the value of the contract in line with the example calculations above. E.g. using the figure in the example above but with an ex-rate of NGN 1500 would result in an income for the Supplier of NGN 23,362,500,000 and a consequential financial saving for the contract of NGN 4,361,000,000.*

Net Contract Amount (£)	Exchange rate	Ex rate description	Naira Value	Inflation rate	Inflated values (Naira)	Net Naira Impact	Supplement value (Naira)
£15,575,000	1000	Base rate	15,575,000,000	20%	3,115,000,000	-	
£15,575,000	1100	Increase 1	17,132,500,000	20%	3,426,500,000	1,557,500,000	(1,557,500,000)
£15,575,000	1500	Increase 2	23,362,500,000	20%	4,672,500,000	7,787,500,000	4,361,000,000



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- For any savings agreed, FCDO will determine whether the contract value should be reduced or whether the funds could be re-invested into additional programme activities.
- FCDO will conduct a further review at the end of the 4th year of the contract if the contract is extended beyond its initial 4 year term.
- If the ex-rate for the Naira to the Pound Sterling is lower at the review point than the baseline ex-rate, then this will be taken into account in the calculations.
- Any inflationary Fee rate increases cannot exceed the Rate Cap ceilings within the Global Development Delivery Framework agreement
- FCDO will process a contract amendment to confirm any cost increases or reductions in the contract value.
- As part of the contract amendment, the supplier will be required to provide an up-to-date contract cost pro-forma reflecting the new costs agreed for their Naira expenditure.



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Annex B

SCHEDULE OF PRICES

1. It is a requirement that all invoices are presented in the format of the payment basis, and in the case of Fees and Expenses only those categories defined are separately identified. Only one invoice per period, as defined in the Framework Agreement Terms and Conditions of Section 2, Clause 22, should be submitted.

2. Milestone Payments

The amount to be paid for the completion of the services is fixed at £26,000,000.

3. Payment will be made on satisfactory performance of the services, at the payment points defined below (schedule of payments):

(i) at relevant points throughout the contract period.

At each payment point set criteria will be defined as part of the schedule of payments. Payment will be made if the criteria are met to the satisfaction of FCDO.

Schedule of Payments: Payments will be made in line with the criteria outlined within the Terms of Reference, linked to the payment profile in Tab 4.0 of the cost template.