

Call-down Contract

Terms of Reference

Strengthening Uganda's Anti-Corruption and Accountability Regime
Anti- Corruption Chain (SUGAR-ACC)

PO 6902

Introduction

1. DFID Uganda wishes to appoint a Service Provider (SP) to deliver one component of its Strengthening Uganda's Anti-Corruption and Accountability Regime (SUGAR) Business Case (summary version at annex 1). This component will provide targeted technical, equipment and operational support to state institutions in Uganda that are involved in the deterrence, detection and sanctioning of petty, bureaucratic and grand public sector corruption.
2. This component is referred to as the "SUGAR Anti-Corruption Chain programme" (SUGAR-ACC) and comprises outputs 1-5 of the SUGAR Business Case. Delivering the outputs and contributing to the outcome of the Business Case is the purpose of these ToRs.
3. The programme will last for five years from March 2015, including a 12 month inception phase. If the programme delivers exceptional results two one year extensions will be possible making the programme a possible 7 year investment. Proposals should be based on the 5 years as highlighted above from March 2015. For clarification, any extension to the programme would be based on existing terms and conditions.

Objectives

4. The overall impact of SUGAR which the SP will be contributing towards achieving is: an increase in the risks for those engaging in corrupt activities.
5. The overall outcome is Strengthened anti-corruption institutions working together on priority issues at national and local levels. SUGAR-ACC represents a 62% contribution towards this outcome.

6. The SP is required to establish a Management Unit (MU) and team of embedded technical advisers (ETAs) to:
 - deliver the first five outputs of the SUGAR Business Case (SUGAR-ACC) and;
 - provide coordination support to all donors providing support to the anti-corruption chain
7. The 5 outputs of SUGAR-ACC correspond to five critical anti-corruption priorities in Uganda, namely;
 - The use of audit findings and parliamentary oversight;
 - The use of administrative sanctions against public servants;
 - The identification, tracing and recovery of assets belonging to the corrupt;
 - The investigation, prosecution and adjudication of corrupt individuals and companies; and
 - Joint working, coordination and prioritisation across the anti-corruption chain
8. The MU and ETAs should provide joint support to relevant groupings of the eight key institutions charged with operating critical functions in the priority areas. These institutions will be referred to as the “partner agencies”, and are recipients of the services this ToR describes. They are:
 - The Office of the Auditor General (OAG)
 - The Public Accounts Committee (PAC)
 - The Inspectorate of Government (IG)
 - The Public Service Commission (PSC)
 - The Financial Intelligence Authority (FIA)
 - The Central Investigation and Intelligence Department of the Police (CIID)
 - The Department of Public Prosecutions (DPP)
 - The Anti-Corruption Division of the High Court (ACD)
9. A tentative Anti-Corruption Chain 5 year workplan has been created by donors and partner agencies (annex 2) and is structured against the same priority areas as SUGAR-ACC. The SP will need to align to the priorities in this workplan.
10. The MU will also provide support to the members of the Accountability Working Group (AWG) and their delivery partners to help coordinate

assistance across the chain; promote alignment to the Anti-Corruption Chain workplan; and monitor and track results against the workplan. The AWG is a development partner grouping that focuses on implementing a joint approach to policy and programming issues around anti-corruption.

11. The workplan currently remains tentative and the SP will need to support revisions and additions to include agreed SUGAR-ACC inputs and new and innovative ways of delivering improvements in the priority areas.

The recipient

12. The recipients of the services are DFID's partner agencies, as listed in paragraph 8.

The scope

Underlying principles

13. DFID Uganda, in partnership with other members of the Accountability Working Group (AWG) which it chairs, has agreed a set of principles (Annex 3) to guide the delivery of support to the Anti-Corruption Chain in Uganda.

- Support for the whole anti-corruption chain: the SP will provide support to a balance of investments in deterrence, detection and sanctioning, working across the anti-corruption chain.
- Focus on function over form: the SP will invest in improving the critical functions in the priority areas and not provide un-earmarked institutional support.
- Incremental and results based support: the SP will start with modest investments in priority areas selected by the institutions themselves, and scale up incrementally based on performance, results and emerging opportunities.
- Balance: the SP will balance support between high performing areas (such as audit) and newer areas where it may be more difficult to achieve results (e.g. administrative sanctioning or asset declaration).
- Longer programming: Sustained results will take time to achieve. The SP will manage an initial five year intervention and the use of sustained and embedded technical assistance.

14. A key requirement is that the SP will provide its support in line with the spirit of the principles in delivering SUGAR-ACC.

15. As an additional general principle, recurrent and unsustainable items should not be funded without explicit acceptance by the agency and Government to take-over funding in a specified period within the lifetime of the programme. These areas should be flagged to and explicitly approved by DFID before being financed.

The five critical anti-corruption priorities

16. The Anti-Corruption Chain (ACC) workplan and SUGAR-ACC share a focus on 5 critical areas, as described above. These 5 critical areas are cast as “outputs” in the SUGAR logframe and it is progress against these outputs, as measured against regular milestones that SP performance will be measured against.

No.	Priority area	SUGAR-ACC LogFrame Output	Primary partner agencies	Secondary/potential partner agencies
1	The use of audit findings and parliamentary oversight	More effective action on Audit recommendations by Parliament, Government and other anti-corruption institutions	OAG, PAC, IG, CIID, DPP	Public Procurement and Disposal Authority (PPDA)
2	The use of administrative sanctions against public servants	Strengthened systems for applying administrative sanctions to corruption cases involving public officials	IG, PSC	Other Service Commissions (education, health etc). Ministry of Public Service, Ministry of Finance
3	The identification, tracing and recovery of assets belonging to the corrupt	Assets owned by individuals and firms implicated in corruption comprehensively traced, verified, protected and where applicable recovered	IG, FIA, CIID, DPP and ACD	Sub-Regional, Regional and International bodies and other national authorities.
4	The investigation, prosecution and adjudication of corrupt individuals and companies	Greater numbers of criminal corruption cases effectively investigated and successfully prosecuted, sanctioned and concluded	IG, CIID, DPP, ACD	OAG, PPDA
5	Joint working, coordination and prioritisation across the anti-corruption chain	Stronger coordination and prioritisation across the anti-corruption regime	All partner agencies,	Donors' Accountability Working Group, Data Tracking Mechanism

17. Output one will involve improving the uptake of audit recommendations as a basis for remedial action, administrative sanctions or criminal investigations.

18. Output two will require work to understand the existing powers to discipline public servants and support more effective use of accountability structures and processes or the creation of new ones.

19. Output three has two parts. Firstly, improvements to the process of verification of the 20,000+ Asset Declarations by the IG to increase the number and quality of verifications and action against those with unexplained wealth or who refuse to declare their assets. Secondly, understanding how to apply existing laws to investigate, identify, freeze and recover corrupt assets.
20. Output four will require improving professional and technical skills and actions to reduce bottlenecks in the chain.
21. Output five is a cross-cutting deliverable that needs to underpin the implementation of interventions under SUGAR-ACC. None of the critical priority areas or “functions” can be operated by one agency, so joint working is a pre-requisite for improvements.
22. This output also includes the need to help coordinate donor support against the workplan and measure results. A mapping of on-going and planned work by other donors should be undertaken at inception.
23. It will also require financial support to be provided to the production and dissemination of the IG’s annual report from the Data Tracking Mechanism. Money for this will need to be included in the SP’s financial bid. Currently DFID provides funding for this item via the World Bank at a cost of approximately £70,000 per issue, roughly split between costs of the consultants who collect the data and write the report, and the publishing and dissemination costs.

Flexibility and scale

24. The delivery of SUGAR must be managed in a politically sensitive way. The SP will be expected to be able to demonstrate a deep understanding of the political economy of Uganda and the ability to adapt programming to achieve results in a difficult and complex environment. The SP will need to take a pragmatic approach, being both reactive as well as proactive in providing support to deliver the results. This could include moving focus from one priority area to another where external factors create obstacles and opportunities.
25. This programme must be tailored to context and not simply a blueprint from another country. After two decades of anti-corruption support in Uganda there is little evidence of impact. Short-term, blueprint “best practice” approaches have failed to deliver the results donors have hoped for. Innovation, long-term commitment and tailor-made interventions are needed, as are realistic expectations.

26. The SP shall commit to being fully prepared in the event any decision is made to scale up (increase) or scale down (decrease) the scope of the Programme (i.e. in relation to the Programme's inputs, outputs, deliverables, outcomes etc.) during the course of the contract. DFID reserves the right to scale back or discontinue this programme at any point, (in line with our Terms & Conditions), if it is not achieving the results anticipated. Conversely, we may scale up the programme should it prove to be having a strong impact and has the potential to yield better results. This may include agreeing to take on delegated support from other donors or approve the setting up of a pooled fund to increase the resources available to the SP. A number of other donors are considering support to SUGAR-ACC.

Implementation requirements

Inception phase requirements

27. The inception phase of these ToRs are output based and provide suggested milestones for the first one-year inception period. We expect bid documents to include their proposals for output-based elements and key performance indicators for the Inception Phase. Milestones and performance indicators for the Implementation Phase will be discussed in the inception phase and an agreed set of outputs for the following 4 years will form part of the agreement at the inception phase review.

28. At the end of the 12 month Inception phase, there will be a contract break point to review inception outputs. Progress to the implementation phase will be subject to the satisfactory performance of the SP, delivery of inception outputs and the continuing needs of the programme. There will be further break points at the conclusion of the annual reviews of the programme in March 2016-20, and at the mid-point review in 2017, to allow an on-going assessment of the successful operation of the work and progress against objectives.

29. During the Inception Phase we expect the following to be delivered:

No.	Inception Outputs	Deadline	Format	Audience (through DFID)
1	An Inception Phase 12 month workplan and financial projections	1 month	Workplan and narrative description of inception phase activities against logframe and reporting outputs, with financial proposal	Leadership Group, Steering Group
2	A final MU organogram	3 months	Organogram, job profiles and CVs of candidates	Leadership Group, Steering Group
3	A mapping of existing, on-going and planned anti-corruption work by other donors to partner	3 months	Report and matrix	AWG

	agencies.			
4	A revised overarching ACC Workplan (as opposed to the SUGAR-ACC workplan)	6 months	Workplan matrix and narrative	Partner Agencies and AWG
5	ToRs for embedded advisers agreed with partner institutions and DFID, with candidates identified and where possible in place.	6 months	Agreed sets of ToRs and identified candidates CVs with performance monitoring plans and timelines	Leadership Group, Steering Group
6	A strategic plan for the operation of SUGAR-ACC,	6 months	Plan, including sections on risk management, communications and relationship management.	Leadership Group
7	A SUGAR-ACC programme indicative 5 year workplan and detailed annual workplan, with financial projections. Includes a procurement plan for goods and equipment.	9 months	Workplan, financial projections, narrative	Leadership Group, Steering Group
8	An Evaluability study to determine the key evaluation questions and feasibility of evaluating them	9 Months	Report with recommendations	Evaluation Reference Group, Evaluation Work Management Group
9	A revised and agreed Logframe for SUGAR-ACC, with associated monitoring and evaluation strategy	10 months	LogFrame, monitoring strategy, evaluation plans and key questions, agreed with evaluation structures	Leadership Group, Steering Group, Evaluation Reference Group, Evaluation Work Management Group
10	Proposal on output-based elements for year two (implementation phase),	11 months	Proposal on output, performance and payment milestones for year two and outer years for discussion	DFID only
11	Detailed year 2 annual workplan and financial projection.	11 months	Workplan and financial projections	Leadership Group, Steering Group
12	All embedded technical assistance in place.	11 months	Agreed candidates in place at specific institutions with agreed ToRs and workplans	Leadership Group, Steering Group
13	Detailed and approved plan for financial output milestones for the remaining 4 years.	11 months	Report	DFID only
14	2015 Data-Tracking Mechanism published	12 months	Report, launch event, executive summaries and key points booklets	Inspectorate of Government
15	An Inception Review will take place, which will include looking at progress against LogFrame, assessment of strategy, agreement on year two workplan and future workplans, and discussion of future workplan priorities.	12 months	Day-long review involving all partner agencies at leadership and technical level. Inputs will be in report form with attached presentation.	Leadership Group, Steering Group
16	Inception review report provided, along with recommendations and an action plan on their implementation.	12 months	Report and action plan	Leadership Group, Steering Group

Method

30. The SP may use a combination of the following methods to deliver the SUGAR-ACC programme. Other innovative, cost effective, high-impact and value for money methods suggested by the SP will also be considered as part of the bid. However, the Embedded Technical Advisers are a

required part of the programme, subject to final agreement with partner agencies.

Method	Details	Benefit
Embedded technical advisors	At least 4 advisers will be embedded within relevant institutions (but working across partner agencies) to cover the 4 operational priority areas of the programme. They will require further negotiations with partner institutions after the award of the contract. They could be Ugandan nationals, regional specialists or internationals. They will <u>not</u> take the place of existing staff or vacant jobs: they <u>will</u> build the capacity of existing staff to improve delivery of work.	Provision of specialist advice; in-house capacity development; hands-on support for the partner agency's work; mentoring of staff; providing guidance for other inputs and ensuring their follow-up and implementation e.g embedding of lessons from s/t training and proper use and maintenance of equipment.
Short-term technical assistance	Interventions by technical assistants to provide one-off or regular inputs to training, case management, capacity development in highly specialist skill areas. They could be Ugandan nationals, regional specialists or internationals.	Provision of highly-specialist or niche advice that may have limited availability in-country and require external support. Embedded advisors can help ensure capacity development is sustained.
Training	Specific technical training courses (largely provided in-country) that will develop technical skills of staff from relevant agencies. They may be a one-off course, or part of longer-term training or potentially professional qualifications in some areas (handwriting analysis, asset valuation etc).	Providing basic training and skills refreshment to core staff of partner agencies, as well as increasingly specialist training and qualifications where needed. Focus on <u>joint</u> training will build collaborative approaches across the chain. Embedded advisers can help facilitation and/or delivery.
Problem-Driven Iterative Approaches	Facilitation and support for in-house problem-solving by staff of partner agencies in joint groups, leading to the development of processes and procedures that are "best fit" rather than necessarily "best practice" for achieving results in priority areas.	Building of in-house capacity, confidence and collaboration between partner agency staff. Ensure pragmatic solutions to local problems are driven by "what works" in the specific context rather than by what happens elsewhere.
Equipment	Demand-led and (broadly) focused on equipment that will help with priority areas. This <i>might</i> include surveillance equipment, computers, cars, items for forensic analysis, transcription facilities, database systems for case management etc. Value will be limited to ensure it doesn't dominate budget.	Required to speed up and facilitate processes, allow new skills to be implemented and performance to be improved.
Facilitation support to priority cases pursued across the chain	Provision of in-kind support to partner agencies by financing goods and services that will help facilitate work on specific cases and may include items such as transport and accommodation costs for up-country investigations; communication costs; short-term employment for labour intensive tasks, such as database entry, sifting through paperwork etc; and other items agreed on between partner agencies and DFID. Value should be limited (c.1-5% of budget).	Enable urgent or high-profile cases to be "fast-tracked" to achieve results. This will be applied to cases identified as of interest across the chain and where there is a strong commitment to follow-through from audit to investigations to sanctions. For example, facilitation of non-recurrent costs for a special audit, PAC hearing, investigation and sanctioning on a high-risk sector such as transport.

31. The SP will not provide "Sitting Allowances" or unallocated per diems for training or other aspects of the programme, to avoid creating perverse incentives. However where necessary they will provide support for accommodation, transport and meals either through reimbursement on production of receipts or direct procurement (in-line with procurement rules stated below).

32. In relation to the provision of equipment, the SP is authorised to procure goods and equipment up to the EU threshold (£113,057), providing they are able to demonstrate procurement capability and good value for money. An asset register will be maintained and submitted for review regularly with high value items tagged. Procurement plans should be developed on an annual basis. Any procurement by the SP must be carried out in accordance with PCD guidance and in liaison with the local DPO in compliance with DFID's General Conditions under Section 23 Procurement. The budget for goods and equipment must be calculated on an aggregated figure: the allowance for a budget of £113,057 does not mean that SP can spend the first £113,057 and then revert to the Procurement Agent. Any goods and equipment purchased will be reported to DFID and will be managed by separated invoices. Above the threshold, DFID will use its pre-approved Procurement Agent to manage the procurement.

Programme governance structure

33. A representation of how we envisage the Governance structure of the programme to operate is as follows (organogram is to be found at annex 6):

- A Leadership Group, made up of the Heads of Partner Agencies and Head of DFID/Contributing Donor agencies, will provide high-level oversight of the programme and advise on strategic direction. This group will meet every quarter for the first year, after which this will be reviewed. The SP will act as secretariat to this meeting and perform an advisory function.
- A Steering Group, made up of the technical leads of partner agencies and contributing donor agencies will provide direct programme oversight and meet on a monthly basis. It may create sub-groups to deal with specific technical issues. The Steering Group would approve SP workplans, discuss the SP's quarterly reports and reporting against the Logframe, commission annual reviews and agree Action Plans on the basis of these reviews. DFID will retain the final decision on any matters where a consensus is not able to be achieved. The SP will act as secretariat to this meeting and perform an advisory function.
- The Accountability Working Group already exists as a donor group to cover anti-corruption issues. It is chaired by DFID. The SP will support donor coordination at the AWG, up-date

progress against the workplan and provide information on achievement of results.

- DFID will continue to be the manager of the SP/MU as contract holder and lead donor in this programme. All reporting and communication will go through DFID, unless agreed otherwise.

Suggested Management Unit structure

34. The SP will manage all recruitment, with DFID approval required on all job descriptions, ToRs and CVs for candidates for the MU and technical assistance, embedded, short-term, and otherwise. DFID reserves the right to veto candidates.

35. The management unit will need the requisite staff to manage the programme effectively and efficiently, and develop and manage the relationships necessary to deliver an effective programme. We are not prescriptive about the form the management unit will take, but we believe that a strong Head of Programme and Deputy Head will be needed with political sensitivity and awareness, and strong interpersonal skills, who can demonstrate both highly competent managerial abilities and the necessary technical knowledge to understand and manage the detailed work.

Other stakeholder relationships

36. Helping coordinate AWG member support will also include developing strong relationships, lines of communication and coordination with other donor programmes, sector secretariats and sector-wide approaches that deliver support to SUGAR-ACC partner agencies. It may also require developing relationships with other agencies who work in the anti-corruption chain that are not current partners, with either a view to making them official partners, or including them in some aspects of the support (e.g joint training). It may also include co-opting some of these into the Governance Structures as observers.

Name	Type of organisation	Detail of organisation	Relationship with SUGAR-ACC
Governance, Accountability, Participation and Performance (GAPP) programme	USAID programme implemented by RTI, targeted for DFID co-financing.	GAPP provides support to build capacity, oversight and accountability of local governments in 25 districts; provides grants to civil society to engage local communities in oversight and accountability at a local level; and supports some national agencies with local specific mandates (e.g OAG who deliver local government audits).	It is intended that the GAPP programme will deliver the local government focussed component of the SUGAR Business Case. DFID intends to delegate £11 million of funding to USAID for this purpose, allowing GAPP to extend to 35 districts, cover all sub-counties and increase technical engagement. The SP will need to develop a good working and collaborating relationship with GAPP.

Financial Accountability and Management Programme (FINMAP)	Government of Uganda programme, co-finance by development partners (including DFID)	FINMAP has entered its third phase and supports public financial management reforms in Uganda, led by the Ministry of Finance and Economic Planning and Development (MoFPED).	There is a cross-over with issues of public sector compliance, administrative sanctions and opportunities for corruption, especially around procurement. OAG and PAC (and PPDA) are also FINMAP partners. The SP will be required to liaise with the FINMAP secretariat.
Justice, Law and Order Sector (JLOS)	A Government of Uganda sector under the National Development Plan, with a secretariat that manages government and donor support.	The Justice, Law and Order Sector (JLOS) has its own secretariat to manage donor and government support to the sector. It also has an Anti-Corruption Strategy that while focussed on corruption within the sector, also recognises the role sector agencies play in wider anti-corruption activities.	JLOS includes many shared agencies (IG, CIID, DPP and ACD) and will require a special relationship to be built with. A proposal for JLOS to have a representative in the leadership group (Principal judge) and at the technical level (Accountability Adviser) is outstanding.
Accountability Sector Working Group (ASWG)	Government Sector Working Group, under the National Development Plan.	Contains a wide group of actors, largely focussed on PFM issues but with some corruption focussed organisations involved e.g IG. No representation from criminal justice side. Not fully active.	Engagement of SP required <i>but</i> it may be abolished in the NDP II. Unclear as yet. Is <u>distinct</u> from the development partner Accountability Working Group which DFID chairs.
Directorate for Ethics and Integrity (DEI)	Department under the Office of the President	Mandate to develop national policies on anti-corruption and lead and monitor implementation. Ministerial leadership. Advises cabinet on anti-corruption	Has a major if controversial role in this area. A relationship will need to be built and interlocutor found. Legislative changes often originate from here and thereafter go to cabinet e.g Leadership Code Amendment
Inter-Agency Forum (IAF)	Forum of anti-corruption institutions coordinated by DEI.	DEI, IG, OAG, DPP, CIID, Judiciary, PPDA are all members. Mandated to monitor implementation of the National Anti-Corruption Strategy.	Doesn't meet on a regular basis but has previously been more active.
Transparency and Accountability Working group (TAWG)	Network of anti-corruption institutions, chaired by PAC.	Contains all SUGAR-ACC partners plus some others e.g Uganda Revenue Authority. Focus is unclear but a "chain" approach appears to be an aim of the PAC.	Was moribund until recent GAPP revival. <i>May</i> be a forum that SP will need to engage with.
Public Procurement and Disposal of Public Assets Authority (PPDA)	Quasi-Independent state institution giving oversight to public procurements.	Undertakes procurement audits and on-going monitoring of audit compliance. Investigates complaints and high-risk areas. Has some sanctioning powers. Low level of resourcing restricts their ability to fulfil mandate.	Is first on the list to be a new partner agency for SUGAR-ACC. Relationship needs developing during inception phase. Often seen to be investigating cases in parallel to IG and CIID and audit overlap with OAG.

Exit Strategy

37. The SP will be expected to create the circumstances for its own exit from anti-corruption support by the end of its contract, develop an explicit "exit strategy" and be able to show how it relates to each intervention it undertakes during all its operations. At the end of SUGAR-ACC it is expected that sustainable capacity will have been built within partner agencies in the critical priority areas and that systemic and inter-institutional blockages to joint working will have been addressed and new protocols operating successfully to guide cooperation. It will be expected that SUGAR-ACC will leave an anti-corruption chain that is substantially free from bottlenecks caused by weaknesses in one "link" or another, and that a culture of working together and supporting each other will have been embedded in the anti-corruption chain. An explicit draft "exit strategy"

document should be delivered to DFID in the mid-term report and then finalised 6 months before the final report.

Reporting and Evaluation

Reporting requirements

	Reporting	Description	To be delivered
1	Quarterly reports	<p>A narrative assessment of performance against workplan and outputs over the last quarter, including:</p> <ul style="list-style-type: none"> • Areas where planned activities didn't take place, giving justification • Activities that did take place that weren't planned for, giving justification • Data from monitoring of results and progress towards achievement of indicator milestones and targets (output and outcome level) <p>Financial report that includes:</p> <ul style="list-style-type: none"> • Spend analysis including the balance of DFID funds with partner and proportion of last disbursement spent. • Whether the work plan/budget for period of disbursement is in line with the overall work plan/budget and justification for any diversion • An invoice, supporting vouchers and documentation associated with the payment to confirm what the money has been spent on. 	Every 3 months
	Annual and Quarterly workplans	<p>A programme workplan structured against the LogFrame outputs providing detail on planned activities and how they contribute towards achievement of the outputs, milestones and targets and outcome, and their alignment to the ACC workplan. Any on-going reporting of results against the outputs can be provided here. They will be provided annually and updated quarterly, with an annual financial projection.</p> <p>A Quarterly financial request containing:</p> <ul style="list-style-type: none"> • Whether the amount being requested is in line with the payment schedule in the funding agreement and justification for any diversion • Whether the funds being requested are for a period indicated in the funding agreement and justification for any diversion 	Annually and then every 3 months
2	Annual reports	<p>The project will be reviewed annually by DFID, providing an assessment of performance, ongoing relevance, value for money and any remedial action required. The SP will be required to provide an <u>annual report</u> to feed into this review to include:</p>	Annually in Feb/March

		<ul style="list-style-type: none"> • An assessment of progress against the output and outcome logframe indicators (including use of data from the Data Tracking Mechanism) • Assessment of implementation of previous annual review recommendations • Significant changes to the assumptions made (i.e. context, risk, value for money, operating or political environment). • New evidence from public research or evaluations. • Whether the targets are still realistic. • The effectiveness of partnerships, including government and partner agency viewpoint, suppliers' performance and contract implementation. • The relevance of the programme and whether it should continue be stopped or reset. • Whether poor performance has been identified and is being managed, including whether improvement measures are required. • Evidence of learning and continuous improvement during the project's implementation and how lessons will be shared more widely • Consider whether risks identified have been addressed. • Specific, time-bound recommendations for actions which are consistent with the key findings. 	
3	Data Tracking Mechanism Report	The SP will be required to financially support the production and dissemination of an annual compilation report on anti-corruption data called the <u>Data Tracking Mechanism</u> . This is an Inspectorate of Government report currently financed by DFID through the World Bank and researched and drafted by a local think tank- Economic Policy Research Centre (EPRC). The report is usually published in December every year. The SP will work with the IG to decide on how to deliver the 2015 report and act accordingly. There is an expectation that data from the DTM could be used to provide baseline data, measure progress against the ACC workplan and the SUGAR-ACC logframe in future. The evaluability assessment will look at this possibility.	Annually in December
5	Mid-Term report	An independent Mid-term Review will be undertaken using evaluation funds ring-fenced in the programme. The SP will be required to produce a Mid-Term Report to feed into this review. This report will <u>include</u> an assessment of progress and results against the logframe, judgement on programme structures, programme methodology and programme staffing with a view to recommending any changes, an assessment of challenges faced in programme delivery, and a draft exit strategy for SUGAR-ACC,	By September 2017
15	Final programme report	A final 5 year review will be undertaken using evaluation funds ring-fenced in the programme. This will cover the same areas as the mid-term review as well as a finalised exit strategy and any proposals for a one year extension, with a strong justification.	By February 2020

38. The SP will be required to provide ad-hoc written and oral reports at meetings with contributing donors, the steering committee, the leadership group and other groupings and individuals as requested by DFID.

39. The SP will provide DFID with an annual independent audit of the programme accounts.

Evaluation requirements

40. £500,000 of SUGAR-ACC funds involved in this tender will be ring-fenced for evaluation. Funds up to this amount will be used to commission:

- a) An Evaluability Study to work with DFID, the SP and other key stakeholders to determine the key evaluation questions and feasibility of evaluating them. (Required inception phase output) and look at the Data Tracking Mechanism with a view to making recommendations to improve its use as a monitoring and/or evaluation tool.
- b) Support to further hone the indicators, milestones, targets and means of verification in the LogFrame to ensure they reflect realistic, ambitious and measurable results to be achieved by the programme. This will not be expected to be a draw on this budget line as we expect the SP to access its own in-house specialists to finalise the LogFrame. Any changes to the LogFrame are subject to approval by DFID. (Required inception phase output)
- c) Periodic analytical work by global specialists to support the evaluation of the programme and answer the agreed evaluation questions. This might include work to explore the results of specific outputs (e.g rapid increases in asset recovery); evaluate the impact of specific methods of support (e.g effectiveness of problem-driven iterative approaches v. traditional training); test the validity of theory of change and related assumptions; and evaluate the ability of programme interventions to change incentives and drive behavioural and organisational change.
- d) Periodic reviews of the programme, either as support for DFID standard annual reviews, or as support to the inception review (required inception phase output), and delivery of independent mid-term review, independent end-of-term review and other independent reviews.
- e) Inputs from DFID, HMG and other programmes, projects, advisers and organisations to stimulate thinking around the evaluation of SUGAR-ACC, as well as to enable consideration

of new, effective approaches to integrate into SUGAR-ACC itself.

2. Decisions on the use of this money will be made by DFID on the advice of a small Reference Group. This Reference Group will oversee and assess the quality of evaluation and review work and make recommendations on what evaluative work to pursue. The group will be made up of c.4 international and local specialists in governance and/or evaluation, to be determined by DFID. The management of the work being commissioned will be undertaken by a small Work Management Group made up of two DFID representatives and two SP representatives.

Time frame

41. The SP shall start the Services no later than 4th May 2015 and the Services shall be completed by 3 May 2020. At the entire discretion of DFID, two, further one year extensions may be available after this period, making the programme a possible seven year investment (5+1+1) ending in May 2022)

DFID Coordination

42. The SP will be directly answerable to the Governance Adviser (Accountability) within DFID Uganda.

Duty of Care

43. see annex 5.

Background

44. Despite a robust anti-corruption legal framework, active parliamentary and media oversight, and high level political dialogue, corruption in Uganda remains endemic. Uganda has the highest bribery levels in East Africa. In the 2012 East African Bribery Index 85% of all respondents judged Uganda's public institutions as either extremely corrupt or corrupt. In a 2013 Afrobarometer perceptions survey 76% of Ugandans interviewed rated Government performance on fighting corruption as either "fairly" or "very bad", increasing from the 52% response in 2005. 49% of those interviewed had paid a bribe in the last year. Both perception and reporting data as well as anecdotal evidence suggests corruption is increasing year on year. 2012 saw a 42.6% increase in the number of corruption-related crimes investigated by the Police.

45. Public sector institutions are seen as the most corrupt in Uganda, with the Police, Land Services, Local Councils, Tax system, the Judiciary and Health and Education services coming out on top of perception surveys on levels of corruption. The absence of key staff in the health and education sectors due to failures in public sector management and corruption and the routine bribery reported by Ugandans in accessing health and education severely undermines basic service delivery in Uganda. Major theft of public funds through both grand and petty corruption significantly reduces the funds available for poverty reduction. The levels of corruption in public institutions makes it hard for the proper functioning of government services - especially those such as water, health and education where bribery and misuse of funds has been well documented over the past decade.
46. Some analysts suggest that patronage in Uganda is a major channel for elites in gaining and maintaining powerful positions in politics, government and business and that public funds and political appointments are used to support the distribution of patronage to supporters and opponents alike. This situation requires significant political will to enable progress to be made.
47. In October 2012, the Auditor General released a special investigation into financial impropriety at Office of the Prime Minister (OPM). The audit revealed that of the €22.9 million received on two budget support accounts between 2009 and 2011, €12.6 million had been misappropriated. Funds had been diverted, demonstrating premeditation and collusion across OPM, Ministry of Finance and the Bank of Uganda. Funds were transferred to the private back accounts of OPM staff – in almost all cases there was no documentation supporting these transactions. Following the audit all ten budget support donors suspended aid. More than a year later, only three donors have resumed sector budget support.
48. Donors had been supporting anti-corruption activities for a number of years, and had been operating a “joint approach” to political engagement. However, the impact of donor activities on corruption has been undermined by an inconsistent and not sustained approach to programming. Donor programmes to support the Ugandan institutional response to corruption, often designed in the aftermath of a scandal, have yielded limited results. Stand-alone technical assistance and generic institutional support provided to a limited number of favoured anti-corruption and accountability institutions (rather than across the whole-chain) has been rightly criticised in evaluations and reviews as

unfocussed, untargeted and has not resulted in a sustained reduction in corruption.

49. However, in the wake of the OPM scandal the donor's Accountability Working Group (AWG) spearheaded the development of a joint approach to programming as well as political engagement. A chain-linked approach to supporting all institutions across the anti-corruption chain was adopted by AWG members and anti-corruption institution heads as the favoured form of support to Uganda's response to corruption. A set of "principles" based on the evidence from previous evaluations, was adopted- including the chain-linked approach but also the need to focus on critical functions rather than un-earmarked institutional support and the need for a long-term, balanced and results-based approach. Following the adoption of the principles DFID (as chair of the AWG) supported a process with all institutions to develop a draft indicative workplan to guide donor interventions to key priorities of the donor institutions themselves for technical and material support. The process also helped institutions work together on common priorities.
50. The development of the DFID SUGAR programme represents the first attempt by donors to align their support for anti-corruption institutions to the principles, joint approach and workplan. However, other donor interventions are expected and currently in design- some of which have expressed an interest in the SUGAR-ACC programme. The coordination and alignment of all interventions (in and outside of SUGAR-ACC) will need to be carefully managed to maximise impact and avoid duplication. The AWG can provide a forum for discussing joint and coordinated programming.
51. Following the approval of SUGAR a "launch" took place in September involving partner agency heads and the Prime Minister's representative (commitment to attend was given by the PM but he was replaced 3 days before the launch for unconnected reasons). Where necessary more formal agreements such as MoUs will be entered into with Government and the institutions themselves. However, the SUGAR programme is eagerly awaited by most partners to help drive increasingly effective anti-corruption action across the chain.