

Section 4, Annex A

Call-down Contract

Terms of Reference

Support to the Office of the Prime Minister, Palestinian Authority (part of the Palestinian Governance Facility project providing technical assistance to the Palestinian Authority)

Introduction

The DFID Palestinian Programme submits these Terms of Reference (TOR) for the engagement of a consultancy service provider (contractor) to provide technical support to the Office of the Prime Minister under the Palestinian Governance Facility (PGF) project in line with project objectives and overall Impact.

The PGF provides technical assistance to the Palestinian Authority (PA) to help improve their financial management system and to support centre of government reforms. The project began in 2011 and is currently been extended to the 31st of March 2017. This TOR outlines the PGF project under which this work sits and provides an explanation of the outputs which the successful contractor will be expected to deliver.

Constraints and dependencies

The consultancy inputs are expected to begin from 1st of July 2016 and must be completed by 31st of March 2017. The international consultancy inputs are not envisaged as full-time positions based in the OPTs: consultants will be expected to make regular trips in-country in coordination with the Prime Minister's Office and DFID. They will provide remote support as and when appropriate. The supplier will also be expected to coordinate and work closely with other suppliers funded by DFID who are providing technical advisory support across the PA, particularly in the Ministry of Finance and Planning (MoFP).

Implementation requirements

The supplier will be expected to produce Key Performance Indicators as part of their proposal on how they are going to achieve the outputs outlined in this TOR. The supplier must also ensure full mobilisation of their team within one week of the contract award date. They should also provide details on how they will ensure continuity and availability of consultants for the duration of the project.

DFID co-ordination

The contractor will report to DFID's Project Officer based in Jerusalem, supported by the Governance Adviser.

The contractor is responsible for identifying and engaging a team of consultants appropriate to the regional context from within their company/consortium CVs. The contractor is also responsible for maintaining ethical standards in implementing the consultancy and managing logistics in country, with support from DFID as appropriate. The contractor is responsible for ensuring that the work is in line with DFID's policy, rules and regulations and that work is according to the agreed schedule and to a high standard.

It is expected that the team will consist of a combination of national and international consultants with a project manager. The team will liaise closely with the Prime Minister's Office (Chief of Staff and to the Prime Minister when required), and to the Cabinet Secretary-General for the General Secretariat component. The team will also be expected to handle all logistical arrangements. A workplan and both narrative and financial reports should be provided on a quarterly basis.

Duty of Care:

i) Under these terms of reference, the contractor will be entirely responsible for the duty of care (DoC) of their staff, and any third parties with whom the contractor holds contractual arrangements for the purposes of this assignment, including for security, transport and accommodation during the assignments. Arrangements for these should be provided with the bid documents. The supplier will need to be able to travel to and work in various locations. Further information for the expected DoC requirements is provided below.

ii). The supplier is responsible for ensuring appropriate safety and security briefings, and registrations, for all of their Personnel working under this contract, including third parties with whom the contractor holds contractual arrangements for the purposes of this assignment. Where the Supplier provides personnel in-country who are based abroad, travel advice is also available on the UK Foreign and Commonwealth Office (FCO) website, and the Supplier must ensure that they (and their Personnel) review regularly the latest advice.

iii). 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 who are not based in country receive the required level of training and complete a UK government-approved hostile environment training course (e.g. SAFE training) or safety in the field training prior to deployment.

iv). The Supplier must develop their proposal on the basis of being fully responsible for DoC in line with the details provided above and the initial risk assessment matrix developed by DFID (see below). They must confirm in their proposal that:

- i. They fully accept responsibility for Security and Duty of Care.
- ii. They understand the potential risks and have the knowledge and experience to develop an effective risk plan.
- iii. They have the capability to manage their Duty of Care responsibilities throughout the life of the contract

Annex A - DFID Overall Project/Intervention Summary Risk Assessment Matrix

Project/intervention title: Palestinian Governance Facility

Location: Occupied Palestinian Territories

Date of assessment: June 2016

Assessing official:

Theme	DFID Risk score
Country/Region	Occupied Palestinian Territories (excluding red and amber zones)*
OVERALL RATING¹	3
FCO travel advice	2
Host nation travel advice	n/a
Transportation	3
Security	3
Civil unrest	3
Violence/crime	3
Terrorism	4
War	3
Hurricane	1
Earthquake	3
Flood	1
Medical Services	2
Nature of Project	2

* see latest details on UK Foreign Office Travel Advice <https://www.gov.uk/foreign-travel-advice>

(Red = Advise against all travel; Amber = Advise against all but essential travel)

1 Very Low risk	2 Low risk	3 Med risk	4 High risk	5 Very High risk
---------------------------	----------------------	----------------------	-----------------------	----------------------------

¹ The Overall Risk rating is calculated using the MODE function which determines the most frequently occurring value.

Requirements

Background

This is difficult work at the centre of government in a highly sensitive political environment. The consultants will be expected to have extensive experience working on similar reform processes in similar contexts, particularly in the Occupied Palestinian Territories (OPTs). They should have a significant track record of building successful relationships with key stakeholders.

The consultancy will provide recommendations to the PM and Chief of Staff on further actions required to strengthen the Prime Minister's Office and General Secretariat. These should focus on ensuring sustainable delivery of performance of the relevant Units.

The supplier will be expected to deliver the below outputs by March 31 2017. However, as they are contracted to provide advice to the Prime Minister's Office in a complex and volatile political environment then they will also need to demonstrate they have the flexibility to ensure they are able to react to changing circumstances or emerging issues.

Timeframe

The consultancy will begin in July 2016 for a total duration of 9 months with a final report submitted to the PMO and DFID by 31st of March 2017.

Objectives

- To strengthen the capability of the Palestinian Government's Prime Minister's Office (PMO) to formulate and deliver government policy;
- To support the broader cross-government reform agenda, particularly in strengthening fiscal and planning processes in line with the new National Policy Agenda;
- To reinforce work being undertaken by other central institutions, including the Ministry of Finance and Planning, and Ministry of Interior;
- To strengthen the General Secretariat (GS) to ensure it is better able to support policy analysis and monitoring as well as cabinet decision-making processes.

Outputs

The consultancy will support the PMO and the GS in the following three outputs:

1. Strengthened policy and planning capabilities of the PMO.

The technical advisors will provide advice and mentoring to the PMO to help them develop a credible national plan, with clear linkages to the budget, including budget ceilings which reflect the NPA, and sector strategies which are realistic and measurable adopted by Cabinet

This will be achieved through

i)

- Advising and supporting on coordination and communication between the PMO and ministries, particularly MoFP, on setting priorities and preparing for key related meetings;
- Advising on the consultations and outreach to civil society, business and citizens;
- Supporting the PMO to effectively lead the Technical and Ministerial level committees;
- Helping the PMO to develop a communications plan and activities to support the NPA process.

2. Reform is initiated for key central government functions & processes.

This will be achieved through:

- i) Effective coordination of national planning process and sector strategies with the budget process.

3. Strengthened capability of GS to support cabinet decision making, policy analysis and reform efforts.

This will be achieved through:

- i) Carrying out an initial light touch assessment of the GS's capacity to take on this role of monitoring the performance of line ministries;
- ii) Based on this assessment, the technical advisers will design a more sustained intervention to build a robust monitoring and evaluation capability in the GS.
- iii) Advising the GS on setting and monitoring credible indicators for the NPA;
- iv) Capacity building of staff (through on-the-job training) to enable them to respond to the new demands.

Recipients

The recipients of these consultancy services will be the Prime Minister's Office and the General Secretariat.

Scope

The Prime Minister appointed a new Chief of Staff in October 2014. Following this appointment, the PM and Chief of Staff announced the creation of two new policy units within the PMO (Policy Priorities, International Affairs), as well as a new Strategic Communications Unit. He also announced a broader restructuring of the PMO.

The consultancy will advise and assist the PMO in implementing this new structure in order to deliver more effective and structured policy and communications support to the PM. It will also support the PMO's leadership on Gaza where possible.

It will also advise the GS on restructuring and on strengthening its role, particularly in policy support, performance monitoring and planning as well as providing support to cabinet decision making processes. Although the GS is technically separate from the PMO, it directly supports the Prime Minister in his role as Head of Government.

The project will therefore have two centers of activity (PMO and GS) to ensure greater coordination and increased interaction between the two organizations.

Reporting

The consultancy will begin in July 2016 for a total duration of 9 months. A workplan and both narrative and financial reports should be provided on a quarterly basis during this period. A final report submitted to the PMO and DFID by 31st of March 2017.

Composition of the team

The consultancy inputs will be delivered by a team of international and national consultants, with national consultants reporting directly to the Prime Minister or Chief of Staff to the PM (referred to below as "PMO consultants").

The international consultants may seek support from local consultants for specialist tasks (e.g., documenting existing business processes, designing a records management system), and other short-term inputs from specialized consultants as required.

The international consultants will have the following specific skills:

- Experience of working at the centre of government in a senior capacity leading on development and delivery of policy;
- Experience of organizational design in the public sector;
- Experience of leading whole of government reform;
- Experience of advising governments at a senior level;
- Experience of working with the Palestinian Government at a senior level.

The consultancy will also engage the following national consultancy profile, as well as a limited number of other national consultants as appropriate, to help deliver the outputs:

1. Consultant on Policy Priorities and Reform

This person will advise the PM and Chief of Staff on the operation of the new Policy Priorities Unit as well as management of the reform process. Previously there was a separate consultant working on reform: these posts will now be combined for greater cost-effectiveness. The consultant will provide proposals on how the unit should operate on a day-to-day basis as well as piloted approaches to improve the quality of policy advice available to the PM, and the implementation of policy across Government.

Background and context to the DFID Palestine Programme

Resolution of the Israeli/Palestinian conflict is a high priority for the UK Government. DFID supports UK Government objectives for a successful Middle East Peace Process (MEPP) by helping build institutions and promoting economic growth, so that the Palestinian future state will be stable, prosperous, well run and an effective partner for peace with Israel. To realise this ambition the Palestinian Authority (PA) must establish the core functions of a state.

The World Bank, IMF and UN have all stated at recent Ad Hoc Liaison Committees (AHLC) that the PA is institutionally capable of statehood. However, in spite of the progress made by the PA on state-building in recent years, more reform is needed. A strong and effective central government structure, as well as sound financial and macro-economic management, is key to ensuring progress on reform and institutional effectiveness of the PA.

The Israeli occupation severely limits the PA's reach and effectiveness: Israel continues to exert administrative and security control over 60% of the West Bank, and the PA has no mandate in East Jerusalem. The PA's legitimacy and accountability is also challenged by the absence of a functioning legislature since 2007. Fatah and Hamas remain divided, with Hamas taking security and administrative control of Gaza between 2006 and 2014, so further restricting the PA's reach.

The Interim Technocratic Government was established in June 2014. Since then, reconciliation between Fatah and Hamas, as well as efforts to reintegrate institutions in the West Bank and Gaza, has moved slowly. Hamas continues to retain significant control in Gaza so making it difficult for the PA to establish a stronger presence in Gaza. In addition, the summer 2014 conflict between Hamas and the Government of Israel led to further deterioration in the humanitarian situation in Gaza.

Meanwhile, the PA's fiscal situation continues to be difficult for several reasons. Donor aid for recurrent spending has declined from US\$1.76 billion in 2008 to US\$1.26 billion in 2013. Revenue performance remains weak, despite some important improvements. Between December 2014 and April 2015, Israel withheld Clearance Revenues, which make up 70% of the PA's total revenue.

The UK provided £129.5 million in direct financial assistance between 2011 and 2015 and will provide £25.5 million in 2015/16. DFID also provides technical support to the PA to help deliver institutional reform and maximise revenue opportunities. This includes funding for a Palestinian Governance Facility and IMF and World Bank experts to help the PA develop their financial management systems and improve efficiency.

Palestinian Governance Facility (PGF)

The PGF project supports the PA to build its capability further to enable it to deliver services and maximise the effective delivery of development projects. It does this through both direct financial assistance, and technical advisory help to the Ministries and the Prime Minister's Office to support the PA's ability to reform, plan and budget more effectively.

The total budget of the project is £7.5million across 5 years (2011-2016), and is implemented in three parts:

1. Consultancy services to provide technical assistance and project management provided by a consortium led by Oxford Policy Management (OPM).
2. A direct grant million from DFID to the Palestinian Authority (PA) governed by a project specific Memorandum of Understanding (MoU). The direct grant will enable the Ministry of Finance and Planning (MoFP) to contract national experts. This grant element is intended to enable the PA to build and sustain capability to reduce their future reliance on more expensive consultancy services.
3. Consultancy services to provide technical assistance to the Prime Minister's Office (PMO)

The direct grant began in September 2011 with technical assistance provided since March 2012. The support to the Prime Minister's Office began in February 2014. The programme was planned to conclude in June 2016, the current approved extension will extend the programme to March 2017. The PGF objectives are in line with the Palestinian National Development Plan and the New National Policy Agenda. PGF objectives were developed in close consultation with the PA and other key donors. The attached Business Case and logframe (Annex 1) outline the programme intervention including the context and need, the theory of change, risks and assumptions; and expected results.

The specific consultancy inputs related to this TOR are expected to result in strengthened capability of the Prime Minister's Office and the General Secretariat to formulate and deliver governmental policy, as well as improved coordination of national planning and budget processes.