

Section 4 Appendix A

CALLDOWN CONTRACT

Framework Agreement with: IMC Worldwide

Framework Agreement for: Global Evaluation Framework Agreement (GEFA)

Framework Agreement Purchase Order Number: PO 7448

Call-down Contract For: Evaluation of the Impact of the UK Action against Corruption Programme (UK ACT)

Contract Purchase Order Number: PO 8221

I refer to the following:

1. The above mentioned Framework Agreement dated **12 September 2016**
2. Your proposal of March 2018.

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

1. Commencement and Duration of the Services

- 1.1 The Supplier shall start the Services no later than 8th May 2018 ("the Start Date") and the Services shall be completed by 31st October 2018 ("the End Date") unless the Call-down Contract is terminated earlier in accordance with the Terms and Conditions of the Framework Agreement.

2. Recipient

- 2.1 DFID requires the Supplier to provide the Services to DFID Nigeria ("the Recipient").

3. Financial Limit

- 3.1 Payments under this Call-down Contract shall not, exceed £114,109.20 ("the Financial Limit") and is inclusive of any government tax, if applicable as detailed in Annex B.
OR

When Payments shall be made on a 'Milestone Payment Basis' the following Clause 28.1 shall be substituted for Clause 28.1 of the Framework Agreement.

3.2 Payment Basis

The applicable payment basis will be in accordance with the Schedule of Prices as detailed in Annex B.

28. Milestone Payment Basis

28.1 Where the applicable payment mechanism is "Milestone Payment", invoice(s) shall be submitted for the amount(s) indicated in Annex B and payments will be made on satisfactory performance of the services, at the payment points defined as per schedule of payments. At each payment point set criteria will be defined as part of the payments. Payment will be made if the criteria are met to the satisfaction of DFID.

When the relevant milestone is achieved in its final form by the Supplier or following completion of the Services, as the case may be, indicating both the amount or amounts due at the time and cumulatively. Payments pursuant to clause 28.1 are subject to the satisfaction of the Project Officer in relation to the performance by the Supplier of its obligations under the Call-down Contract and to verification by the Project Officer that all prior payments made to the Supplier under this Call-down Contract were properly due.

3.2 Expenses

Expenses, as detailed in Annex B, pro forma 3, are indicative and will not exceed the maximum costs detailed against each line of expense. For the clarification of doubt expenses will be paid on receipted actuals at each Milestone payment.

4. DFID Officials

4.1 The Project Officer is: **REDACTED**
Policy and Programme Manager **REDACTED**

4.2 The Contract Officer is: **REDACTED**
Procurement and Commercial Dept

5. Key Personnel

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

Name	Role
REDACTED	Team Leader and Evaluator
REDACTED	International Senior Expert
REDACTED	UK & International Law Enforcement Expert
REDACTED	International Anti-Corruption Expert
REDACTED	Nigeria Ac, Governance and PEA Expert

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**

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 DFID 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 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 DFID is providing any specific security arrangements for Suppliers in relation to the Call-down Contract, these will be detailed in the Terms of Reference.

8. 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 DFID, DFID will be entitled, at its sole discretion, to declare this Call-down Contract void.

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

Name:

Position:

Signature:

Date:

For and on behalf of

REDACTED

Name:

Position:

Signature:

Terms of Reference

Evaluation of the Impact of the UK Action against Corruption Programme (UK ACT) and predecessor programmes during 2006 - 2020

Background and Context

1. The UK is unique in using aid funds to support national law enforcement to tackle the UK end of corruption affecting developing countries including anti-money laundering, asset recovery and bribery.¹ DFID has supported such law enforcement work in the UK since 2006 under the UK AntiCorruption Action Programme (UK ACT) and its predecessor programmes. In the years since the Programme began, although other donors have not taken the same approach, there has been an increase in international attention to anti-corruption work from other countries and from organisations such as the UN Office of Drugs and Crime (UNODC) and the OECD. There has also been an increase in organisations working in the field such as the World Bank Stolen Asset Recovery Centre (StAR), the International Centre for Asset Recovery (ICAR) in Basel and now the International Anti-Corruption Co-ordination Centre in London (IACCC) which co-ordinates crossborder law enforcement on corruption cases.²
2. In the early years of the Programme, DFID support focused on establishing a team in the Metropolitan Police Service (MPS) to tackle money laundering from developing countries; and a team in the City of London Police (CoLP) to tackle foreign bribery. As the Programme progressed, further support was provided to intelligence work at the National Crime Agency (NCA) formerly the Serious and Organised Crime Agency (SOCA) and asset recovery work at the Crown Prosecution Service (CPS) since 2011. In 2015, the money laundering and bribery remit of the two police teams moved to the NCA to form one International Corruption Unit (ICU) and to link more closely to the Bribery and Corruption Intelligence Unit (BCIU). The CPS team remains separate. A small CoLP team continue to pursue historic bribery cases until March 2018 but bribery cases taken up since 2015 are now investigated by the NCA. The UK ACT Programme currently funds approximately 50 staff at the NCA, three officers at CoLP, and three lawyers at the CPS. The Programme has approved funding until 2020, with a budget of approximately £39m for the whole period 2006-2020.
3. The evidence of the direct impact of this programme is impressive. There have been over 150 cases taken against UK nationals and companies for bribery and corruption in developing countries and over £175 million of stolen assets have been restrained, recovered or returned to developing countries (although the amount of returns has so far been small owing to delays and complications in UK court processes). Individuals and companies engaged in corruption have been held to account; the convictions show that

¹ The conceptual distinctions of anti-money laundering, asset recovery and bribery in relation to this programme are well set out in the log-frame analysis document by Elizabeth David-Barrett.

² DFID is closely engaged with UNODC and OECD working level groups on anti-corruption issues; DFID has funded ICAR since 2006 and is about to start funding StAR. The IACCC, based at the National Crime Agency (NCA), is UK funded through the FCO Prosperity Fund and works closely with the International Corruption Unit at the NCA, the main unit funded under this Programme.

impunity for corruption can be addressed by the UK; and that assets can be recovered and returned.

Purpose and Audience

4. The direct impact of the Programme has been measured and well-documented in annual reviews. The primary purpose of this Evaluation is to learn and understand more of the indirect, underlying, impacts of the Programme which go beyond what has been learned from annual reviews. This understanding will be used to inform the remaining years of the Programme to 2020, and future anti-corruption work in this area by DFID, law enforcement agencies and the international anticorruption community.
5. The primary audience for the Evaluation will be the Anti-Corruption Group in the Governance, Open Societies and Anti-Corruption Department in DFID; also other DFID staff working on corruption; partners in UK government departments and law enforcement. A secondary audience is the international anti-corruption community. DFID and Other Government Departments will have unlimited access to the material produced by the Evaluation team.

Scope and Objectives

6. The principle objective of this Evaluation is to evaluate the outcome level impact of the programme set out in the 2017 log-frame³ that:

'Incentives are reduced for corrupt individuals in developing countries to use the UK to launder money; or for UK business and UK nationals or their agents to bribe in developing countries.'

The general OECD-DAC Evaluation Criteria⁴ of effectiveness and impact are the focal criteria for this evaluation and some questions are set out below. The efficiency and sustainability criteria are not the focal criteria: efficiency has been considered throughout Annual Reviews and a separate initiative will be considering the sustainability of the work of the Programme.

Effectiveness and Impact

The general evaluation question is whether the Programme has achieved its outcome level objectives and the factors influencing the achievement/non- achievement of the objectives. What are the main impacts and effects resulting from the Programme, including intended and unintended results and the impact of external factors? More specifically, has the Programme had an impact on the attitudes and behaviours of those groups of actors that the Programme is aimed at: the overseas elites ('politically exposed persons' 'PEPs') in relation to international money laundering; UK companies and individuals in respect of overseas bribery; and UK legal, property and financial services providers, in respect of the transmission of corrupt funds from developing countries into the UK?

³ The Programme impact and outcome statements have changed over time in the log-frames for previous phases of the programme and these changes are clearly set out in the 2015 Evaluability Assessment. Confusingly, the current impact statement was formerly the outcome statement. These were switched round following the 2016 logframe review. So the impact statement is: *'Developing countries benefit from action in the UK to recover and return assets stolen from them by corrupt individuals and by action to pursue UK companies and nationals who use bribery and corruption in developing countries.'* However, the main indicators for this impact are the number of cases and assets returned, and these are already well documented by annual reviews.

The outcome level statement on programme impact has never been properly examined and the Programme Team want this Evaluation to respond to the following specific questions:

- Whether the PEPs from developing countries in relation to which the UK ACT Programme has either frozen, confiscated or returned stolen state assets, perceive the UK as an increasingly hostile destination for their money laundering activities, and whether there is evidence to suggest these individuals are less likely to use the UK to launder stolen assets;

DAC Principles for the Evaluation of Development Assistance, OECD (1991) 4

- Whether there is evidence to suggest that UK businesses operating in developing countries for which UK law enforcement has pursued bribery cases, are less likely to bribe or engage in corrupt activities; and whether UK legal, property and financial services providers are less likely to facilitate the transmission of such corrupt funds into the UK.
 - If there is evidence of impact under the above two bullets, a further question is how much of this is due the effectiveness of the law enforcement units supported by the UK ACT Programme, and how much relates to the wider UK anti-corruption legal, policy and operational context since 2006, including the advent of the UK Bribery Act 2011 and the work of agencies like the Serious Fraud Office.
7. A secondary focus for the evaluation is how far the UK ACT Programme has had an impact on shaping wider UK, international and country level approaches to tackling money laundering and bribery in developing countries. The Programme and law enforcement teams have been a focal point of anti-corruption capacity, action and leadership in the UK, particularly through the Arab Spring crisis and regime change in Ukraine; and through ongoing international and cross-border collaboration.

Theory of Change

8. In support of the evaluation of impact, the Programme Team want the Evaluation Team to test the assumptions of the Programme and the theory of change that:
- Targeted action in the UK to reduce money laundering from developing countries will reduce UK-linked corruption related to developing countries;
 - Prosecution and convictions in the UK of corrupt PEPs from developing countries will contribute to the accountability of political elites in developing countries;
 - Prosecutions, convictions and other disruptive interventions in the UK to tackle corruption in developing countries will contribute to the accountability of UK nationals and businesses and increase their incentives to do business cleanly abroad;

- A wide portfolio of cases (large and small cases in a range of developing countries) as opposed to a few larger and complex but higher risk cases is the right approach to have the desired impact of reducing international corruption linked to the UK.
- That the UK ACT Programme could lead to a diversion of corrupt funds to other countries; and whether there has been a reduction corruption only in the UK, as a result of the Programme.
- That cross-cutting issues of human rights, HIV/AIDS, environment and gender are of limited relevance to the impact and effectiveness of this Programme.

As a result of testing the assumptions of the Theory of Change, the Evaluators should revise and reconstruct the ToC.

9. Beyond the scope of this evaluation are:

- Whether the Programme has had an impact on reducing the levels of corruption in developing countries;
- Whether the return of stolen assets has had a direct impact on the lives of poor people in developing countries (very little has yet been returned because of court delays).

Possible Approaches to the Evaluation

10. Possible approaches could include:

- A study of the wider impact of the cases undertaken under this programme, including on UK companies and institutions; and on the countries which generated the cases, starting with a desk review of the case results to date.
- On money laundering, this could be by an in-depth case study in Nigeria, (the country with the greatest links with the UK ACT Programme) and could examine the impact of the Programme through its asset freezing, arrests, prosecutions, convictions, and confiscations, including the Ibori case and other Nigerian cases. This could include tracing the press coverage in Nigeria; whether there has been increased scrutiny of politicians; whether key stakeholders in government, law enforcement, business, finance, academia and civil society know the UK is carrying out this work. The Evaluators will be expected to develop a Terms of Reference for this case study.
- On bribery, this could be through an impact study of the 150 cases taken since 2006, tracing back the impact of key cases and exploring the impact on companies and countries. This could include a survey of key UK companies which are active in developing countries; a study to examine changes of behaviour where companies have been prosecuted or were fined in self-referral corruption cases (i.e. the Macmillan's case); an examination of whether investigation of cases, even those not

ending in charging or conviction have an impact on company behaviour; and the impact of UK bribery legislation as enforced by teams under the Programme;

- A study of UK and international anti-corruption stakeholders on the impact of the UK ACT Programme as part of galvanising a wider UK effort to tackle international corruption.⁴ The current UK wide approach to tackling corruption is set out in the UK Anti-Corruption Action Plan and the forthcoming UK Anti-Corruption Strategy.
11. The Programme Team would welcome advice on what other approaches could be taken to evaluating the two primary identified impacts set out in paragraph 4 and the secondary impacts in paragraph 5. For example, is it possible to measure whether the UK now appears to be more hostile to money laundering? Is there a change in the use of UK banks and property market to launder money in relation to the countries where the UK ACT Programme has operated? Is there any evidence that overseas bribery by UK companies has reduced? Is this directly evaluable or are there proxy measures?
 12. The Programme Team would also welcome advice on using the evaluation to inform the remaining years of the Programme to 2020 and beyond, if further funding is approved; what further evaluation would be useful as the Programme progresses.
 13. The evaluation should co-ordinate with the DFID Anti-Corruption Evidence Research Programme (ACE) in the development of a country case study in Nigeria, where other case studies on corruption are under way.
 14. The Evaluation Team will be responsible for proposing a methodology on how the evaluation will be undertaken. The Programme Team see the key methodological challenges as being:
 - The limited nature of global evidence on anti-corruption;
 - The hidden nature of corruption and the challenges of identifying behaviour change by potentially corrupt individuals and companies;
 - Attribution: in a complex field of anti-corruption policy and law enforcement, with a potentially complex causal chain, to reliably attributing impact from this programme will be difficult.
 15. It is envisaged that the evaluation will be principally UK-based apart from the Nigeria case study of key stakeholders. No other fieldwork is envisaged.

Data and Evidence

16. Data will be provided by the Programme Team and partners as set out in the annex. Preliminary evidence will also be available from the UK ACE Programme Nigeria case study work. The Evaluation Team will be expected to also ensure relevant evidence and data is reviewed, including press reports, practitioner and academic studies.

⁴ This could include ICAR, StAR, OECD and UNODC as potential data sources.

Evaluation Team Competencies

17. The Evaluation Team should have competencies in international development, and anticorruption; good understanding of UK and international law enforcement; and understanding of the political economy of Nigeria (for the proposed Nigeria case study in conjunction with DFID's UK ACE Programme). We envisage a team of 2-3 people covering these skills potentially including a local consultant for the Nigeria case study. Because of potential sensitivity in Nigeria, consideration should be given to the duty of care.

Time scale and Deliverables

18. It is envisaged that the main evaluation will take up to 120 person days over 6 months, starting in May 2018 and completed by October 2018. This will take the form an evaluation report no longer than 40 pages, with accompanying annexes if required. This evaluation report will be delivered to Programme SRO and Project Officer at DFID by 30 October 2018.
19. Further follow up evaluation is envisaged in 2019 and can take account of new developments in the UK and international legal, policy and operational context.

Contact Points

20. The primary contact points will be the Programme SRO and Project Officer. The Programme Team will provide all necessary documentation to the Evaluation Team. The Evaluation Team will provide the Programme Team with monthly updates of progress up until completion of the evaluation. Governance, Conflict and Social Development Team Leader will be the contact point for the UK ACE Programme in relation to the Nigeria case study.

Supporting Documents

1. Project Documents for the 'International Corruption Group' (2006-2009) and 'Enhancing International Action Against Corruption' (2009-2015) phases of the programme; and the Business Case for the UK Anti-Corruption Action Programme (2015-2020);
2. Annual Reviews for the programme from 2006 to 2016;
3. UK ACT Evaluability Assessment 2015;
4. Log-frame documents from the work by Elizabeth David-Barrett;
5. Documents from the Anti-Corruption Evidence Programme (ACE): Business case; documents on Nigeria case study; links to the ACE website due to go live is mid-August. The URL is:
<https://www.anticorruptionevidence.soas.ac.uk>



Annex A

Project Intervention: **UK Action Against Corruption (UKACT)**

Programme Location: Nigeria.

Date of Assessment: 29/1/18

Assessing Official: **REDACTED**, Policy & Programme Manager, Anti-Corruption, GOSAC.

Overall rating is 2 or low risk for travel to India.

Theme	DFID Risk Score
	Nigeria
Overall Rating	3
FCO travel advice	4
Host nation travel advise	N/A
Transportation	3
Security	3
Civil unrest	3
Violence Crime	3
Terrorism	4
War	1
Hurricane	2
Earthquake	2
Flood	2
Medical Services	3
Nature of project/Intervention	3

1 Very Low Risk	2 Low Risk	3 Medium Risk	4 High Risk	5 Very High Risk
Low		Medium	High Risk	