



Foreign, Commonwealth & Development Office

CALL DOWN CONTRACT

Framework Agreement with:	Oxford Policy Management Limited
Framework Agreement for:	Global Development Delivery Framework (GDD) Lot 1 – Climate and Nature
Framework Agreement ECM Number:	ecm_5775
Call Down Contract For:	Catalytic Fund for Water Resource Accountability in Pakistan (CF-WRAP)
Contract ECM Number:	ecm_6888

I refer to the following:

1. The above-mentioned Framework Agreement dated 18 December 2023;
2. Your proposal of August 2024 (Schedule 1 of this Contract).

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

The Supplier shall commence the Services on the date of countersignature by FCDO (“the Start Date”) and the Services shall be completed by 31 July 2028 (“the End Date”) unless the Call Down Contract is terminated earlier in accordance with the Terms and Conditions of the Framework Agreement or the provisions of this Call Down. FCDO reserves the right to extend the term of the agreement in accordance with the provisions of the Call Down Contract.

2. Recipient

FCDO requires the Supplier to provide the Services to the British High Commission, Islamabad (the “Recipient”) as stipulated in the Terms of Reference.

3. Financial Limit

Payments under this Call Down Contract shall not exceed £9,750,000 (“the Financial Limit”) and is exclusive of UK Value Added Tax, but inclusive of any local government tax as detailed in Annex B. FCDO reserves the right to increase the Financial Limit of the agreement in accordance with the provisions of the Call Down Contract.

4. FCDO Officials

Contract ecm_6888
Catalytic Fund for Water Resource Accountability in Pakistan



Foreign, Commonwealth & Development Office

4.1 The Project Officer is:

4.2 The Contract Officer is:

5. Key Personnel

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

	Role
	Team Lead
	FCDO Engagement & Liaison Expert and Political Economy Advisor
	Technical Assistance Lead

6. Reports

The Supplier shall submit project reports in accordance with the Terms of Reference at Annex A.

7. Call Down Contract Signature

If the original Form of Call Down Contract is not returned to the Contract Officer (as identified at section 4 above) duly completed, signed and dated on behalf of the Supplier within **15 Working Days** of receipt from FCDO, FCDO will be entitled, at its sole discretion, not to countersign and execute this Call Down Contract.

No payment will be made to the Supplier under this Call Down Contract until a copy of the Call Down Contract is signed by both Parties.

Signed electronically via FCDO e-tendering portal.

Contract Annex A

Terms of Reference

British High Commission
Islamabad

Call Down Title: Catalytic Fund for Water Resource Accountability in Pakistan
(CF-WRAP)

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LIST OF ACRONYMS

BHC	British High Commission
CSO	Civil Society Organisation
DOC	Duty of Care
FCDO	Foreign Commonwealth and Development Office
GB	Gilgit Baltistan
GDP	Gross Domestic Product
HMG	His Majesty's Government
GDD	(FCDO's) Global Development Delivery Framework
GDPR	General Data Protection Regulations
IAIS	Internal Audit Department's Investigation Section
ICF	International Climate Fund
INGO	International Non-Governmental Organisation
IP	Implementing Partner (on an FCDO programme)
IT	Information Technology
IWMI	International Water Management Institute
KPIs	Key Performance Indicators
KPK	Khyber Pakhtunkhwa
MEL	Monitoring, Evaluation and Learning
NbS	Nature-based Solution(s)
NGOs	Non-Government Organisations
ODA	Official Development Assistance
PbR	Payment by Results
PRO	Programme Responsible Owner
PSC	Programme Steering Committee
SRO	Senior Responsible Owner
VfM	Value for Money
WRAP	Water Resource Accountability in Pakistan Programme
WWF	Worldwide Fund for Nature
TA	Technical Assistance
ToC	Theory of Change
ToR	Terms of Reference
UN	United Nations

1. BACKGROUND & CONTEXT:

Pakistan's development statistics identify environmental degradation and climate change as key factors slowing down economic growth and reducing the quality of life in Pakistan. The World Bank's 'Pakistan@100' report argues that water productivity in Pakistan is very low at around \$1 per cubic meter, one of the lowest in the world¹ and will be further exacerbated by climate change, unless the sector improves the management of its water. Despite a natural abundance of water resources, Pakistan considers itself to be water-scarce based on the amount of water available by population. This scarcity is driven largely by poor decision-making in governance. Poor water management already costs Pakistan 4% of GDP (or around £9 billion per year)² because of the way in which water is 'shared' (regionally and nationally) and 'used'. Improving water productivity will help create jobs and improve living standards.

Pakistan has invested heavily in large water management infrastructure and dams. While this provides some improvement to water management, the approach is costly and causes significant damage to ecosystems. This approach ignores the role that healthy and resilient water systems, and the application of nature-based solutions, could play in improving water storage, supply, and quality. Pakistan is currently making limited use of 'green' approaches to inform water resource management and reviving nature to adapt to the changing climate is gaining momentum in Pakistan.

In Pakistan, examples of nature-based practices include crop rotation, intercropping, agroforestry, crop diversification, live fencing, and using trees as wind barriers³. A combination of nature-based practices can be used to build up multiple conservation objectives, adaptation co-benefits and contribute to climate mitigation. In many circumstances, combining this 'green infrastructure' with traditional 'grey infrastructure,' such as dams, levees, reservoirs, treatment systems, and pipes, can enhance system performance, boost resilience, lower costs, and better protect communities.⁴

Research shows that climate change is increasing the intensity and frequency of extreme weather events⁵, with the majority of disasters in the past 60 years driven in some part by climate change⁶. The number of people who will need humanitarian assistance because of climate-related disasters is projected to double to 200 million by 2050⁷. These figures demand a move away from traditional post-disaster humanitarian responses, to explore more innovative responses which consider the need to reduce long-term vulnerability and exposure. This can be achieved through anticipation of disasters, strengthening early warning and emergency response systems, and building anticipatory action capacity.

2. SUMMARY OF WIDER WRAP PROGRAMME:

The Foreign Commonwealth and Development Office (FCDO) is currently running the Water Resource Accountability in Pakistan (WRAP) programme for a period of seven years (2021-2028)⁸. A redacted version of the WRAP Business case along with its recent addendum is attached as Annex A. WRAP aims to 'strengthen the governance of water at national and

¹ Pakistan@100: Shaping the Future (World Bank, 2019, p.60)

² Young, W et al (2018) - Getting more from water; World Bank 2018

³ Shah, S.I.A., Zhou, J. & Shah, A.A. 2019. Ecosystem-based Adaptation (EbA) practices in smallholder agriculture; emerging evidence from rural Pakistan. Journal of Cleaner Production

⁴ Integrating Green and Gray – WRI and World Bank Group (March 2019)

⁵ IPCC 6th Assessment Report. Working Group 1: The Physical Science Basis (2021).

⁶ World Disasters Report 2020. The International Federation of Red Cross (IFRC).

⁷ The cost of doing nothing: the humanitarian price of climate change and how it can be avoided (2019). IFRC.

provincial levels, supporting adaptation and resilience to climate change and improving environmental sustainability’.

The WRAP programme comprises the following components:

Component 1 - Water Governance:

Provision of technical support to improve the capacity of water institutions at federal and provincial levels, such as water commissions, water regulatory authorities and irrigation departments. This component is being delivered through the International Water Management Institute (IWMI).

Component 2 – Nature-Based Solutions:

Demonstrating restoring the health of water systems and applying nature-based solutions could help communities adapt to climate change. Restoring damaged water ecosystem services can sequester carbon and protect against water-related disasters like floods and drought. This component also includes capacity-building of government to support nature-based solutions and to scale them up. This component is being delivered by the Worldwide Fund for Nature - Pakistan (WWF-Pakistan).

Component 3 – Catalytic Fund for WRAP (CF-WRAP):

This component will cover three broad areas:

1. A Catalytic Fund which will support demonstration and upscaling of innovative solutions and approaches to water issues, nature-based interventions, and humanitarian responses to address climate-change induced disasters.
2. Provision of demand-led Technical Assistance (TA) to provincial and federal government and eligible grantee organisations to develop a pipeline of projects or feasibility studies, or other capacity building or technical consulting activities as needed by the government.
3. Provision of Monitoring, Evaluation and Learning (MEL) in relation to the overall WRAP programme (including Component 1 & 2) to assess the effectiveness of the overall programme and its proposed interventions in water, humanitarian response, and nature-based interventions.

These Terms of Reference (**ToR**) are **only** for the **Component 3** ('CF-WRAP') of wider WRAP programme and requires the Supplier to manage the Catalytic Fund, provide demand-led Technical Assistance and conduct monitoring, evaluation and learning (MEL) services.

Expected Outcomes of overall WRAP programme's Components 1 and 2:

Impact: Pakistan increases its resilience to climate change by improving the provision of water as a resource to its people.

Outcome 1: Climate resilient reforms introduced, implemented, and scaled up for efficient allocation of water at the federal level and in Punjab.

Outcome 2: Improved government and targeted communities' capacity to plan, manage and sustain nature-based solutions.

Expected **Outcome** of Contract for Component 3 (**CF-WRAP**):

Outcome: Innovative solutions to water and humanitarian response problems, as well as use of a wide-range of nature-based solutions supported through research, development and showing evidence of scalability.

Outputs:

- Number of projects implemented that demonstrate potential for scalability of innovative technologies, management practices, and governance models.
- Increased demand from government, development organisations and communities for innovative solutions and Technical Assistance (TA) provided to develop and sustain new adaptation projects.

- Effectiveness of knowledge products produced and shared (to be monitored through the relevant International Climate Fund (ICF) Technical Assessment Key Performance Indicators (KPIs).

3. OUTLINE OF CONTRACT REQUIREMENT:

The Contract will be established under British High Commission (BHC) Islamabad's Water Resource Accountability in Pakistan (WRAP) programme and will run until July 2028 (approx. period of 46 months), with the option to extend for further 18 months.

The Supplier will be required to manage a budget for this Contract of up to £9.75m. The Contract aims to support smaller, innovative civil society organisations, foundations, entrepreneurs, and small businesses to design and pilot innovative solutions. It will do this through the provision of grants (potentially matched by the government of Pakistan) to organisations proposing water and nature-based solutions, as well as equitable and cost-effective humanitarian response approaches (both pre- and post-disasters) that have the potential to be scaled up and adopted widely.

In addition to managing the Catalytic Fund, the Supplier will provide demand-led Technical Assistance ('TA') to help develop a pre-pipeline of projects focusing on resilient ecosystems and adaptation⁹, with the aim of facilitating access to other sources of funding. The Supplier will also be required to conduct monitoring, evaluation and learning (MEL) on the project interventions, checking progress, and adapting their approach. The Supplier will also evaluate the effectiveness of the other two Components (1 and 2 above) of the wider WRAP programme.

4. TIMEFRAME:

The Contract will run until July 2028 with a possibility of extension for another 18 months and increase in the value by up to £4.5m. The Contract will begin with an Inception Phase of six months. Any extension of the Contract duration or value will depend on satisfactory Supplier performance, approval of business case uplift, and FCDO's decision to continue with the WRAP programme (see section 7 on provision of scaling up and down below for further details).

5. RECIPIENTS:

The recipients of this Contract (the 'Recipients') will include national and international private sector organisations, respective government departments, civil society organisations, academic and student groups, and other stakeholders designing, implementing, and investing in adaptation and resilience to climate change and improving environmental sustainability. Indirect recipients will be users of services in the districts/provinces of intervention.

6. BUDGET:

The Contract value is up to £9.75 million exclusive of UK VAT but inclusive of all applicable taxation. Indicative yearly breakdown based on FCDO financial year budgeting for this Contract is anticipated to be as follows:

⁹ Adapting to climate change means taking action to prepare for and adjust to both the current effects of climate change the predicted impacts in the future.

Component 3	Year 1 ¹⁰	Year 2	Year 3	Year 4	Year 5	Total
	~Sep 24 – Mar 25	Apr 25 – Mar 26	Apr 26 – Mar 27	Apr 27 – Mar 28	April 28 – July 28	
CF- WRAP	~£2.25m	~£2.5m	~£3.25m	~£1.5m	~0.25m	£9.75m

The indicative budget range of the suggested workstreams under the CF-WRAP Contract are:

- at least £5.75m to cover Catalytic Fund grants and Core Team and Contract Management Cost for all 3 workstreams;
- up to £2m for demand-led Technical Assistance deployments; and
- around £2m for Monitoring, Evaluation and Learning services.

The FCDO reserve the right to revise these ranges based on learnings from the initial years of Implementation, the mid-point Contract Review June 2026, and throughout the Contract period from time to time as appropriate. Any revision of the anticipated allocation of total value (£9.75m) will be agreed with the Supplier through a Contract Amendment based on recommendations relating to project activity and programme objectives.

During Inception Phase, the FCDO will confirm the internal budget allocations. The proposed by the Supplier workplan may have to be readjusted to meet FCDO's budget for the financial year (FY) 2024/25. The workplans will be subject to quarterly reviews and agreement by FCDO, based on any variation in anticipated Contract activity level.

7. PROVISIONS TO SCALE UP and DOWN:

FCDO reserves the right to scale up, down or discontinue the project.

The scaling up or extension may take the following forms:

- a) the Contract may be extended to additional regions;
- b) the duration and the value of the Contract may be extended subject to the overall WRAP programme extension;
- c) delivering additional high-level Outcomes.

The mid-point Contract Review (June 2026) will be used as an opportunity to consider extending the length of the Contract to deliver additional Outcomes. The decision on scale up will be taken by end July 2026. However, FCDO reserves the right to review the Supplier's performance formally and / or scale up or down the Contract at any time.

FCDO may terminate or partially terminate this Contract in line with Clauses 43-45 of the Terms and Conditions. Scaling down is at the FCDO's discretion, and may occur for a number of reasons, including but not limited to:

- underperformance against mutually agreed Implementation Phase Key Performance Indicators (KPIs). Consistent and substantial failure to score at least 3 ('satisfactory') against stipulated any KPI will give FCDO the right to discontinue any underperforming workstream; budget may be reallocated to other workstreams if judged to represent better value for money;
- political economy reasons, such as a change in the security situation, government stability, corruption, or delays to necessary government engagements such that they

¹⁰ Year 1 and 5 have shorter duration to align with FCDO yearly budgeting cycles and contract start & end dates.

impact the effective delivery of the programme, and it is not possible to make a reasonable adjustment to respond to the impact in an appropriate timeframe;

- broader compliance issues, such as the management of risks and passing of due diligence and in-country vetting; and
- reduction in Official Development Assistance (ODA) allocations.

If FCDO is concerned that the provisions of this Contract have not been fulfilled by the Supplier, or if any activities occur which will significantly impair the Implementation or development value of the project, FCDO will discuss its concerns with the Supplier to resolve any issues. FCDO will provide the Supplier with at least one month's written Notice of any decision to scale up or down any workstream or element within the original agreed scope of work.

8. SCOPE OF WORK:

The scope of work for this CF-WRAP Contract covers:

- **Management of a Catalytic Fund** to support innovative approaches to water management, nature-based solutions, approaches to humanitarian responses which are climate proofed and/or apply to climate change-induced disasters through at least two funding rounds. The Supplier will design and run the Calls for Proposals, shortlisting and selection of successful/feasible proposals, disbursement of grants and management of associated risks, including conflict-sensitivity risks where applicable and more pronounced, management of the grant selection process, the grants delivery cycle, knowledge management, quality management, and sustainability of the projects.
- Limited provision of **Technical Assistance (TA)** to interested organisations (pre-qualified for specific funding rounds) to develop a pipeline of projects or feasibility studies for accessing more climate finance and/or improve the potential for scale-up and sustainability of existing projects. The demand-led Technical Assistance will align with the needs of federal and state government on issues related to the thematic areas of water resource governance, nature-based solutions, and humanitarian response approaches, and will cover:
 - overseeing delivery of all parts of the Contract to identify opportunities of research and analysis, and for improved delivery; and
 - advising on approaches to further testing and scaling up of models already implemented under WRAP programme Components 1 and 2 (water governance and nature-based solutions) as well as humanitarian response approaches based on evidence of feasibility and effectiveness.
- **Monitoring, Evaluation and Learning (MEL):**
 - regular quarterly monitoring of the Catalytic Fund and overall WRAP programme to ensure the overall outcomes of the WRAP programme are being achieved, in addition to the Outputs of the CF-WRAP itself; and
 - develop and implement an evaluation and learning strategy on projects across the wider WRAP programme to ensure that greatest possible value and knowledge is extracted. FCDO intends this workstream to help open avenues for scaling-up, wider community participation, strengthening existing workstreams and sustainability together with grants implemented under the fund.

The Supplier will be responsible for the following defined workstreams under this Contract:

8.1. Management of Catalytic Fund:

During the Inception Phase, the Supplier will work with relevant stakeholders, including FCDO Project Team, to identify and agree potential thematic areas to focus efforts of funding rounds. The Supplier will be responsible for ensuring buy-in from relevant stakeholders (see below for further details). In line with the objectives of the wider WRAP Programme, examples of relevant interventions that this Contract could take up include:

- Water Management: application of water acts at district level, water consumption tracking with the use of technology e.g. soil moisture sensors, digital canal gauges to monitor flow of water, etc. equitable community-driven water storage and distribution mechanisms, wastewater recycling and management, water quality control, rainwater harvesting, etc.;
- Nature-based Solutions (NbS): forest health monitoring applications, biodiversity monitoring in forests, nature-inspired floating wetlands, smart climate agriculture applications or processes, community-led watershed management, water-harvesting techniques in arid areas, glacial melt watershed management, basin restoration, bioengineered techniques to ensure healthy ecosystems, market-based techniques and processes to ensure maintenance of ecosystems; and
- Humanitarian Response approaches: disaster risk financing, locally-led anticipatory action, climate-proofing of post-disaster infrastructure. early warning systems which can reach a wide range of at-risk vulnerable or 'last mile'¹¹ communities (remote and isolated settlements which lack a roadway or waterway access to deliver essential supplies in bulk, such as food, medicine, or durable shelter materials).

The Supplier will administer the process of sifting, assessing, and managing all grant applications, and will develop and agree the governance structure for the Catalytic Fund grant awards at par with FCDO programme management guidelines (including financial, commercial and risk management).

Key to ensuring the maximum opportunity for Catalytic Fund grants to be scaled up is the need to ensure government buy-in (federal, provincial, or district) from the earliest stages. FCDO expects grant proposals to contain clear evidence of respective tier (federal, provincial, or district) of government ownership prior to submission for consideration by the Programme Steering / Grant Award Committee (see section 10 'Management and Governance'). The areas of focus, which will be finalised during the CF-WRAP Inception Phase, must consider the following criteria as a minimum:

- evidence of needs – preferably arising from public consultation processes/research, i.e. who has the ideas and what is the demand;
- consideration of the inputs from other bilateral donor programmes; and
- consideration of provincial government commitment to scale-up initiatives.

Government commitments can also be in the form of embedding projects in their own development plans or otherwise financing the project for scale up.

The Supplier will be responsible for undertaking all required due diligence checks on all grant partners/organisations receiving grants to manage risk and ensure robust fiduciary control in line with FCDO guidance (see Annex B for further guidance). The Supplier is responsible for ensuring relevant due diligence and safeguarding policies and standards are cascaded to all partners within the supply chain, including awardee organisations in advance of grant disbursement.

The Supplier will also undertake social impact and conflict sensitivity assessments for selected interventions where applicable. The Supplier's methodology should also be inclusive and enable focus on awarding grants to women-owned organisations.

Please note that the design of CF-WRAP and all workstreams should strongly focus on reducing gender inequality with an aim to target women and female headed households who are amongst the most vulnerable to climate change, as feasible. For all programme results, the impact on women and girls is a key criterion and all results are disaggregated by sex, where feasible (see sections below on social value and gender equality below for further details).

The Supplier will run at least two competitive innovative grant award rounds; be responsible for the management of the grant delivery cycle, with the aim of identifying opportunities for potential scale up and wider adoption. The maximum allowable duration of the innovation projects funded through grants will be 18 months, but ideally with a 12-month duration. Grant sizes are anticipated to range between a minimum of £50,000 and maximum of £300,000. This may be reviewed and amended during the Inception Phase of the Contract. It is intended that the funding rounds will be launched with at least six to eight-month intervals, with a minimum of one round to be completed by 31 March 2025. The geography of the CF-WRAP will be the entire country of Pakistan (Components 1 and 2 of the wider WRAP programme are in Punjab, Khyber Pakhtunkhwa (KPK) and Gilgit Baltistan (GB)); priority will be given to areas with limited access, for example due to geographical terrain.

Given the perceived urgency of climate change across the government as well as the development sector, FCDO envisages that there will be high demand in relation to climate change topics. However, a lack of capacity or technical skills in the market can be a barrier to submission of feasible or credible climate change solutions as has been experienced in the past. Hence, demand and success of climate change topics will be directly correlated with the robust provision of the technical assistance workstream to grantees as well as respective government counterparts.

The Programme Steering / Grant Award Committee will assess the viability of each project proposal based on how it aligns with the needs of the district/provincial/federal government in relation to Water Management, Nature-based Solutions, and Humanitarian Response approaches. The Supplier will be responsible to ensure that shortlisted Proposals/Grants consider the following elements:

- demonstrating nature-inspired solutions or using technology that is new in the context of Pakistan;
- promoting new approaches to processes or systems (Transparency, Accountability, Accessibility, Efficiency of time and resources, and Responsiveness);
- encouraging community/citizen participation (including vulnerable and marginalised groups) and other relevant stakeholders;
- strategic collaborations/partnerships (government with NGOs or private sector or private sector with NGOs);
- sharing of information and learning in accessible and widely understood and actionable ways;
- generating robust evidence and integrating programme findings and recommendations; and
- sustaining and replicating approach for a long-term programme impact.

8.2. Provision of Technical Assistance:

The Supplier will provide limited demand-led Technical Assistance (TA) to respective grantees and government departments. This workstream will help develop a pipeline of projects and feasibility studies around access to climate finance and improve the potential for scale-up and

sustainability of existing projects. The demand-led TA should also align with the needs of the Pakistan government on issues across the key thematic areas of water resource governance, Nature-based Solutions, and Humanitarian Response approaches. Alongside the Catalytic Fund, the TA under this Contract aims to build on existing Nature-based Solution(s) (NbS) work, while avoiding duplications, in order to maximise Outcomes. The geographic scope of the demand-led technical assistance will be countrywide.

Under this workstream, the Supplier will be required to identify capacity gaps within the government of Pakistan which hinder fund-matching and scaling-up of proposals and broader programme objectives. The TA aims to strengthen and sustain capacities within the government of Pakistan to ensure a responsible and sustainable handover of services. The technical expertise will be deployed on a flexible basis in response to requests from federal and state government entities. While it is not intended to be the primary focus of the TA workstream, the Supplier's deployed Personnel may be involved in encouraging fund-matching of grant awards from potential donors as part of a given deployment. Any Personnel involved in such activity will assess the eligibility and feasibility for fund-matching of an individual grant objectively and independently on a case-by-case basis.

This TA workstream is not limited to local or regional governments and can be broader to target federal and provincial government departments. Furthermore, while government entities are intended to be the primary recipients of TA under this Contract, other non-state actors (i.e. grantees) are not excluded from requesting TA. The case for receiving a TA deployment would need to be clearly articulated and well-targeted for non-state actors and be linked to capability gaps identified in the prospective grantee's proposal for funding under the Catalytic Fund. The criteria and guidance for identifying TA recipients will be finalised during the Inception Phase, including for non-state actors.

Deployments will be agreed for a pre-determined period, e.g. 1 year, and financing must align with FCDO's budgetary allocations for each financial year. FCDO will not authorise any renewals or extensions to the TA deployment period beyond the scope originally agreed.

The Supplier's technical experts will provide demand-led support that aligns with the objectives of the wider WRAP programme. Examples of relevant interventions that this Contract could take up include:

- assisting respective government stakeholders to track disaster risk reduction work and systems in place as well as implementing actors through a digital management system within District Disaster Management Authorities (DDMAs);
- quantification or streamlining of equitable water pricing in the agriculture sector for provincial agriculture departments; and
- helping local governments earmark/tag climate-related expenditures.

The deployment of each TA activity will be managed through the Tasking Order mechanism. The duration, technical requirements, and financial limit of each TA requirement will be outlined concisely using the Tasking Order Template provided in the TA Management Workbook (tab 2 in Annex C). The format and contents of the Workbook may be adapted as appropriate throughout the duration of the Contract, by agreement of both the Supplier and FCDO. For each proposed deployment, the Tasking Order should be drafted by the Supplier and approved by the FCDO Project Team. The level of detail in each scope of work may vary from case to case, with all parties aiming to ensure the associated administrative burden remains proportionate to the complexity and value of the proposed TA deployment.

The 'scope' of each Tasking Order will contain as a minimum:

- agreed duration of the TA deployment in months and/or Working Days;
- agreed day rate for all services under the deployment (must be within Supplier's GDD rate caps);

- clear outline of the request for TA from stakeholders within government of Pakistan or, and how the proposed deployment is responsive to that need;
- brief justification for deployment of proposed expert/s, citing experience and qualification etc.;
- outline of relevant partner organisations and key relationships between them in the context of the TA deployment, including FCDO oversight/governance; and
- agreed deliverables/Outputs for the period, with quantifiable parameters for assessing success & effectiveness of delivery against WRAP programme objectives/Theory of Change Outputs (see Annex D)

The Supplier will have to satisfy FCDO that any TA proposal is based on proven expertise and offers comparative advantage, delivers Value for Money (VfM) and would not constitute a Conflict of Interest. All Daily Rates must be equal or below the Contract Rates. However, FCDO reserves the right to refuse the appointment of a Technical Expert where VfM is not adequately evidenced.

During the Inception Phase, the Supplier will agree with FCDO guidance on parameters as to whether a given request for TA is reasonable and aligns with the WRAP Outcomes. During Implementation, it will be the Supplier's responsibility to assess each request from respective government counterparts and seek FCDO approval on a case-by-case basis. The agreed scope for each TA deployment may only be amended by active agreement of both FCDO and the Supplier.

In addition to maintaining records for FCDO of each TA deployment, the Supplier will update the 'Summary' (tab 3) and 'TA Budget Tracker' (tab 4) in the TA Management Workbook (Annex C) throughout the duration of the Contract. It is the Supplier's responsibility to ensure all records regarding TA deployments and associated costs remain accurate. FCDO will review the Summary tab, Tasking Orders, and budget tracker at regular points throughout the Contract period (ideally quarterly, but to be discussed during Inception Phase).

For this workstream, the only Fees acceptable for payment will be those expressly approved by FCDO in a scope of work relating to a specific TA deployment. All costs for management of this workstream should be itemised under the Core Team Staff Costs.

8.3. Monitoring, Evaluation and Learning (MEL)

Under this workstream, the Supplier will:

- Provide monitoring, evaluation and learning (MEL) Services on the wider WRAP programme to facilitate cross-project lesson-learning. The Supplier's methods should aim to ensure that greatest possible value and knowledge is extracted from the programme together with the grants implemented under the Catalytic Fund Component 3.
- Develop and agree a Monitoring, Evaluation, and Learning (MEL) Framework (linked to Inception milestone 5) for the Catalytic Fund workstream and broader WRAP programme linked to the WRAP logframe (Annex E) with its milestones and targets, describing data requirements, data sources, data collection and analysis, in consultation with FCDO Programme Team and key stakeholders. The MEL Framework should describe how to consolidate and disseminate the findings from the monitoring and evaluation streams into accessible and widely disseminated knowledge products. As part of this workstream, after the first round of grant awards, the Supplier will assess the performance and impact of those projects to generate an evidence base of what has worked.

- The outline of the MEL workstream will be finalised during the Inception Phase, based on discussions between FCDO and the Supplier. It will focus on measuring Outcomes through appropriate proposed indicators (including establishing baseline data where applicable) during the Implementation Phase in the areas listed below, although this is not exhaustive and may be revised during Inception:
 - Effectiveness and suitability of the design and delivery of the Catalytic Fund (against a comparison with other Catalytic Funds) in scaling up pilot projects, for e.g. through measurement of additionality. Each undertaking will clearly state what Outcomes from the WRAP ToC are being measured, in addition to other parameters of effectiveness and suitability based on the primary data being collected/indicators identified.
 - Verification of activities and their measured impacts under the other two components of WRAP as well as through the Catalytic Fund grants – particularly those in remote and/or relatively inaccessible areas e.g. Kohistan.
 - Appropriateness of resilience-building activities under the defined themes (including programme interventions across all WRAP Components) in the local context of Pakistan. The Supplier’s approach should seek to apply different lenses through appropriate indicators and compare results, e.g. positioning of the funding agency, existing relationships with the government, existing gaps within the government, relative to on-ground needs, evolving vulnerability of the communities etc.
 - Equity in design of interventions implemented under WRAP and whether they are reaching the widest number of Beneficiaries.
 - Adverse or unintended consequences of resilience-building activities under the defined themes, including those carried out as programme interventions. Examples include exclusion of groups due to design flaws, compromised ecosystem service because of activities, loss of livelihoods without appropriate substitutes, etc.
 - Adequacy of set Objectives/Milestones/Outcomes in comparison with potential alternative indicators (e.g. changes in indicators which can be attributed to the interventions but are eschewed in favour of easily measurable indicators).
- The Supplier will be expected to produce monitoring reports of the highest quality each quarter and as requested from FCDO throughout the Contract period (frequency to be confirmed during Inception Phase). These reports will evaluate the results of providing technical advice to WRAP Implementing Partners and Catalytic Fund grantees on improving programme implementation and results delivery, including recommendations on how MEL workstream can be further strengthened.
- The following sources of data can be used for the purposes of monitoring:
 - collection of primary data on outcomes and co-benefits achieved, resources deployed, status of Beneficiaries etc.;
 - surveys (electronic or in-person);
 - interviews with end beneficiaries;
 - interviews with/feedback from grant recipients; and
 - Government databases on population, demography, socio-economic statuses.
- The Supplier will also deliver a process, results, Outcomes, or Value for Money evaluation of the existing WRAP Components 1 and 2 at mid- and project completion

points. The evaluation should focus on the overall WRAP programme Outcomes and whether those are justified, including whether the benefits of the policy are outweighed by the costs, and whether an intervention was the most effective use of FCDO resources. FCDO will expect the proposed evaluation models to ask the following questions (list not exhaustive) when assessing WRAP interventions:

- How well were the individual activities that were carried out under components 1 and 2 designed to maximise impact across a wider scope?
 - To what extent have the interventions embedded institutional as well as personnel capacity across the relevant government bodies?
 - How well do technical assistance programmes and capacity building models such as those associated with successful demonstrations of NbS (both Components of the WRAP programme) work to produce an increase in awareness of efficient water governance solutions or use of nature-based solutions in areas adjacent to the programme targets? Has the awareness led to scale-up efforts or replications directly attributable to programme activities? How sustainable have the interventions been?
- How well do the interventions fare against FCDO (VfM, Best Buys) and non-FCDO assessment frameworks in terms of value-add? The objective is to check the robustness of the delivery Outcomes.
- Was the problem statement framed appropriately for the interventions and how was delivery impacted by the framing? The objective is to test the adequacy of design approach/methodologies.

The effectiveness of the projects could be evaluated using the following methods, although this list of suggestions is not designed to be exhaustive:

- VfM Indicators;
- Programme logframes;
- Programme expenditures;
- Programme progress reports (quarterly, annual); and
- other knowledge products produced during the project.

9. MANAGEMENT AND GOVERNANCE:

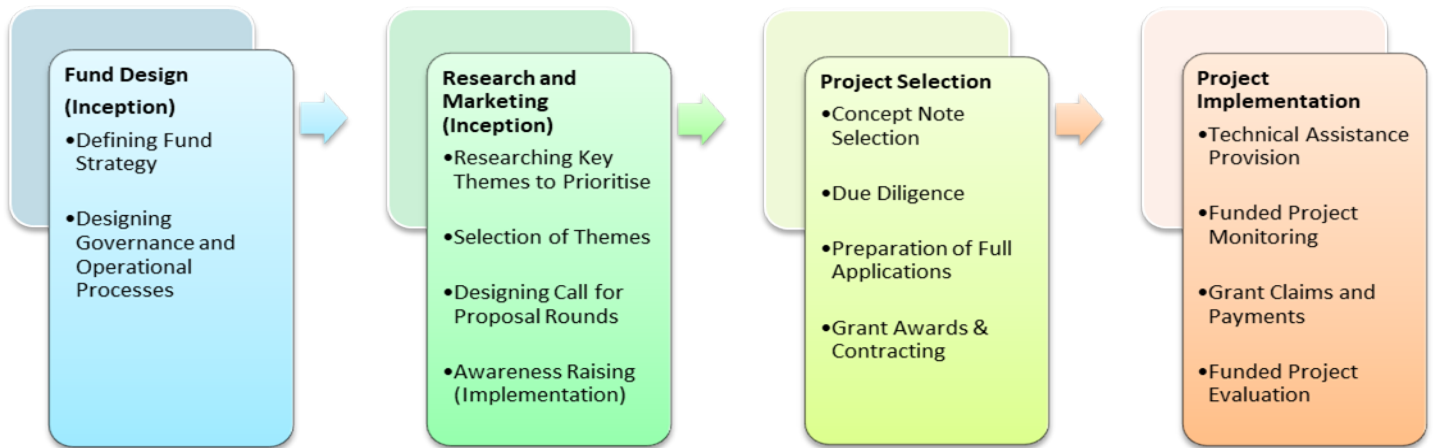
This Contract will be led by the FCDO WRAP Programme Team at BHC Islamabad. The FCDO WRAP team includes technical expertise on climate change and governance. The programme team will be led by a Senior Programme Manager with a staff member holding management oversight of all three workstreams under the Contract, including regular supervision of the work agreed in the monitoring framework and results delivered by the Supplier.

A Change Register, based on the template included as Appendix B to this ToR, will be used to document operational changes mutually agreed between the Parties in line with ToR and standard contract management practices. Such changes will assist administration of the Contract and/or enable adaptation of the Contract in pursuit of best VfM. Some of the agreed changes documented will need to be reflected in a formal Contract Amendment, for example FCDO-approved Key Personnel appointments. Any changes requiring FCDO Commercial governance approval will be processed via Contract Amendment.

Key to ensuring the maximum opportunity for scale-up and sustainability in funding proposals is the need to ensure coordination among different stakeholders from the earliest stages. This workstream will require strong support from the Programme Steering / Grant Award

Committee at each level. All final grant approvals and endorsements will be given by the Programme Steering / Grant Award Committee on which BHC Islamabad Team will be a member (see section 10). Grants will be subject to a comprehensive management process as given in figure below:

Figure 1 – Catalytic Fund Management process



10. COORDINATION & DEPENDENCIES:

In liaison with FCDO, the Supplier will establish the Programme Steering / Grant Award Committee during the Inception Phase in close coordination with all delivery partners and stakeholders. The committee will convene bi-annually and will include heads or nominees from relevant Government departments including the Ministry of Climate Change, the FCDO, and senior representatives from other Implementing Partners. The Programme Steering / Grant Award Committee will meet at least once before the end of the Inception Phase.

In parallel, the Supplier will also take a leading role in establishing an operational-level steering committee for the purpose of regular co-ordination between all three WRAP programme Components and for FCDO to monitor progress and address any ongoing challenges. This programme-level committee will meet every three months, with the first meeting conducted within the Inception Phase. The committee will be comprised of project leads from the CF-WRAP Supplier, FCDO WRAP programme team, IWMI (IP for Component 1), and WWF-Pakistan (IP for Component 2).

Effective functioning of both the Programme Steering / Grant Award Committee and the operational-level committee will require the Supplier to build productive working relationships with key stakeholders in partner organisations. These will include points of contact across the government of Pakistan and FCDO IPs for existing WRAP programme components. The Supplier should also leverage relationships with WRAP IPs to maximise the effectiveness of the requirements for the MEL workstream under this Contract.

11. INCEPTION PHASE DELIVERABLES & PAYMENT MECHANISM:

FCDO will utilise a Milestone payment mechanism for the Inception Phase to ensure timely and effective delivery of key elements of work.

The Inception Phase will run for a period of six months from Contract signature, and will comprise the following Milestones (with relevant deliverables):

#	Inception Phase Milestone	Evidence and deliverables required for acceptance	Milestone due date	FCDO responsibility
1	Proposed delivery team in place	Organogram submitted to FCDO showing senior contract management team have been appointed, job roles, responsibilities and contact information.	End Month 3	Confirmation that the senior contract management team have been appointed or provision of explanation of any potential delays and timeframe for roles to be filled (all roles must be filled by end of month 3).
2	Risk management strategic plan and delivery chain risk map	Supplier to submit risk management strategic plan and delivery chain risk map to FCDO. Final format of the documents will be agreed no later than the end of second month of the Inception Phase. Risk plan will cover all three Contract workstreams and will outline process for identifying, mitigating and where necessary escalating risks at all levels.	End Month 3	FCDO to respond to any requests for relevant information that the Supplier may require to finalise the documents for submission within 5 working days. Confirm acceptance of strategic risk management plan and delivery chain risk map.
3	Catalytic Fund design	Catalytic Fund design document submitted to FCDO. Document will cover: <ul style="list-style-type: none"> o potential thematic areas of focus; o Governance Structure of the Catalytic Fund; o Standard Operating Procedures of the Catalytic Fund; o Programme Steering / Grant Award Committee Terms of Reference; o Catalytic Fund Workplan; and o Sustainability and Exit Plan 	End Month 4	Respond to any requests for relevant information that the Supplier may require in order to finalise this document for submission. Confirm acceptance of Fund design document.
4	KPIs for Implementation Phase	List of agreed final Implementation Phase KPIs submitted to FCDO. KPIs must be in the required format and be appropriate for incentivising maximum performance against FCDO's strategic aims for this Contract.	End Month 5	Respond to any requests for relevant information that the Supplier may require in order to finalise documents for submission within 5 working days. Confirm acceptance of final KPIs for Implementation Phase.
5	Agree monitoring, evaluation & learning (MEL) framework for all three Components of WRAP	Develop and submit to FCDO the MEL Framework for WRAP. The framework must describe how it will: <ul style="list-style-type: none"> o monitor and evaluate performance & impact of select interventions; o evaluate Value for Money of grants, drawing on FCDO guidance; o link to agreed logframe for the Catalytic Fund/WRAP with clear milestones and targets; o describe data requirements, laying out sources and methods for data collection & analysis; o finalise frequency of MEL reporting requirements; and 	End Month 5	Respond in a timely manner to any requests for relevant information that the Supplier may require in order to finalise documents for submission. Confirm the acceptance of the MEL Framework for WRAP.

#	Inception Phase Milestone	Evidence and deliverables required for acceptance	Milestone due date	FCDO responsibility
		<ul style="list-style-type: none"> ○ consolidate and disseminate learnings from the Monitoring and Evaluation workstreams. <p>All documents format requirements will be discussed and finalised no later than the end of second month of the Inception Phase.</p>		
6	Finalise and manage the Programme Steering / Grant Award Committee at Federal Level	Hold meeting of the Committee towards end of Inception. The meeting must focus on informing the process of managing the fund and agree criteria for selecting grants and managing post-award. Queries regarding governance process from any parties involved must be addressed promptly and agreed response/s noted for records. Supplier must minute the meeting and distribute to all attendees after completion.	End Month 5	Attend meeting and confirm acceptance of minutes from Supplier. Facilitate all reasonable requests to assist with establishing contact between attendees from relevant organisations.
7	Fraud mitigation and safeguarding trainings	Arrange and deliver training on fraud mitigation and safeguarding for all staff and downstream partners. Share confirmation email along with list of attendees.	End Month 5	Ensure Supplier has accurate information upon which to base training sessions, e.g. ensuring Supplier is able to attend FCDO annual fraud awareness sessions.
8	Inception Report	<p>Inception Report delivered. This must contain:</p> <ul style="list-style-type: none"> ○ Communication Strategy ○ Sustainability/Exit strategy for all workstreams under the Contract (see section 15) ○ Asset disposal plans for each intervention ○ Timeline for delivery/publication of final products. 	End Month 5	Confirm acceptance of Inception Report. If any revisions required, ensure these requests reach the Supplier in a timely manner to enable report to be finalised.

During the Inception Phase, all invoices from the Supplier will be paid in arrears on completion of the Milestones listed. 60% of the Milestone value will be paid on submission by the Supplier of the final version of all relevant deliverables. The remaining 40% will be paid subject to acceptance by FCDO of the delivered Milestones following their assessment against the criteria as set out in the 'evidence required' column of the above. No payments will be made in advance of Milestone completion. FCDO expects the Supplier to complete all Milestones on time and to the required quality standards.

The Supplier must inform FCDO as soon as possible if it anticipates missing the deadlines for any Milestones. In this circumstance, the Supplier will provide to the FCDO a justification for the anticipated delay in delivery and propose a new deadline for FCDO's consideration. FCDO may, at its sole discretion, agree to extend the deadline for completion of a Milestone – this approval will be provided in writing and will not be unreasonably withheld. In such a scenario, relevant payment/s will be made in the next invoicing period following the completion of the Milestone and its acceptance by FCDO.

Any delays due in the Supplier's performance against the schedule outlined will attract a deduction of up to 10% of the total Milestone value. 6% of the total Milestone value (10% of initial 60% upon submission) will be deducted if the final version of a deliverable falls below reasonably expected quality or its submission delayed. A further 4% of the total Milestone value (10% of 40% corresponding to final acceptance) may be deducted should any revisions requested by FCDO to facilitate acceptance of the Milestone be submitted after the agreed deadline. Severe delays (10 Working Days or more) to the submission, or any resubmission as required by FCDO, of one or more Milestone(s) may result in formal review of the Contract performance and if necessary, the termination of the Contract in line with clause 44 (Section 2 of Framework Agreement - Termination with Default of the Supplier).

12. IMPLEMENTATION PHASE OUTLINE

The Implementation Phase will run for a period of forty months after the end of the six-month Inception with a /Review point at end of second year, June 2026. This mid-Contract Review point will coincide with the WRAP 2026 Annual Review, at which time a decision will be taken by FCDO on whether to continue the Contract. FCDO shall provide 30 Working Days' notice of intent to enable a transition/close-out plan to be agreed.

Progression to subsequent phase is dependent on acceptance of Supplier performance, the proposed approach and continued delivery of VfM. Notwithstanding the terms and conditions of the Framework Agreement FCDO reserves the right to terminate the Contract at the Review point and retender for any further phases of the requirement.

13. DRAFT KPIS & IMPLEMENTATION PHASE PAYMENT MECHANISM

As part of the requirements of Inception, the Implementation Phase workplan and KPIs will be mutually agreed between BHC Islamabad WRAP team and the Supplier on an annual basis (subject to quarterly review), linking to the annual targets of the overall programme logical framework. For each KPI, means of verification will be set out and agreed as part of this process.

During the Implementation Phase, commercial invoices from the Supplier will be paid **quarterly** in arrears. Payment-related activities for the Implementation Phase will pertain to the management of the Contract (i.e. submission of required reports etc.) and deliverables identified in the Tasking Orders for the TA workstream. Payments will only be made based on approved budgets and agreed workplan activities. The Supplier must include along with their quarterly invoice evidence of progress made towards achieving the agreed workplan, deliverables for respective quarterly KPIs with recommendations for corrective action, where required.

To ensure financial forecasting is highly accurate for this Contract, an updated workplan will be agreed on a quarterly basis and continuously reviewed to ensure it reflects any programmatic changes.

During the Implementation Phase:

- FCDO will process regular invoices on quarterly basis. The Supplier will have to submit and formally agree respective KPIs with FCDO for that quarter, at least a week ahead of submitting the quarterly invoice. In case where KPI deliverables are not approved by FCDO, 70% of Core Staff Fees (covering CF-WRAP Leadership, Technical Leads, Programme Management, all MEL-related services, Administration and Support) will be made based on inputs, with the remaining 30% of Fees paid subject to satisfactory

completion of KPIs. This payment mechanism aims to incentivise the Supplier to maximise the efficiency and innovation of their delivery model.

- 100% of Fees for Technical Expert services itemised on tasking orders will be paid quarterly in arrears.
- 100% of Expenses for travel and accommodation will be paid quarterly in arrears based on actual expenditure, providing these are in line with the overall budget agreed with FCDO.
- Payment of grants:

In line with UK Government financial regulations, FCDO cannot pay in advance of operational or commercial need and justification will be required for any payment request relating to grants for later re-disbursal by the fund manager. The Supplier may request 100% payment of grants (not including any ancillary or Staff Costs) to be paid in advance on an as-needed basis. Where payment in advance is requested for grants issued from the Catalytic Fund, a copy of the Supplier's justification and FCDO's agreement should be included with each payment request or consolidated at appropriate intervals as mutually agreed between the Parties. FCDO will pay the grant value into the Supplier's dedicated account within 15 Working Days of the Supplier formally requesting payment of the same from FCDO after the Steering Committee's approval of the proposal. In any multi-donor arrangement, e.g. involving fund-matching from other interested organisations, all reports should clearly segregate and refer only to the FCDO proportion of funding. This will be the **only** portion of the Contract potentially eligible for any payment in advance.

The Supplier must disburse the full agreed grant value to the grantee, with all associated Staff Costs being itemised separately on their regular invoices. No profit or operational expenses may be deducted from the grant value approved for disbursal, and no interest may be charged to FCDO in relation to any grant-related payments. The Supplier must guarantee proper accounting of disbursed grants for the intended purposes and must ensure that designated grant funds from FCDO are appropriately separated from any other bank accounts used. Where a payment in advance is approved, the Supplier must hold all funds in a minimum risk interest bearing account. Any interest accruing from these investments must be re-invested within the project.

During the Inception Phase, KPIs for the Implementation Phase will be revisited and updated with final wording, respective responsibilities of the Parties, acceptance criteria, agreed timeframes, scoring mechanisms and weightings (see Inception Phase Q2 KPI -2). Further KPIs for the Implementation Phase linked directly to programme outcomes and outputs will be developed against the results framework during Inception and on an annual basis as the programme progresses. Draft Implementation delivery KPIs are listed below:

1. Number of projects within the thematic areas developed/initiated under the Catalytic Fund workstream.
2. Number of solutions upscaled and institutionalised by public or private sector organizations.
3. Funds mobilised/leveraged from other public or private sector entities to support WRAP programme objectives e.g. via grant-matching.

4. Individuals and organisations supported by ICF technical assistance (ICF technical assistance KPI 2)¹²
5. Number of projects proposed and implemented by women-led entities – relating to Social Value considerations.
6. Transformational impact and number of knowledge products developed and disseminated using different methods. MEL products delivered, building on evidence gathered from the intervention, e.g. cost effectiveness of nature-based solutions linked to water ecosystems, quantification of co-benefits such as social cohesion (e.g. female participation in NbS initiatives and income distribution).
7. Delivery of quarterly progress and learning reports (precise content to be finalised and agreed during Inception).

For the purposes of meeting its obligations on transparency reporting, FCDO will designate Implementation KPIs 1-3 as listed above as the Transparency KPIs aka. T-KPIs for this Contract. The T-KPIs will be the three most relevant to demonstrating whether the contract delivers its objectives. The T-KPIs agreed between the Parties will be published quarterly in line with the UK government's transparency agenda. This will be revisited and confirmed with the Supplier as part of finalising KPIs during the Inception Phase. The Parties may agree to use the performance against the Milestones and/or selected KPIs for publications or decide to create alternative T-KPIs.

T-KPIs will be assessed in line with the agreed scoring methodology finalised during the Inception Phase defining the reporting criteria. On a quarterly basis, the Supplier will be required to provide evidence of achievement against each of the T-KPIs to FCDO. If required, the Supplier and FCDO will moderate the scores prior to their publication. If a consensus score is not reached, FCDO's decision will be final.

An additional Social Value KPI (SV-KPI) may be added to the Transparency Report during the term of the Call Down Contract to reflect FCDO commitment to the delivery of the Social Value through their Projects. T-KPIs (and SV-KPI, if applicable) will not be directly linked to payments to prevent double counting, i.e. even if the agreed T-KPIs are the same or based on contract management KPIs or Milestones, which are subject of the performance-related payments.

14. SCORING METHODOLOGY FOR KPI-RELATED PAYMENTS:

KPIs will be scored on a scale of 1-7, based on evidence provided by Supplier of meeting each requirement. Once a score is agreed for the KPI, the respective weightage will be applied to disburse related payments quarterly.

Indicator scores	Description
7	Outstanding Performance Consistently exceeds requirements
6	Exceeding Performance Meets and often exceeds requirements
5	Good Performance Meets and sometimes exceeds requirements
4	Satisfactory Meets requirements
3	Less than Satisfactory Sometimes performs below requirements

¹² Other ICF KPIs can be assessed and agreed during Inception Phase based on finalised themes for the Catalytic Fund.

2	Underperformance Often below requirements
1	Serious Underperformance Consistently below requirements

A full payment will be made on the Supplier achieving the average score of 4.0 for agreed KPIs. An overall score of less than 4.0 will result in the % deduction from the next invoice of the % of **Core Team¹³ Fees** element of the quarterly cost (or total of 3 x monthly cost). Please refer to the table below for details:

Average Score Ranges	Payment amount
4.0+	100%
3.0 – 3.9	75%
2.0 - 2.9	50%
1.0 - 1.9	25%

Should there be differences in the evaluation of the Supplier's performance, the evidence will be reviewed by FCDO; a moderation meeting will be held between the Supplier and FCDO. If a consensus score is not reached, FCDO's decision is final. Approval by FCDO's SRO will trigger monthly and quarterly payments for the Supplier, with the latter commensurate with the score achieved per KPI.

Worked example:

FCDO receives a quarterly invoice totalling £200,000, itemised as follows:

- £90,000 relating to Technical Expertise
- £10,000 of Expenses for travel and accommodation
- £100,000 Core Team Fees, covering CF-WRAP Leadership, Technical Leads, Programme Management, all MEL-related services, Administration and Support (See section 17, for further details)

£170,000 is paid based on input and actuals: £90,000 + £10,000 + (70% of £100,000). The remaining 30% of £100,000 Core Team Staff Fees, i.e. £30,000 is withheld against performance of KPIs for the relevant quarter. Below is a worked example:

KPI #	Payment Withheld	Weighting of KPI	Max payment linked to KPI	Assessment Score for KPI	Final payment disbursed
1	£30,000	60%	60% x £30,000 = £18,000	4 (100%)	£18,000
2		20%	20% x £30,000 = £6,000	3 (75%)	£4,500
3		20%	20% x £30,000 = £6,000	5 (100%)	£6,000

In the above example, the final amount disbursed against the Supplier's quarterly invoice would be £198,500.

Weightings and scoring methodology may be further refined and agreed between FCDO and the Supplier during the Inception Phase, as well as exact measures by which to evaluate satisfactory performance for full payment.

¹³ See Section 17 – Supplier Team Experience and Skills for further details on proposed Core Team structure.

There will be an opportunity to reimburse performance-related payments that were withheld for missing/underscoring against KPIs on an annual basis. This will be dependent on the Supplier demonstrating significant sustained improvement for that KPI. The intention is to give the Supplier additional incentive to recover any slippage of outputs throughout the term of the Contract. If and when the KPI is fully met with a score of 4 and above, FCDO will disburse the outstanding withheld payment amount against that KPI as part of the relevant quarterly invoice.

15. TRANSITION / EXIT PHASE REQUIREMENTS

The Exit Phase will comprise the final four months of the Contract – April to July 2028. A Sustainability/Exit plan will be developed by the Supplier in line with GDD Framework Agreement Terms and Conditions and finalised with FCDO as part of the Inception report, to be implemented across the life of the Contract particularly in the final 12 months. In addition to the requirements stated in the T&Cs the plan will also cover sustainability, exit or handover strategies for each intervention, as well as the timeline for delivery/publication of final products. The sustainability plan should capture a pathway on how CF-WRAP accomplishments and interventions resulting in improved capability, motivation and opportunities for benefitting communities, grantees and respective government counterparts will be sustained beyond the period of this Contract. The Supplier will manage the disposal of the Assets procured throughout the lifetime of the programme as per the BHC agreed disposal plan to be completed before the closure date. The implementation of the Exit plan will be reviewed monthly with the Contract SRO during the last 12 months.

Evidence for success, sharing findings and supporting use of knowledge and recommendations will be a key focus across the four years of the programme, but is expected to be a particular priority during the final year once key findings are available.

16. SUPPLIER TEAM EXPERIENCE AND SKILLS:

Throughout the period of the Contract, the Supplier will maintain a Core Team responsible for the overall management of CF-WRAP, strategic setting technical leadership and oversight of the three workstreams, ensuring adherence to FCDO's compliance requirements, programme management, financial management, VfM, communications, and monitoring, evaluation and learning (MEL). Proposed Core Team roles should comprise of:

- **Contract Leadership.** This includes roles responsible for leading the CF-WRAP contract. Responsibilities will include setting strategic direction for the overall component and interacting with FCDO programme team and any other identified stakeholders.
- **Technical Leads.** This includes roles responsible for overall thought leadership across CF-WRAP three workstreams and leading/ conceptualising the technical design and implementation outputs and interventions under each workstream (Catalytic Fund, Technical Assistance, and Monitoring, Evaluation and Learning).
- **Programme Management.** This includes middle-management roles responsible for the execution/delivery of CF-WRAP and managing their related teams. The roles ensure effective co-ordination of the programme's interventions and management of their inter-dependencies, including risk, financial and contract management control. It covers roles such as grants, managers, finance managers, office managers, results managers, communications managers, and so on.
- **Programme Administration and Support.** This includes roles relating to the programme support and administration in a variety of office settings, and support programme management. These roles cover office support staff such as programme

assistants, security managers, finance assistants, cash officers, logistics assistants, operations associate, and compliance, and so on.

The Contract leadership and technical leads should have the below listed desirable skills:

- experience managing catalytic/innovation funds, particularly relating to climate change adaptation;
- an understanding of the political economy of water governance and climate change in Pakistan and the region in catalytic/innovation funds;
- ability to build and maintain strong partnerships with the respective Government counterparts, the UN, World Bank, civil society, academia, and local NGOs;
- ability to draw on local and indigenous expertise and make alliances with national institutions and community organisations;
- experience of complex country contexts and of applying conflict-sensitivity principles; and
- monitoring and evaluation expertise including in capturing qualitative and quantitative results.

17. ACCOUNTING/AUDITING:

The work under this Contract will not create any physical liabilities or Assets which may exist beyond the lifetime of the programme. A limited number of Assets will be procured by the Supplier to establish delivery premises and support programme interventions, for which comprehensive inventories will be maintained by partners as per FCDO guidelines. These will be audited annually by FCDO to confirm there is a complete, accurate, and up-to-date list of programme Assets. At the end of the Contract, FCDO will decide in consultation with stakeholders how best to dispose of Assets by sale, transfer, storage or write-off based on value for money principles.

Grantees will be subject to annual independent audit (to be included within the MEL workstream budget) by an auditor of an international stature, selected and contracted through due process by the Supplier. The Supplier will share all audit reports with FCDO within two weeks of receiving a completed audit report. Audit reports received from the Supplier will be reviewed by the FCDO programme team and in case of any qualified observations, these will be taken up and followed through at an appropriate level until fully resolved.

18. REGISTRATION (*Mandatory Requirement*):

For the duration of the Contract, the Supplier, whether a for-profit or not-for-profit organisation i.e. private sector/ INGO/NGO/CSO (or its local affiliate in Pakistan) or in any other form, must be recognised by law and be registered under the relevant department as laid out by rules of the Government of Pakistan. It is the Supplier's responsibility to ensure they maintain full compliance throughout the term of the Contract with the rules and regulations specified by the relevant government body under which they must be registered.

Suppliers are subject to multiple layers of scrutiny and clearances at different government levels before they can register and start their operations, therefore BHC Islamabad will require the Supplier to be in full compliance with in-country regulations and the rules specified by the relevant government body under which it must be registered. This is a major mitigation of any delays in commencement or delivery risks based on external dependencies.

19. FRAUD AND CORRUPTION:

Safeguarding taxpayers' money from fraud and corruption is of utmost importance. FCDO will share bi-annually its zero-tolerance policy on fraud and corruption along with details of whistle blowing processes. In addition, the lead Supplier is mandated to attend anti-fraud sessions at least annually by the Pakistan Network Finance Team, which outline FCDO's policy on counter fraud and expectations relating to this. The Internal Audit Department's Investigation Section (IAIS) will be notified of any incidents of fraud and the British High Commission Pakistan will assist in the assessment of any necessary investigations.

20. SAFEGUARDING:

FCDO's aim across all its programming is to avoid doing harm by ensuring that interventions do not sustain unequal power relations, reinforce social exclusion and predatory institutions, exacerbate conflict, contribute to human rights risks, create or exacerbate resource scarcity, climate change or environmental damage, or increase communities' vulnerability to these factors. FCDO seeks to ensure interventions do not displace or undermine local capacity or impose long-term financial burdens on partner governments. FCDO therefore requires partners to robustly consider environmental and social safeguards through its own processes and to live up to the high standards in safeguarding and protection.

The Supplier will maintain safeguarding policies and procedures, expressly prohibiting sexual exploitation and abuse and committing to address reports of such acts. The Supplier will be required to produce a robust risk analysis during the Inception Phase of the programme ahead of Implementation, including setting out mitigating safeguarding measures. The Supplier will ensure that proper safeguarding measures are in place, including but not limited to the following:

- a. that the Supplier and all grant partners provide a safe and trusted environment which safeguards anyone who the organisation has contact with, including beneficiaries, staff and volunteers;
- b. that the Supplier and all grant partners set an organisational culture that prioritises safeguarding, so that it is safe for those affected to come forward, and to report incidents and concerns with the assurance they will be handled sensitively and properly;
- c. that the Supplier and all grant partners have adequate safeguarding policies, procedures and measures to protect people, and these are shared and understood; and
- d. safeguarding training completed for all staff and downstream partners by the end of Inception period of the component.

The Supplier Code of Conduct will apply to the Supplier, obliging all Sub-Contractors and grant partners to have undertaken ethical training (including awareness of Modern Slavery and human rights abuses). FCDO will ensure partners are familiar with FCDO's whistleblowing policies or use their own acceptable policies. The FCDO team will ensure partners are trained on how to report concerns and that there is a key focal unit in each partner organisation to deal with safeguarding queries. The Supplier will be required to fully implement a safeguarding strategy for the programme that conforms to FCDO standards during the Inception Phase.

21. SOCIAL VALUE:

Social Value Act requires contracting authorities to evaluate how the service being procured will improve the economic, social and/or environmental well-being of the area. This is a mandatory element of all Call Down Contracts under GDD Framework. To this end, CF-WRAP will require the use of local consultants and emphasise local capacity building as an important element of technical assistance to be provided.

The Supplier should ensure due consideration is given to impact of Contract delivery on the local socio-political context, and reflected in the approach to publications and communications,

the engagement strategies developed, and should be integrated into the risk management plans that will be developed or adapted during the Inception Phase.

22. ETHICAL PRINCIPLES:

All monitoring, evaluation and learning Services conducted under this Contract must be planned, conducted, and published in a conflict-sensitive manner in close coordination with FCDO and other Implementing Partners to minimise the risk of inflaming volatile situations in conflict-affected settings or damaging relations between FCDO and national stakeholders. Throughout the terms of the Contract, the Supplier will maintain an ethics policy/code consistent with FCDO's [Ethical guidance for research, evaluation and monitoring activities](#) and apply ethical clearance protocols where appropriate.

23. GENERAL DATA PROTECTION REGULATIONS (GDPR):

Please refer to the details of the GDPR relationship status and personal data (where applicable) for this Contract as detailed in the relevant Appendix to this ToR and the standard clause 33 in section 2 of the Framework Agreement.

24. GENDER EQUALITY:

The Contract delivery must comply with the UK International Development (Gender Equality 2014) Act and ensures inclusion of people with special needs. Women and girls are amongst the most vulnerable to climate change. Other vulnerable groups include those living with disability and the elderly. The CF-WRAP should be designed to address the needs of the most vulnerable, and where needed special interventions should be focused and developed.

25. ENVIRONMENTAL CONSIDERATIONS:

The Supplier must ensure due consideration is given to the environmental impact of all work undertaken to deliver the Contract during Implementation, in order to minimise any direct negative impact. Attention should also be given to minimizing operational impacts on the environment and global climate of those undertaking services under this Contract. Project-related work must be aligned with the goals of the Paris Agreement.

26. BRANDING:

Supplier (including downstream partners) that receive funding from FCDO must use the UK International Development (UK Dev) logo for all programme interventions to be transparent and acknowledge that they are funded by UK taxpayers. Published items such as research and analysis products will be specifically required to carry the UK International Development (UK Dev) logo. Workshops and larger conferences organized through the Contract should have UK Aid branding. The Communications Strategy and Visibility Statement, to be completed and approved by FCDO during the Inception Phase (see Annex F for Visibility Statement Template), will detail policy and expectations regarding how different elements of the Contract will be branded.

27. TRANSPARENCY:

FCDO has transformed its approach to transparency, reshaping its working practices and encouraging others across the world to do the same. FCDO requires Suppliers receiving and managing funds to release open data on how this money is spent, in a common, standard, reusable format and to require this level of information from immediate Sub-Contractors, sub-

agencies and Grantees. It is a contractual requirement for all Suppliers to comply with this measure, and to ensure that they have the appropriate tools to enable routine financial reporting, publishing of accurate data and providing evidence of this to FCDO. Further information is available from: www.aidtransparency.net

28. DIGITAL PRINCIPLES FOR PARTNERS AND SUPPLIERS:

FCDO Suppliers must safeguard the integrity and security of their IT and mobile communications systems in line with the HMG Cyber Essentials Scheme¹⁴. Award of the Cyber Essentials or Cyber Essential Plus badges would provide organizational evidence of meeting the UK Government-endorsed standard.

All FCDO supply partners who manage aid programmes with a digital element must adhere to the global Principles for Digital Development¹⁵, which set out best practice in technology-enabled programmes. If the proposal contains a digital element this must be costed separately within the proformas which will be subject to additional approval by FCDO's digital team.

29. DUTY OF CARE (DoC):

Overall, FCDO has assessed DoC as high risk because of the contexts in which the programme will be conducted (see Annex G). The security situation could be volatile and subject to change at short notice. However, the programme covers a range of contexts with greater or lesser risk levels, as well as the potential for escalation (or de-escalation) during the lifetime of the programme. The Supplier should therefore be comfortable working in these environments and should be capable of deploying to any areas required within the programme to deliver the Contract (subject to travel clearance being granted).

Throughout the Contract period, the Supplier will maintain an updated version of the risk assessment submitted in their tender FCDO DoC risk assessments for each country. BHC Islamabad will share available information with the Supplier on risk assessments, security status and developments in-country where appropriate. The Supplier is responsible for the safety and well-being of their personnel and Third Parties affected by their activities under this Contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.

The Supplier is responsible for ensuring appropriate safety and security briefings for all their personnel working under this contract and ensuring that their personnel register and receive briefing as outlined above. 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 positions. The Supplier is also 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). The Supplier must ensure their Personnel receive the required level of training.

30. DELIVERY CHAIN MAPPING:

The Supplier must be able to demonstrate early during the Inception Phase a full and comprehensive approach and methodology for undertaking due diligence and risk management of all downstream delivery partners (this will build on the methodology proposed

¹⁴ Cyber Essentials Scheme: overview - GOV.UK (www.gov.uk)

¹⁵ |Principles for Digital Development (digitalprinciples.org)

in the Supplier's technical response). FCDO may request specific financial audits of the project and all project grantees to be undertaken.

In advance of receiving any payments, the Supplier will be required to produce a delivery chain risk map which should identify all partners (funding and non-funding e.g., legal/contributions in kind) involved in the delivery of this Contract. Risk maps should be reviewed and updated periodically, in line with agreed programme monitoring processes and procedures. As a minimum, the delivery chain risk map should include details of:

- the name of all downstream delivery partners and their functions;
- funding flows (e.g., amount, type) to each delivery partner; and
- high level risks involved in programme delivery, mitigating measures and associated controls.

31. RISK ASSESSMENT MATRIX:

BHC Islamabad and WRAP programme Implementing Partners will share a joint risk register, which each partner will update on regular basis (at least quarterly) in consultation with the WRAP team, although where identified as necessary this could be refreshed more frequently. Each partner risk register should cover risks under the following categories: strategy and context; policy and programme delivery; operational; people; safeguarding; financial and fiduciary; and reputational. The initial risk assessment for WRAP programme delivery is given below for reference.

Description of risk	Inherent Risk	Mitigation strategy	Residual Risk
Strategic and Context			
Federal/provincial Government do not fully accept/buy in to the project	Severe	- Steering committees to be put in place at both strategic and operational levels to review programmes progress and challenges; - Terms of reference (ToR) for delivery partners will be clear on the emphasis needed to work closely with government structures to ensure their buy-in; - MEL component to identify areas where programme can benefit from stronger engagement.	Major
Government's keep primary focus on infrastructure instead of reforms	Major	- Political economy analysis, proactive engagement with government, steering committee.	Moderate
Policy and Programme Delivery			
Implementing Partners and civil society operating space shrinks further.	Major	- Consortium approach, engagement with the government, criteria for assessing partner selection i.e., Registration of organisations a pre-requisite for submission of proposals.	Moderate
Planned efficiency gains are not	Major	- All Implementing Partners will be responsible for keeping control over the costs and demonstrating credible	Moderate

achieved within the project lifespan.		outcomes and VfM at each quarter and annually.	
Safeguarding			
Unintended negative consequences on environment and on conflict drivers	Moderate	<ul style="list-style-type: none"> - Continued political economy analysis; - Regular monitoring of programme activities; - enhanced due diligence of direct and downstream partners, including of commercial contractors. - National and provincial level conflict analysis, complemented with local level analysis where required 	Minor
Public Service Delivery and Operations			
Programme fails to achieve intended purpose.	Major	- Ensuring a robust delivery plan is in place to enable frequent monitoring of the programme against agreed key performance indicators that also allows flexibility to adapt to any changing situations.	Moderate
Financial and Fiduciary			
Inadequate financial management systems. Poor delivery chain mapping by non-state providers, including misuse of funds (e.g., double accounting)	Major	<ul style="list-style-type: none"> - Initial pre-qualification and selection through competition followed by robust governance structure requirement including mapping and monitoring of risks of downstream partners; - Enhanced due diligence agreed for all partners before disbursement of funds; - Independent Annual Audit requirement to be mandatory for partners at all levels; - Ensure the Supplier(s) and all downstream partners maintain a zero tolerance to fraud and corruption and flag up any cases accordingly. 	Minor
Reputational			
Water is a political subject with vested interests which can completely halt the programme progress	Severe	<ul style="list-style-type: none"> - Dialogue and discussion as per requirement in addition to formal steering committee schedules; - Catalytic Fund and research to generate stronger buy-in and sustainability; - Appropriate branding of assistance. 	Moderate

Appendices and Annexes**Appendix A: SCHEDULE OF 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 Call-down Contract:</p> <ol style="list-style-type: none"> 1) The Parties acknowledge that Clause 33.2 and 33.4 (Section 2 of the Framework Agreement) shall not apply for the purposes of the Data Protection Legislation as the Parties are independent Controllers in accordance with Clause 33.3 in respect of any programme specific Personal Data. 2) For the avoidance of doubt the Supplier shall provide anonymised data sets for the purposes of reporting on this project and so FCDO shall not be a Processor of any Personal Data.
Subject matter of the processing	
Duration of the processing	
Nature and purposes of the processing	
Type of Personal Data [and Special Categories of Personal Data]	
Plan for return and destruction of the data once processing complete	(UNLESS requirement under EU or European member state law to preserve that type of data)

Appendix B - Change Register Template

Change request no:	Date requested:	Workstream affected:	Description:	Financial impact/reallocation:	Approved by Supplier:	Approved by FCDO SRO:	Date effective:	Filed in Teams

ToR annexes listed below are incorporated either by reference or direct inclusion

ANNEX A: WRAP Business Case – External

ANNEX B: Due Diligence Guidance

ANNEX C: TA Management Workbook

ANNEX D: WRAP Theory of Change

ANNEX E: WRAP programme logframe¹⁶

ANNEX F: Visibility Statement Template

ANNEX G: FCDO DOC ASSESSMENT – PAKISTAN (February 2024)

FCDO Overall Project/Intervention Summary Risk Assessment Matrix

Theme	FCDO Risk Score	FCDO Risk Score	FCDO Risk Score	FCDO Risk Score	FCDO Risk Score	FCDO Risk Score	FCDO Risk Score	FCDO Risk Score	FCDO Risk Score	FCDO Risk Score
Province	Islamabad Capital Territory & Rawalpindi	Punjab (north) including Lahore	Punjab (south)	Sindh (north)	Sindh (south) including Karachi	Baluchistan	Khyber Pakhtunkhwa (south) including Peshawar	Khyber Pakhtunkhwa (north and east)	Karakorum Highway (KKH)	Gilgit-Baltistan (except KKH)
Overall Rating*	2	3	3	4	4	5	4	3	3	2
FCO Travel Advice	2	2	2	3	2	4	4	3	4	2
Host Nation Travel Advice	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transportation	3	3	4	4	4	4	4	4	4	4
Security	2	3	3	4	4	5	4	4	4	3
Civil Unrest	4	4	3	3	4	2	4	3	2	3
Violence/crime	3	3	4	4	5	4	4	3	3	2
Terrorism	3	3	3	3	4	5	5	3	3	3
Conflict (war)	2	2	2	2	2	4	3	2	2	2
Hurricane	2	2	2	2	2	2	2	2	2	2
Earthquake	3	3	3	3	3	4	4	4	4	4
Flood / Tsunami	2	4	4	4	4	3	2	2	2	2
Medical Services	1	2	3	3	2	4	3	3	4	4
Nature of Project Intervention										

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

*As assessed by FCDO Risk Manager and security Threat Analyst

¹⁶ Programme’s first two components are in mobilisation phase and the final logframe is likely change after the completion of Inception Phase.



Foreign, Commonwealth & Development Office

Annex B SCHEDULE OF PRICES

1. All invoices must be presented in the format of the payment basis and must allow clear identification of different costs within the relevant period. Only one invoice per period, as defined in the Framework Agreement Terms and Conditions, should be submitted.
2. All payments under this Contract will be made in accordance with the methodology outlined in Annex A, at the payment points proposed in Annex B.

COMMERCIAL RESPONSE REDACTED



Contract Schedule 1 - Supplier's tender

REDACTED