

**Section 4 Appendix A
CALLDOWN CONTRACT**

Framework Agreement with: Nathan Associates London Limited

Framework Agreement for: General Economic Development Framework

Framework Agreement Purchase Order Number: PO 8126

Call-down Contract For: Invest Salone

Contract Purchase Order Number: PO 8484

I refer to the following:

1. The above mentioned Framework Agreement dated **8th February 2019**;
2. Your proposal of **7th May 2019**

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 16th September 2019 (“the Start Date”) and the Services shall be completed by 16th December 2025 (“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 the Department For International Development (“the Recipient”).

3. Financial Limit

3.1 Payments under this Call-down Contract shall not, exceed £27,000,000 (“the Financial Limit”) and is exclusive of any government tax, if applicable as detailed in Annex B.

4. DFID Officials

4.1 The Project Officer is:

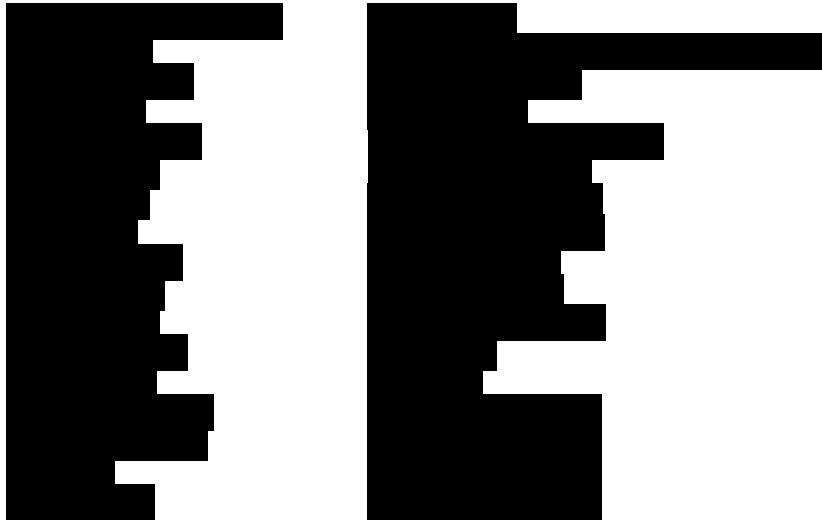
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4.2 The Contract Officer is:

████████████████████

5. Key Personnel

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



6. Reports

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

7. Additional documents to be included in the contract

The following documents are included in and form part of the contract in addition to Sections 1-5 inclusive:

- PO 8484 – Invest Salone - Part A Executive Summary
- PO 8484 – Invest Salone - Part B General and Technical Proposal
- PO 8484 – Invest Salone - Part C Commercial proposal
- PO 8484 – Invest Salone - Part C – Proforma Cost templates
- PO 8484 – Invest Salone - Nathan Associates Clarification response received 20th May 2019

8. Duty of Care

All Supplier Personnel (as defined in Section 2 of the Framework Agreement) engaged under this Calldown 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

9. Formal Review Points

9.1 There will be formal review points 8 months after the contract start date and 39 months after the contract start date.

10. Extension Options

10.1 The contract includes an option to extend by up to an additional 12 months in duration and an additional £9,000,000 in value.

10.2 End date of extension period

16th December 2026

10.3 Minimum written notice to supplier in respect of extension.

6 months

11. Closure

11.1 There will be a minimum 3-month closure period during which the suppliers will responsibly close down the programme in accordance with the Terms of Reference at Annex A.

12. Insurance Requirements

The below paragraph will replace paragraph 7.2 of Schedule 3: Insurance Requirements of the Framework Agreement Terms and Conditions.

"Except where DFID is the claimant party, the Supplier shall give DFID notice within twenty (20) Working Days after any insurance claim in excess of £50,000 relating to or arising out of the provision of the Services or this Agreement and/or any Call Down Contract on any of the Insurances or which, but for the application of the applicable policy excess, would be made on any of the Insurances and (if required by DFID) full details of the incident giving rise to the claim."

13. Required Insurances

The below paragraphs will replace paragraphs 3.1, 4.1.1 and 8.1 of Annex 1 Required

Insurances Part A: Third Party Public & Products liability Insurance of the Framework Agreement Terms and Conditions.

3.1 - *Not less than £5,000,000 in respect of any one occurrence, the number of occurrences being unlimited.*

4.1.1 - *Worldwide*

8.1 - *N/A*

The below paragraphs will replace paragraphs 3.1, 4.1 and 8.1 of Annex 1 Required Insurances Part B: Professional Indemnity Insurance of the Framework Agreement Terms and Conditions.

3.1 - *Not less than £10,000,000 in respect of any one claim and in the aggregate per annum.*

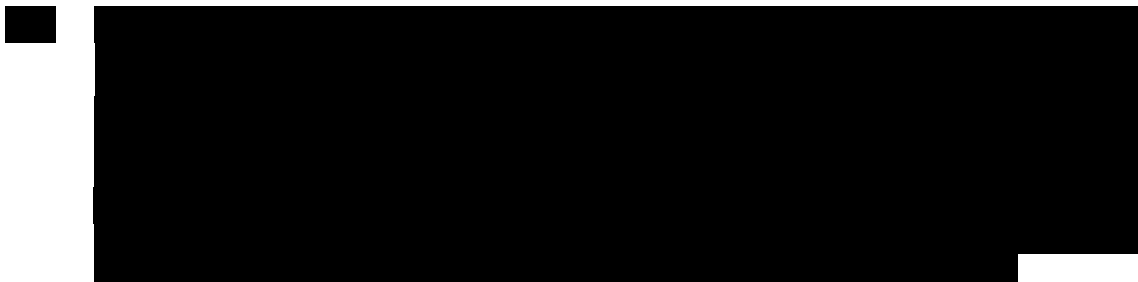
4.1 - *Worldwide*

8.1 - *N/A*

14. 



15. 



16. Call-down Contract Signature

16.1 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

Name:
Position:
Signature:
Date:

Invest Salone: Private Sector Development, Trade and Job Creation in Sierra Leone

PO 8484 Terms of Reference for Supplier Contract

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List of Acronyms

CDC	CDC Group Plc.
DFI	Development Finance Institutions
DFID	The United Kingdom Department for International Development
EPA	Environmental Protection Agency
IFC	International Finance Corporation
KPI	Key Performance Indicator
M&E	Monitoring and Evaluation
PFP	Programme Funded Post
PM	Programme Manager
PPD	Public Private Dialogue
ToR	Terms of Reference
SME	Small and Medium Enterprises
SRO	Senior Responsible Owner
TL	Team Leader

1. Summary

- 1.1. The UK Department for International Development is procuring a service provider (“Supplier”) to design, manage and deliver a new flagship private sector development programme in Sierra Leone: Invest Salone.
- 1.2. By facilitating domestic and foreign investment in tradable sectors (such as agriculture, tourism, fisheries and manufacturing) Invest Salone aims to help Sierra Leone to realise the benefits of international trade, and raise the incomes of 370,000 people by 2025. Invest Salone will achieve this through two high-level objectives:
 - **investment climate reform**, supporting the Government of Sierra Leone to reduce the cost and risk of doing business in Sierra Leone, and;
 - **market development**, supporting firms to grow using a spectrum of tools including brokering links between producers and buyers and technical assistance.

2. Context

- 2.1. Sierra Leone is one of the poorest countries in Africa. Poverty rates are high – 54% versus a Sub-Sahara African average of 45%. Sierra Leone ranks 44/48 African countries in the inequality-adjusted Human Development Indexⁱ – the lowest of all DFID’s bi-lateral partners.
- 2.2. The high poverty rates are reflected in an informal, underdeveloped and unproductive private sector. Growth has been heavily dominated by natural resource extraction which has not resulted in economic diversification and job creation. Only 62% of people of working-age participate in the labour market, of which fewer than 10% benefit from wage employmentⁱⁱ. Men are more than twice as likely to be in formal paid employment as womenⁱⁱⁱ. The majority of the population remains reliant on unproductive subsistence agriculture. Achieving sustained rates of per capita GDP growth is the only way to end poverty in Sierra Leone.
- 2.3. Government taxation amounts to 10% of GDP – half the African average^{iv}. As a result, Sierra Leone depends heavily on international aid to provide basic services to its citizens and sustain the UK’s investments in health and education. DFID Sierra Leone’s new governance programme will boost revenue collection, increase accountability and strengthen institutions. However greater prosperity is also needed: a thriving private sector that grows the size of the economic pie for all. Sierra Leone’s economy needs structural transformation to generate the wealth necessary to allow a self-financed exit from aid.
- 2.4. Against this backdrop, there is huge potential for faster, more inclusive growth. The capital, Freetown, is home to world’s third largest natural harbour, Africa’s largest^v. There is 1.2GW of hydro energy potential (12x that consumed in Freetown) and significant solar potential (twice per square meter versus the UK)^{vi}. 75% of land is arable and fertile. The country’s 400km coastline has vast fishing resources, including many premium species^{vii}. Sierra Leone holds an abundance of extractive wealth, including diamonds, bauxite, rutile, gold and iron ore^{viii}. The Freetown peninsular boasts mountainous rainforests adjacent to white-sand beaches: a landscape unmatched in West Africa with significant tourism potential.
- 2.5. Expectations are high following the March 2018 elections that saw the Sierra Leone People’s Party gain power after 10 years in opposition. As DFID transitions from a post-Ebola recovery portfolio to one focused on long-term development, a more prosperous Sierra Leone is important not only for its citizens but for the UK too. Developing the private sector will mean:
 - More jobs for 100,000 youth that enter the workforce each year, increasing the chance of Sierra Leone benefitting from the demographic dividend while tacking the drivers of instability and illegal migration.

- Sierra Leone is more competitive in global markets and on a pathway to becoming a future trading partner for the UK.
 - Taxation revenues will increase, allowing the more effective delivery of public services such as education and health, reducing the reliance on UK support in the future.
- 2.6. Invest Salone builds on DFID's previous private sector development programme: Sierra Leone Opportunities for Business Action (SOBA). SOBA used a market systems development approach to support businesses to increase the incomes of 47,000 people and catalyse private investment of £4.6 million in inclusive business models^{ix}. SOBA generated a wealth of information to support future interventions, which can be found here: <http://sobasl.org/>. The Project Completion Report can be found here: <https://devtracker.dfid.gov.uk/projects/GB-1-203719/documents>.
- 2.7. The two key lessons learnt from previous programming are: (1) transformational results take time given Sierra Leone's extremely thin markets and (2) results are best achieved when market development interventions are combined with investment climate interventions.
- 2.8. In addition to lessons from SOBA, Invest Salone's focus is also influenced by recent comprehensive growth diagnostics undertaken by DFID and others, which identify four binding constraints to diversified, job creating growth in Sierra Leone^x:
- **The investment climate is risky.** Sierra Leone is placed 163/190 in the Doing Business Rankings^{xi} and 130/180 in the Corruption Perception Index^{xii}.
 - **The domestic market is small.** Only 7% of people (450,000) earn more than \$5/day limiting the growth of firms that sell to the domestic market only.
 - **The infrastructure is bad.** 90% of the population have no access to the electricity grid. 50% of national roads are unpassable in the rainy season^{xiii}.
 - **There is a deficit of skilled labour.** 57% of people cannot read or write, only 6% have vocational training and less than 1% have a tertiary degree.^{xiv}
- 2.9. Infrastructure and skills will remain a constraint in the short to medium term, however there is already substantial investment in these areas by DFID and others. Invest Salone will therefore focus on **investment climate reform**, making Sierra Leone an easier place for growth-orientated firms to thrive, and **market development**, catalysing investment and linking firms operating in Sierra Leone with deep, global markets.

3. Objective

3.1. Invest Salone will deliver two high level objectives:

- **Investment climate reform.** Invest Salone will reduce the risk of doing business, levelling the playing field for all firms, including high quality international investors. The programme will identify government institutions with the political will and capacity to tackle the barriers holding back firms, and support them to reform and simplify their processes. Invest Salone will equip firms with the knowledge and tools to follow these processes effectively and hold institutions to account where needed. Invest Salone will prioritise ensuring the rules change on the ground, not just on the books.
- **Market development.** Invest Salone will mobilise the capabilities and resources of the private sector to achieve development outcomes. The programme will apply market systems development principles, using the latest evidence on what does and does not work and building on experience using the approach in thin markets. Invest Salone will use a spectrum of tools, as illustrated in Figure 1 below, to develop markets, underpinned by strict adherence to DFID's Policy on Subsidy to the Private Sector (see Section 6.11).

Figure 1. Tools available to Invest Salone, from light touch to more intensive

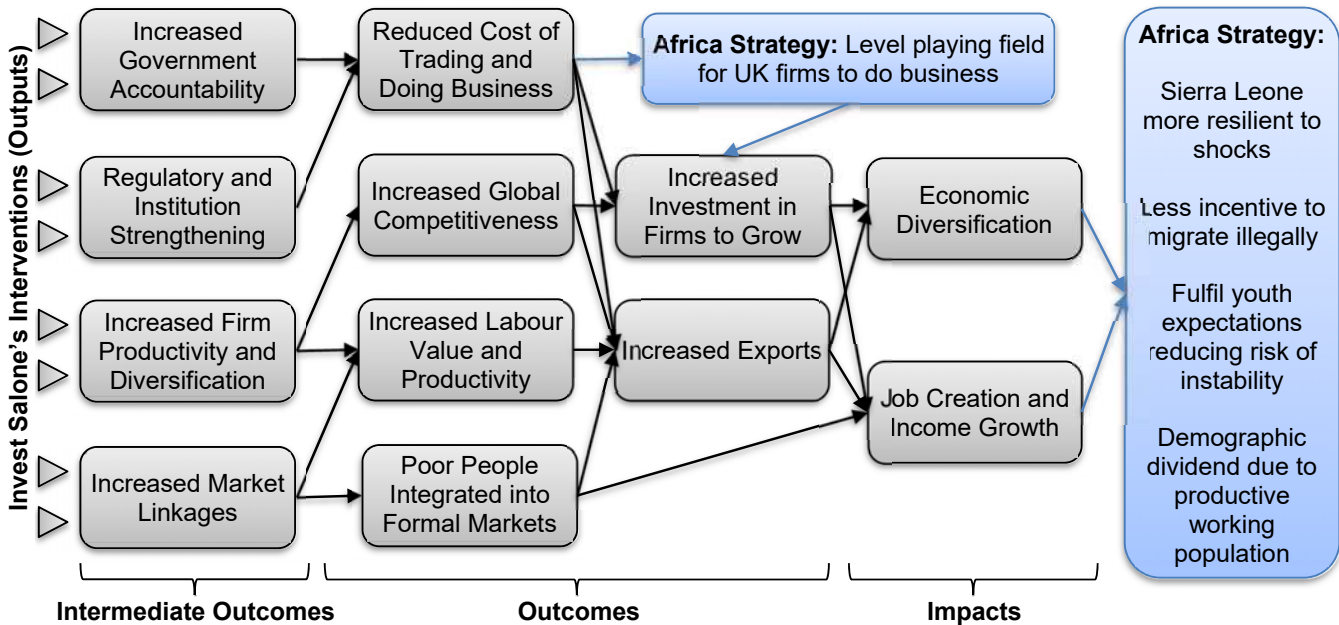


3.2. Invest Salone’s outcome statement is: **Firms are better able to trade, compete and grow due to a fairer investment climate and more efficient market systems.** This is measured through **increased investment in firms operating in Sierra Leone and increased exports.** Outcomes will be achieved by the end of the programme and attributable to Invest Salone’s outputs. Attribution will be assessed by a Third Party Verifier.

3.3. Invest Salone’s impact statement is: **370,000 people will have higher incomes or new jobs due to increased private investment in Sierra Leone’s non-extractive tradable sector.** This is a long-term, transformational change observed alongside **economic diversification,** with reasonable attribution to Invest Salone’s outcomes and outputs.

3.4. The Theory of Change (ToC) linking outcomes to impacts is shown below. The ToC also illustrates how Invest Salone’s objectives link to broader UK objectives in Africa, which the Supplier should consider throughout Invest Salone’s implementation.

3.5. A logframe indicating DFID’s objectives for Invest Salone can be found in the Annex. The Supplier will be required to refine this logframe, including targets, in collaboration with DFID and the Third Party Verifier (see Section 6.6) throughout implementation.



4. Recipient

4.1. The Supplier will be accountable to DFID as the funding entity. As directed by DFID, Invest Salone will provide support to the following recipients:

- **Government institutions**, e.g. State House, the Ministry for Planning and Economic Development, Standards Bureau, the Environmental Protection Agency;
- **Private sector firms**, e.g. domestic agri-processors, regional business support services or international supermarkets and food brands;
- **Associations**, e.g. artisanal fishers associations or cocoa cooperatives.

5. Scope of Work

5.1. A number of explicit trade-offs underpin Invest Salone's objectives. The Supplier will adhere to these during the programme's implementation:

- **Economic transformation, not livelihoods.** Invest Salone's interventions should be designed with a view to intra-sectoral and structural transformation, not isolated support to individual entrepreneurs or micro enterprises. Invest Salone will use a market systems development approach, supporting firms through interventions that work simultaneously with multiple recipients that together have the potential and capacity to transform markets and the economy.
- **International, not domestic markets.** Sierra Leone's domestic market is very small. Firms that sell into deep global markets will have far greater potential to grow sustainably and efficiently over the long-term. Invest Salone will therefore target tradable sectors, with a particular focus on exports. Invest Salone will be flexible in the specific tradable sectors it targets, which may include agriculture, fisheries, tourism and manufacturing.
- **Export diversification not extractives.** Sierra Leone's exports are dominated by an extractives sector with limited spill-over to the wider economy. A reliance on extractives for foreign exchange and revenues also makes the economy vulnerable to shocks in commodity prices. While promoting linkages between the extractives sector and the broader economy (e.g. through import substitution for basic manufactured inputs) is encouraged, Invest Salone will focus its support on non-extractive sectors. Growing non-extractive industries has greater potential to build a more resilient economy through economic diversification, and increase firm productivity and value addition.
- **A focus on commercial feasibility.** Invest Salone will develop a pipeline of firms that can feasibly access financing from concessional investors, including (but not limited to) CDC, AgDevCo and IFC, within the duration of the programme. Invest Salone will also support regional and global firms to invest in expand their existing operations into Sierra Leone. Invest Salone will avoid support to firms with a track record of reliance on donor support and limited prospects for financial self-sufficiency.

5.2. During design and implementation, all interventions should consider the unique impacts on women and men, and people with disabilities. Interventions should identify feasible opportunities aligned with Invest Salone's objectives and scope to enhance the equitable distribution of attributable benefits amongst these groups.

5.3. Invest Salone's activities may take place globally, however the impacts and outcomes should be realised primarily within Sierra Leone. The Supplier will monitor results across the country and take steps in consultation with DFID to support an equitable distribution of results across regions.

6. Management and Technical Requirements

6.1. *Management Overview & Core Team Requirements*

6.1.1. While not a requirement, it is likely that Invest Salone will be implemented by a Primary Supplier (a "lead") that manages a consortium of specialist sub-contracted suppliers ("subs").

6.1.2. The lead is referred to interchangeably as the "Supplier" in this Terms of Reference. The lead will be responsible for ensuring the effective management and implementation of Invest Salone, delegating responsibilities to subs as necessary to achieve the programme's objectives. The lead will be solely accountable to DFID for the delivery of the Terms of Reference. The lead will be solely responsible for programme governance, consortium management (if applicable), financial management, technical and financial reporting, risk management, and administrative tasks such as drafting agreements,

processing payments, and ensuring DFID compliance, and legal and tax compliance (including among downstream suppliers).

6.1.3. Invest Salone is a flexible programme that will adapt its intervention portfolio during implementation. To enable this flexibility while providing a level of certainty to subs, the lead may consider different sub classifications, for example:

- **Core Subs.** Suppliers that provide the cross-cutting skills required throughout the duration of Invest Salone.
- **Associate Subs.** Suppliers that are on call to provide specialist, intervention-specific input as required by the programme.

This categorisation is non-prescriptive, and the lead may undertake some or all of the abovementioned functions itself. DFID recognises that the supplier may need to add subcontractors who were not presented as part of their submission for the General Economic Development framework and have the flexibility to add other subcontractors during the life of the programme. If the supplier wishes to do so they must notify DFID and an assessment will be undertaken on whether the proposed subcontractor can be added. The same principle will apply if additional subcontractors are proposed after contract award.

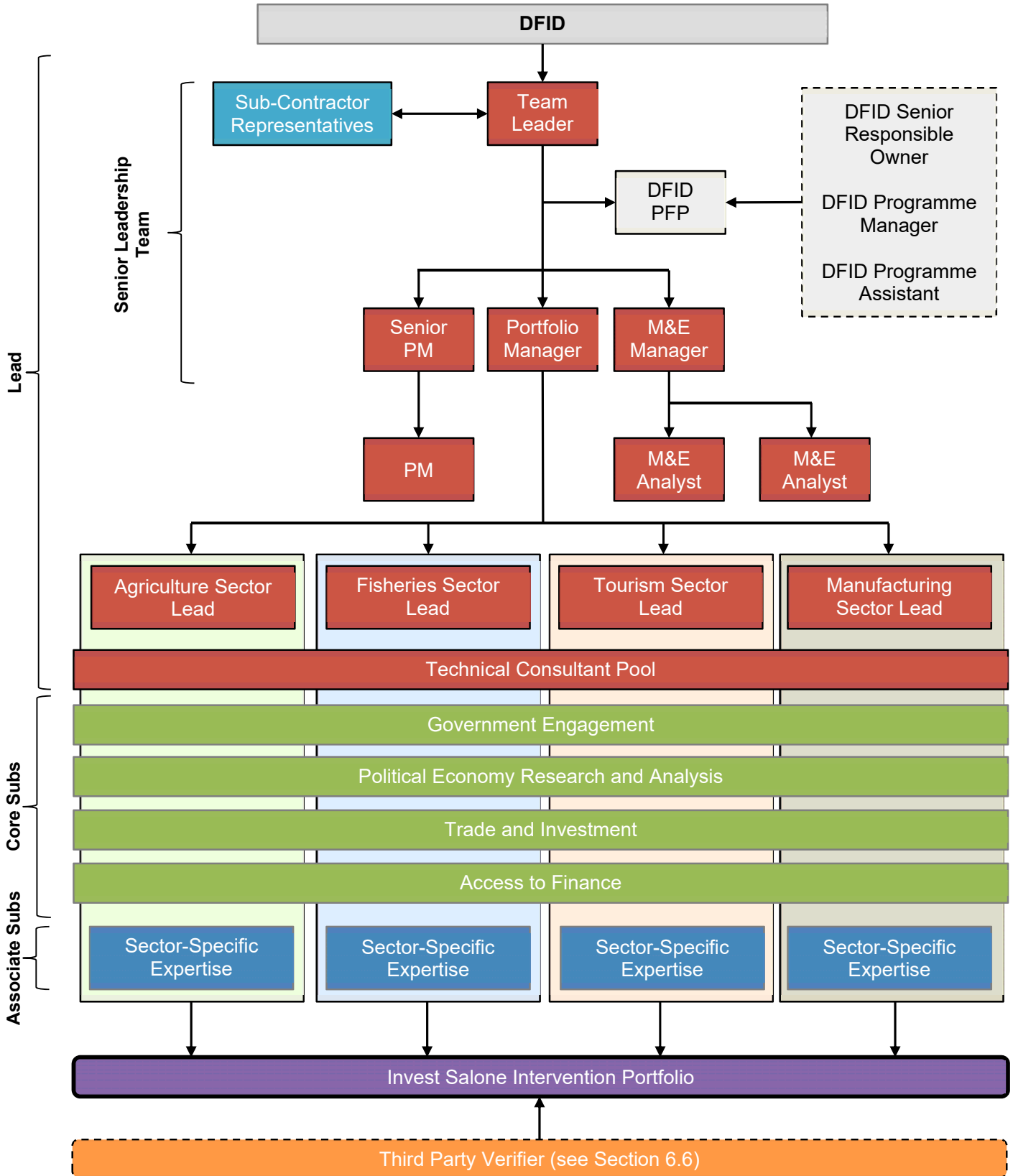
6.1.4. The Supplier will specify a “Core Team”, which will be responsible for overseeing adherence to these Terms of Reference. The Core Team budget (inclusive of fees and expenses) will be no more than 30% of the total contract value. The Core Team will be directly and solely responsible for the following aspects of this Terms of Reference.

Core Team Responsibility	ToR Section
Consortium management	6.2
Monitoring and evaluation	6.5
Recruitment	6.7
Reporting	6.8
DFID compliance	6.9
Ensuring effective engagement with DFID	6.10
Ensuring effective engagement with the Government	6.12
Ensuring effective third party engagement	6.13
Ensuring adherence to DFID’s per diem policy	6.14
Establishing an operating platform	6.15
Financial management	9.1
Ensuring Value for Money	9.2
Meeting the Programme Management Performance Indicators	9.3
Reporting on adherence to the Payment by Results Framework	10

6.1.5. The core team will manage a “Flexible Facility” through which Invest Salone’s interventions will be funded. The Flexible Facility (inclusive of fees, expenses and grant financing) will be at least 70% of the contract value. The Supplier will use the Flexible Facility to implement the following Sections of the Terms of Reference:

- Section 6.3. Portfolio Design, Management, Implementation and Governance
- Section 6.4. Political Economy and Conflict Analysis
- Section 6.11. Ensuring compliance with DFID’s Policy on Subsidy to the Private Sector
- Section 8. Designing and Implementing the Opening Portfolio

- 6.1.6. Core team staff may be charged to the flexible facility for time spent on activities directly linked to implementing interventions (as specified in Section 6.1.5). The Supplier will highlight where core staff have been charged to the flexible facility in its monthly invoices and provide accompanying evidence to justify this (e.g. timesheets) for verification by DFID.
- 6.1.7. An illustrative organisational structure is presented below. Suppliers should propose their own structure, using an optimal combination of international and national posts that maximises value for money. Roles may include:
- **Senior Leadership Team.** Comprising of the Team Leader, Sub-Contractor Representatives, Portfolio Manager, Senior Programme Manager, M&E Manager and DFID Programme Funded Post (see Section 6.10.2). Responsible for developing and implementing the Invest Salone's strategy and overseeing its implementation.
 - **Team Leader. (Note this role is mandatory and evaluated in Technical Award Criteria T1)** Overall responsible for communicating the vision of the programme to internal and external stakeholders. Overseeing management of staff and ensuring a strong working relationship between the lead and sub-contractors.
 - **Portfolio Manager. (Note this role is mandatory and evaluated in Technical Award Criteria T1)** Responsible for ensuring consistency between the intervention portfolio and Invest Salone's sectoral and overarching strategies. Oversees the technical rigour of interventions and adherence to best practice in market development and investment climate reform.
 - **DFID Programme Funded Post (PFP).** A DFID post that reports to the Team Leader and DFID Senior Responsible Owner. Detailed further in Section 6.10.2.
 - **Senior Programme Manager (PM).** Primary contact point for DFID on programme management issues. Responsible for ensuring compliance with all internal and external procedures and policies.
 - **Programme Manager (PM).** Responsible day-to-day programme management, implementing communications strategy and overseeing administrative staff.
 - **Monitoring and Evaluation (M&E) Lead.** Responsible for the M&E strategy (detailed in Section 6.5) and managing a team of analysts.
 - **Monitoring and Evaluation (M&E) Analysts.** Responsible for data collection and analysis.
 - **Sector Leads.** Responsible for developing the strategic direction for their sector, designing interventions, coordinating inputs from subs and technical consultant roster, identifying synergies with other sector leads, ensuring consistency between the intervention portfolio and Invest Salone's sectoral and overarching strategies.
 - **Technical Consultant Pool.** The supplier (lead or sub) will need to provide an extended team of experts whose expertise will be drawn down via the flexible facility. This expertise will be cross-cutting and will include but not be limited to expertise in the following areas (evaluated in Technical Award Criteria T1): Economic Development in Thin Markets; Developing nascent markets, including but not limited to, agriculture, fisheries, tourism and manufacturing; Government engagement; Policy Development; Sierra Leone's Political economy, language and culture; Sierra Leone's regional economic and political relations; Regional and International export promotion and trade; Financial and Private sector development; Market Systems Development; Private Sector financing.



6.2. Consortium Management

- 6.2.1. In the event Invest Salone is implemented by a lead managing a consortium of subs, it is essential that all suppliers work together in an inclusive, transparent and coordinated manner. Suppliers should not work in silos but instead work as one team.
- 6.2.2. Suppliers will encourage all staff to identify as working for Invest Salone, not their individual organisations. The lead will implement measures to support this, including:
- **Branding.** Universal use of branding as approved by DFID, which may include an Invest Salone website, email domain name, logos, and business card design.
 - **Shared office space.** Shared office space for all staff working on Invest Salone in Freetown, unless value for money considerations dictate otherwise.
 - **Communications.** Regular meetings including representatives from all suppliers. Information should be allowed to flow between suppliers and DFID without filtering or hoarding.
 - **Inclusivity.** Representatives from subs in key decisions and strategy setting meetings affecting their work.
- 6.2.3. The Team Leader will be responsible for developing and maintaining a cohesive team spirit, based on transparency, equal partnership, and a shared vision and objectives. All suppliers will be expected to agree, sign up and be held accountable to a list of shared values.
- 6.2.4. As per 6.1.3, DFID wants to ensure the optimal combination of primary and sub-contracted suppliers is selected to deliver Invest Salone. During the life of the contact, there will remain flexibility to add and remove core and associate sub-contractors subject to DFID requirements, due diligence and prior approval.

6.3. Portfolio Design, Management, Implementation and Governance

- 6.3.1. Invest Salone will have a strong governance structure designed to enable the programme the flexibility required to adapt its interventions as it learns what works and new opportunities arise, while effectively managing risk and ensuring Value for Money.
- 6.3.2. The Supplier will be responsible for developing and maintaining a portfolio of interventions. The Supplier will be expected to diversify risks by combining interventions in a strategic manner. The Supplier should consider the risk and return of individual interventions and consider how they contribute to the overall risk/return characteristics of the portfolio and sector. Consideration should be given to correlations between interventions' performance, with measures taken to avoid a portfolio with highly correlated returns while maximising overall portfolio return.
- 6.3.3. The Supplier should ensure that interventions are designed based on the latest available evidence, and should be able to robustly justify the intervention portfolio against external scrutiny, including from the Third Party Verifier (see Section 6.6).
- 6.3.4. The Supplier will integrate continual learning into its strategy, detailing how continual learning will underpin the flexible and adaptive management of the programme. This will include details of how the Supplier will enable information feedback loops between its work with the private sector and government institutions.
- 6.3.5. The Supplier will maintain a conflict of interest register for all staff employed on the programme and ensure comprehensive systems are in place to avoid conflicts of interest between staff and organisations supported by Invest Salone.

6.3.6. DFID reserves the right to instruct the Supplier to design and implement specific interventions at its request. These interventions will be in line with Invest Salone's objectives as stated in the business case and will not materially impact the Supplier's ability to achieve the logframe and Payment by Results targets.

6.3.7. All new interventions will undergo a standardised approval process, summarised as follows:

- **Stage 0 (Pre-approval of Beneficiaries):** The Supplier will develop and maintain a stakeholder due diligence database on an ongoing basis, which will list all potential future recipients (as defined in Section 4.1) of Invest Salone support. The purpose of this database will be for DFID to pre-approve recipients for a certain level of support. This process will prevent inefficiencies e.g. where the Supplier develops an intervention only to find that the level of support to a recipient exceeds DFID's risk appetite. Support levels will range from no engagement and passive engagement (e.g. workshop attendance only) to active engagement including technical and financial assistance. The Supplier will undertake due diligence, including assessment of links to Politically Exposed People or illicit financing, and propose a support level for DFID's approval. A greater level of due diligence will be required for more active modes of support. Support levels will be upgraded or downgraded as more information is gathered.
- **Stage 1 (Intervention Concept Note):** For interventions that will provide funds or bespoke technical assistance directly to one or more recipient(s), the Supplier will draft a concept note. An illustrative concept note template setting out DFID's expectations can be found in the Annex. The concept note will summarise the intervention and detail issues of primary importance to DFID, including:
 - A concise justification for the intervention, setting out how it contributes to Invest Salone's objectives;
 - An evidence-backed theory of change underpinning the intervention;
 - The expected developmental impact, including the expected contribution to logframe targets;
 - Intervention recipient(s) details including annexed due diligence assessment;
 - Value of contribution (disaggregated cash and in-kind) from each beneficiary;
 - A break-down of DFID's costs, including grant/guarantee values, details of the experts (in line with the expert band presented in the contract pro formas) to be deployed, their fee rates, approximate time/days of work and all expenses.
 - A value for money justification (expected benefits vs. costs);
 - Payment by results schedule (tranches) if financing assistance is used;
 - Risk assessment and mitigations (including delivery, operational, reputational, safeguarding, fiduciary, context risks);
 - If a partnership with a private firm is proposed, the concept note will also provide evidence that the intervention aligns with DFID's policy on subsidy to the private sector.

Where there is an SME involved which cannot reasonably meet the upfront costs of particular aspects of the task, the Supplier can propose alternative financing arrangements for those organisations only. This must be a viable proposal without significant impact on overall value for money for DFID, and may also include proposals for low-value Supplier pre-financing or other innovative financing methods.

- **Stage 2 (DFID Approval):** The concept note will be sent to DFID and the Third Party Verifier via email. If the value of DFID's contribution is less than £50,000 and there are no contentious issues (as defined by DFID), the concept note will be sent to the DFID Programme Team for information only. If the value of DFID's contribution is greater than or equal to £50,000, or presents an unusual or contentious risk, the concept note will require a no-objection from DFID. The Supplier will provide DFID with a concept note at least four weeks before a no-objection is required. The Third Party Verifier will assess all concept notes as part of their annual strategic and value for money assessments.
- **Stage 3 (Partnership Agreement):** If the intervention requires that one or more recipients receive funds or assets from DFID (including where the Supplier procures on the recipient's behalf) or substantial technical assistance, the Supplier will develop a detailed partnership agreement with the intervention recipient(s). The partnership agreement will set out the expected results, what resources each partner will bring to the table and key milestones indicating what must be achieved by the recipient for each tranche of assistance to be disbursed. The Supplier may combine the partnership agreement and concept note into one document for efficiency. This agreement will be signed between the Supplier and the intervention recipients. Partnership agreements are not required for light-touch interventions (e.g. attending workshops or ad hoc technical assistance of up to 10 consultant days) although all recipients of Invest Salone support must be listed in the abovementioned stakeholder due diligence database.
- **Stage 4 (Implementation):** DFID will provide reasonable latitude to the Supplier in implementing agreed interventions, to enable the supplier to act without needing continual DFID approval. Each intervention will have a standardised results and risk monitoring framework, which will automatically feed into portfolio-level results value for money and risk monitoring tools used by the Supplier (including subs), DFID and the Third Party Verifier. This data will inform current and future intervention design and inform the logframe, payment by results framework, value for money framework and risk register.

6.4. Political Economy and Conflict Analysis

- 6.4.1. Deep political and contextual knowledge will underpin all of Invest Salone's activities. The Supplier must demonstrate (ITT Technical Award Criteria T2) how political economy and conflict analysis will be mainstreamed throughout Invest Salone's activities.
- 6.4.2. It is expected that Invest Salone will implement a "top down/bottom up" approach to undertaking and implementing political economy and conflict analysis to ensure that research translates to tangible refinements to intervention implementation:
 - Current, detailed and triangulated political economy and conflict analysis will inform Invest Salone's strategy. This analysis should have actionable conclusions that will enable Invest Salone to refine product, sectoral and geographical strategies.
 - Political economy and conflict analysis will also be integrated into individual intervention design and implementation. This will ensure that the interventions "do no harm", for example by exacerbating conflict dynamics or working with recipients that pose significant reputational risk.
- 6.4.3. The Supplier will be expected to identify personnel with deep knowledge and experience of Sierra Leone and the regional dynamics to provide this analysis.

6.5. Monitoring and Evaluation (M&E)

6.5.1. The Supplier will be responsible for setting up a robust and comprehensive Monitoring and Evaluation process during the inception phase of the programme, which will run until the programme's closure.

6.5.2. The M&E team will work at a portfolio and intervention level. The M&E team's responsibilities will include:

- Reporting and forecasting logframe results, as well as identifying broader non-logframe indicators that can support the effective strategic management of Invest Salone.
- Working with the sector leads to design appropriate intervention indicators, gather baselined data, verify assumptions, and monitor outputs, outcomes and impacts.
- Cooperating with the Third Party Verifier, responding quickly and fully to information requests.
- Develop a catalogue of evidence-based case studies and human interest stories in collaboration with Invest Salone's communications lead, for distribution to domestic and international audiences.

6.5.3. Each intervention will have its own standardised results monitoring tool, which will feed into a portfolio-level results aggregation tool. This tool will then feed into DFID's overarching logframe. The M&E team will develop systems to ensure the seamless translation of data and results at the intervention level to the portfolio level.

6.5.4. To help monitor the equitable distribution of Invest Salone's benefits, the Supplier will provide results disaggregated by gender and people with disabilities.

6.6. Third Party Verifier

6.6.1. A Third Party Verifier will be contracted separately by DFID. The Supplier will be responsible for developing and maintaining a transparent and cooperative working relationship with the Third Party Verifier. The purpose of this entity will be to:

- Provide an independent assessment of Invest Salone's achievement against the payment by results targets.
- Verify broader results reported by the Supplier, including but not limited to, assumptions, disaggregated data, outputs, outcomes and VfM targets.
- Develop an outcome evaluation strategy, and design and implement evaluations of priority outcomes.
- Conduct Invest Salone's mid-term and end-term reviews.

6.6.2. The Supplier (including subs) will be excluded from bidding for the Third Party Verifier contract.

6.7. Human Resource: Recruitment, Retention and Consistency

6.7.1. The Supplier will be required to quickly mobilise a highly qualified, experienced and stable team within a month of contract signing. The Supplier should demonstrate that measures are in place to eliminate the risk of disruption to Invest Salone's implementation during the inception phase, for example through turnover of key staff or recruitment of ineffective staff.

6.7.2. The Supplier should consider innovative recruitment methods to recruit staff with a strong knowledge of Sierra Leone and/or the region. This should include engagement with diaspora networks (for example in the UK and US), highly qualified, high potential graduates from Sierra Leone universities with the required soft and technical skills, and

expertise in the broader region. This should be without compromising on quality; however the Supplier should consider how complementary skillsets can be effectively combined.

6.7.3. The Supplier should provide details on the measures that will be implemented to ensure that the quality and experience of staff does not deteriorate during Invest Salone's implementation.

6.7.4. The Supplier should provide details on the measures that will be implemented to increase staff engagement and reduce turnover. The Supplier (including any subs) should ensure individual incentive structures do not undermine the transparent and effective management of the programme (for example, by linking aspects of staff's benefits package to DFID's Annual Review scores, incentivising the setting of less ambitious targets).

6.7.5. All full time long-term positions are expected to be based in Sierra Leone, with the exception of roles that require international engagement.

6.8. Reporting Requirements

6.8.1. Invest Salone's reporting requirements will be underpinned by the principles of efficiency, relevance, and proportionality. The Supplier will engage with DFID to ensure reporting meets requirements with minimal superfluous information and effort.

6.8.2. It is expected that the Supplier will meet with DFID on a weekly basis in the inception phase and fortnightly once the inception phase is complete.

6.8.3. It is expected that the Supplier will provide the following reports. All reports should be concise and written in plain English understandable by people not familiar with the programme.

- **Monthly Dashboards**, providing concise updates on pipeline and interventions, emerging and realised risks, notable achievements, and upcoming events/actions.
- **Quarterly Reports**, detailing the high level results (outputs and outcomes), progress against the Payment by Results KPIs (see Section 10), progress against Value for Money indicators (see Section 9.2) and including a concise narrative of the strategic direction and emerging risks.
- **Annual Report and Business Plan**, delivered three months before DFID's Annual Review deadline, including a backwards-looking section providing a concise quantitative and qualitative assessment of the results to date, lessons learnt and forward-looking section detailing the strategy for the next year, including projected results.
- **Monthly and Annual Financial Reports**, detailed in Section 9.1.

6.9. DFID Compliance

6.9.1. **Delivery Chain Mapping.** The Supplier will be responsible for developing and maintaining a delivery chain that maps the flow of DFID funds or support to downstream recipients. In the event that a consortium is contracted to implement Invest Salone, the Primary Supplier will be the "Tier 1 Partner" and the subs will be "Tier 2 Partner". All intervention partners that receive direct support from Invest Salone will be included in the delivery chain map (also "Tier 2 Partners"). A risk based approach will be developed by the Supplier and agreed with DFID to determine which Tier 2 Partners should provide further details about their suppliers ("Tier 3 Partners"). Further details of DFID's Delivery Chain Mapping requirements can be found in the Annex.

- 6.9.2. **Enhanced Due Diligence.** The Supplier will be responsible for undertaking enhanced due diligence of all downstream suppliers. This will include verification of the strength of their internal financial and fiduciary risk mitigation systems and procedures, track record of operational effectiveness, safeguarding measures, ownership structures, links to Politically Exposed People, links to terrorist or criminal organisations or illicit financing. Further details of DFID's Due Diligence requirements can be found in the Annex.
- 6.9.3. **UK Aid Branding.** UK Aid Branding approach should be agreed with DFID during the mobilisation stage. Invest Salone should adhere to the UK Aid Branding Guidelines (see Annex). However, the perception of donor involvement among stakeholders could undermine Invest Salone's objective of sustainably transforming Sierra Leone's private sector. Invest Salone should attract partners that are committed to growing their own businesses and transforming the economy; not partners that are attracted to UKAID. Therefore, as per the guidance, exceptions may be required to ensure that local ownership and buy-in to the interventions.
- 6.9.4. **Digital.** The UK government defines "digital" spend as "any external-facing service provided through the internet to citizens. DFID is required to report all digital spend and show that it meets with the 'Digital Service Standard'". Plans to spend programme funds on any form of digital service must be approved by DFID. The approval process will apply to any spend on web-based or mobile information services, websites, knowledge or open data portals, transactional services such as cash transfers, web applications and mobile phone apps.
- 6.9.5. **Asset Management.** The Supplier will develop and maintain an asset register. An asset disposal plan will be developed and agreed with DFID during in the inception phase. This will detail the treatment of assets purchased as part of an intervention.
- 6.9.6. **Risk Register.** DFID and the Supplier will share a joint risk register, which the Supplier will update on a quarterly basis in consultation with DFID. The risk register should cover fiduciary, reputation, safeguarding, operational, delivery and external context risks. DFID's risk register template can be found in the Annex.
- 6.9.7. **Fraud.** The Supplier (including any subs) is required to immediately report all suspicion of fraud to DFID without delay. The requirement will also be written into partnership agreements with Tier 2 Partners. Reporting should be at the point of suspicion of fraud, not the conclusion of the fraud case. All suppliers, staff and downstream recipients should be made aware of DFID's counter fraud and whistleblowing hotline, details of which can be found here: <https://devtracker.dfid.gov.uk/fraud>. The Supplier should also set up a local whistleblowing mechanism and ensure this is widely communicated.

6.10. DFID Engagement

- 6.10.1. The core "DFID Programme Team" will be responsible for the day-to-day oversight and management of the Supplier. The DFID Programme Team will consist of:
- **Senior Responsible Owner (SRO).** The SRO will be the primary DFID contact point on Invest Salone and will provide oversight and management on behalf of DFID.
 - **Programme Manager.** The programme manager will oversee compliance and finance issues (as detailed in Sections 6.9 and 9.1 respectively).
 - **Assistant Programme Manager.** The assistant programme manager will support the programme manager, undertaking day-to-day administrative tasks.

The core DFID Programme Team will also be supported by the DFID Sierra Leone Economic Growth Team Leader and Economist.

6.10.2. It is intended that a DFID programme-funded post will also be created to complement Invest Salone's activities. This post will be recruited by DFID. The post holder will work and be co-located with the Invest Salone team, reporting to the Team Leader and DFID SRO. The DFID SRO will consult closely with the Team Leader on performance and work plans. The purpose of this post will be to enhance synergies support Invest Salone to achieve broader UK priorities, including:

- Identifying opportunities and brokering linkages with UK firms and institutions;
- Promoting regional opportunities, including with firms in Guinea and Liberia and in coordination with UK DIT representatives in West Africa;
- Donor coordination and influencing to enhance synergies with Invest Salone;
- Representing DFID in political engagement with the Government of Sierra Leone.

The fulfilment of these objectives remains the responsibility of the Supplier and the supplier should not rely on the programme funded post to deliver any aspect of their proposal.

6.10.3. The Supplier and DFID will be responsible for ensuring an open, transparent and honest relationship throughout Invest Salone's implementation. In collaboration with DFID, the Supplier will take ownership of the spirit and vision of Invest Salone and implement the programme with a view to achieving these wider goals, not just narrow KPIs. The Supplier will foster a culture that makes it "safe to challenge", both internally and externally, including in its interactions with DFID. The Supplier is expected to inform DFID when short-term steers may undermine the long-term objectives of Invest Salone.

6.10.4. The Supplier should proactively identify and pursue opportunities to collaborate with other DFID programmes managed by DFID's programming teams in Sierra Leone and from DFID's UK Headquarters, where significant development outcomes can be achieved that are aligned with Invest Salone's objectives.

6.11. Private Sector Engagement

6.11.1. Invest Salone will engage with private sector firms to achieve both the investment climate and market development objectives. All interventions involving cash or in-kind subsidy to private sector firms will strictly abide by DFID's Policy on Subsidy to the Private Sector. The policy is provided in full in the Annex and summarised as follows:

- **DFID subsidy must always have a clear development rationale and an economic rationale.** Subsidising a firm should be the best possible way to achieve DFID's development goals while providing value-for-money to the taxpayer. There are two primary rationales for public subsidy; firstly, overcoming market failures, and secondly, achieving equity or distributional goals.
- **DFID subsidy should demonstrate additionality.** All subsidies should ensure additionality – that the development outcomes would not have been achieved without DFID support or would have been delayed for a sufficiently long period.
- **DFID subsidy should deliver sustainable development outcomes.** Public subsidy to the private sector is intended to support investments with high developmental impact and where long-term commercial sustainability is expected. Subsidies should be time-bound and on-going subsidies should be avoided.
- **DFID subsidy should minimise market distortions.** DFID subsidies should seek to temporarily incentivise certain investments, to nudge markets towards more socially efficient outcomes. The subsidy should be the minimum necessary and targeted as closely to the market failure as possible. Poorly designed or poorly targeted subsidies can distort markets and create inefficiency.

- **DFID subsidy should make a credible contribution to achieving systemic market impact.** Targeting systemic market impact is important to ensure our interventions support the development of entire markets to achieve market transformation. They should avoid locking in inefficient market distortions by only benefitting individual firms.
- **DFID subsidy should align incentives with commercial partners.** The alignment of incentives between commercial and development partners is critical in achieving development outcomes through subsidised commercial projects.

6.11.2. The tools available to Invest Salone, listed in order from light touch to more intensive, are: knowledge dissemination, brokering links, technical assistance, loan guarantees and matching grants. In line with DFID's Policy on Subsidy to the Private Sector, the Supplier will use the lightest touch tool feasible in its intervention design.

6.11.3. The Lead Supplier will be the only entity permitted to disburse (or enter into agreements that may require the disbursement of) grant funds to third party entities.

6.11.4. The Supplier must ensure that any funds disbursed to business meets DFID's International Development Act 2002 requirements, specifically, that assistance is provided for one of two purposes:

- Furthering sustainable development in a country or countries outside the UK; or
- Improving the welfare of the population of such a country.

There must also be a likelihood that the provision of assistance will contribute to a reduction of poverty.

6.11.5. The Supplier must ensure that any funds disbursed to businesses abide by EU State Aid Rules, which apply where support from the UK government may distort competition *and* there is a potential impact on trade between EU member states. This is less likely to affect spending that occurs outside of the EU.

6.12. Government of Sierra Leone Engagement

6.12.1. Invest Salone will primarily engage the Government of Sierra Leone at the intervention level. DFID Sierra Leone's policy is to not channel DFID funds through Government of Sierra Leone institutions. The Supplier will reflect this in Invest Salone's design. Exceptions to this policy, which are extremely unlikely, will require sign off by DFID Sierra Leone's Head of Office and will require a strong developmental and value for money rationale, with robust fiduciary and reputational risk mitigations.

6.13. Third Party Engagement

6.13.1. Where significant outcomes can be achieved aligned with Invest Salone's objectives, the Supplier should proactively identify and pursue opportunities to collaborate with other development projects operating within Sierra Leone and regionally.

6.14. Per Diems, Subsistence and Other Expenses

6.14.1. Invest Salone's aims to align with the long term incentives of the government and private sector. As a result, Invest Salone will implement a strict policy on per diems, subsidies and similar payments. This policy should be underpinned by the per diem policy in the general terms and conditions. The Supplier is responsible for ensuring that such payments are used sparingly, with long-term behaviour change, not short-term results in mind.

6.15. Geographical Presence

6.15.1. The Supplier will set up a headquarters office for Invest Salone in Freetown, Sierra Leone. The Supplier should also include a budget for two cost-effective satellite offices located outside of Freetown to support the more effective delivery of Invest Salone's objectives. The location of these offices will be agreed during the programme's inception.

7. Programme Budget and Timeframe

7.1. The contract will run for 6 years and 3 months, with a value of up to £27,000,000 subject to a review after 39 months. The Supplier can only budget up to £11,000,000 in the first 39 months. Ministerial approval will be required to proceed with the contract beyond this point. This is illustrated below, with the red and blue lines respectively indicating the contract end points if ministerial approval to proceed is, or is not given. The contract value is inclusive of all applicable taxes.

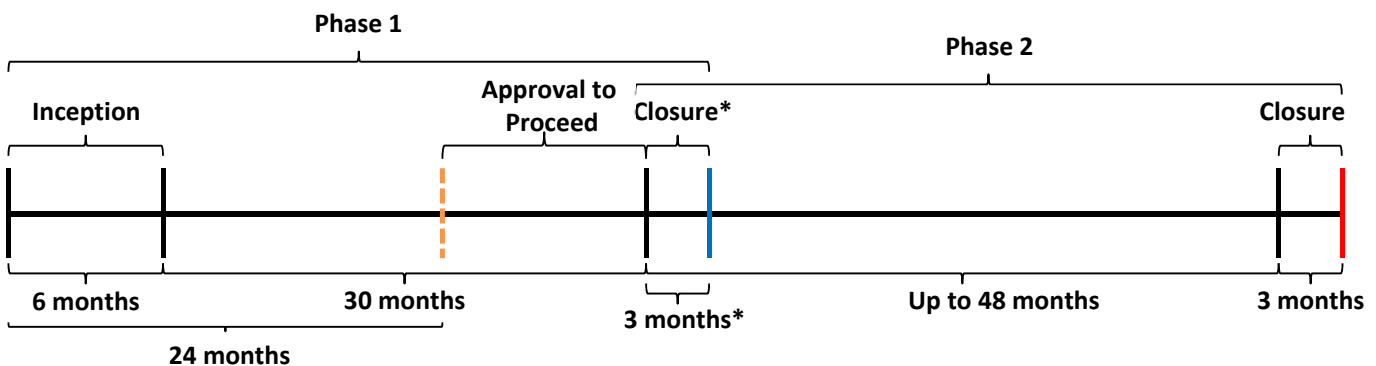
7.2. The contract will include the option to extend by up to an additional 12 months in duration and £9,000,000 in value. DFID may scale up or extend the programme's budget and time in any of the following circumstances:

- Where the programme has been demonstrated to have a strong impact, and has the potential to yield better results;
- Expansion of the scope of work.

7.3. DFID reserves the right to scale down or discontinue this programme at any point in line with the Terms and Conditions. Scaling down is at DFID's discretion, and may occur for a number of reasons, including but not limited to:

- Shortage of funds;
- A change in the security and/or political circumstances of the country;
- Political economy reasons.

7.4. A Political economy reason is a change in the situation of the security, government stability, corruption, or delays in key, necessary government engagement in the specific areas in question which are such that they affect the effective delivery in the specific areas (rather than generally) in a way and it is not possible to make a reasonable adjustment to the programme in an appropriate timeframe.



7.5. As illustrated above, Invest Salone will have four phases:

7.6. **Inception.** Invest Salone will have a rapid inception phase of no more than six months. The Supplier will have finalised contractual arrangements with any sub-contractors ahead of the contract start date. The Supplier will have established an office and mobilised its core delivery

team on the contract start date. During inception, the Supplier will design and implement an opening portfolio of “quick win” interventions as described in Section 8. The Supplier will develop a programme strategy, including finalised sectoral strategies for Invest Salone and design a comprehensive portfolio of interventions, based on sound evidence and intensive engagement with private sector, government and other recipients. The Supplier will also refine and agree the format for presenting concept notes. A concise inception report, detailing Invest Salone’s overarching and sectoral strategies, and intervention portfolio, will be due 6 months after the contract start date. DFID will review and comment on the inception report within a month of receipt and inform the Supplier in writing of the intention to continue the project beyond the contract review point.

- 7.7. **Phase 1.** Invest Salone is expected to deliver sustainable results within its first phase under both investment climate and market development objectives. However, Invest Salone should not sacrifice systemic change at the expense of quick results. A mid-term review will inform the decision to proceed to Phase 2. This decision to proceed to Phase 2 will be at DFID’s sole discretion. Further details are provided in Section 9.4.
- 7.8. **Phase 2.** Upon approval to proceed to Phase 2, Invest Salone will continue to develop and scale up its existing portfolio of intervention in Phase 2. It is expected that in addition to larger, more ambitious partnerships in legacy sectors, interventions will be developed in new sectors based on learning from Phase 1.
- 7.9. **Closure.** The decision on proceeding to Phase 2 will be taken by DFID after 24 months. The Supplier should detail how it will responsibly close the programme if DFID decides not to continue to Phase 2 after 24 months. Regardless of whether DFID moves to Phase 2 or not, a three months closure period will be included in the contract. No new implementation activities will take place in the closure period. The Supplier will undertake the necessary steps to responsibly exit the programme, including handing over existing interventions to local partners and drawing down to essential staff. In the event that DFID has contracted a successor programme to Invest Salone, the Supplier (primary and sub-contractors) will cooperate fully with the new programme to handover the relationships, knowledge and workstreams developed by Invest Salone.

8. Opening Portfolio

- 8.1. This section summarises four interventions that will be initiated as part of Invest Salone’s opening portfolio. The Supplier will develop concept notes (as described in Section 6.3.7) for these interventions and finalise the design and implement the interventions during the inception phase. **Indicative costs for these interventions must not be included technical proposal and instead included in the commercial proposal.** Flexibility will remain during the inception phase for the Supplier to design additional interventions in line with Invest Salone’s strategy as opportunities arise.
- 8.2. **High Level Public Private Dialogue (PPD).** The Supplier will engage with the Vice President’s Office and/or State House and to support the design and implementation of a high-level PPD forum. In collaboration with the Government of Sierra Leone, Invest Salone will deploy secretariat resources to support the effective management of a PPD aligned with international best practice. The exact design should be adapted to initiatives active at the time of mobilisation, including Sierra Leones the planned Investment Board and institutional reforms to SLIPA, however it is expected that the PPD will be implemented in alignment with these principles:
- 8.2.1. **Focus.** PPDs risk turning into talk shops leading to no tangible actions or results. The design of the PPD will support the government to effectively identify priority investment climate issues affecting growth and investment. The PPD will then support focused

discussions to resolve these specific issues. Ambition needs to be managed, and some easy quick wins early on will help build momentum. The structure of the PPD may be to have an overarching forum chaired at a high level by State House that sets priorities and oversees breakaway groups focusing on specific issues.

8.2.2. **Proactive Secretariat.** Invest Salone will provide a well-resourced secretariat that to organises meetings, ensures participation, collects evidence and undertakes research on a specific topic for discussion by participants, takes minutes, assigns clear and dated actions, follows up on the actions, and writes progress reports.

8.2.3. **Inclusiveness.** PPDs risk getting hijacked by large, well-connected firms, to the detriment of the wider private sector. The PPD should be designed such firms of varying sizes, geography, and sectors can participate with an equal voice.

8.3. **Environmental Protection Agency (EPA) Support.** The EPA conducts Environmental Impact Assessments (EIAs) on a range of businesses, from commercial farms to hotels, however the EIA, which was originally designed to assess large mining operations, has not been adapted to effectively assess firms' operations in other sectors. This results in exorbitant yearly fees, undermining the commercial viability of private sector firms that follow the rules. With the recent appointment of a new Executive Chairman, Invest Salone will take this window of opportunity to support the EPA to develop and implement industry-specific assessments. The Supplier will establish a strong working relationship with the EPA and provide support to help the EPA develop EIAs that are appropriate to the context in Sierra Leone, while aligning with international best practice. The Supplier will also support the EPA to better address issues that undermine the Government of Sierra Leone's broader objectives, particularly on tourism (e.g. sand mining and deforestation).

8.4. **Fisheries Action-Orientated Political Economy Analysis.** Fishing supports c. 200,000 direct and c. 300,000 indirect jobs. Women are heavily involved in the processing and marketing of fish. There is huge potential for Sierra Leone to export its abundant premium fish to the UK and EU. However, illegal fishing and institutional challenges mean that Sierra Leone's fishing stock is close to collapse. Invest Salone will work with State House, the Ministry of Fisheries and the World Bank, providing analysis and advice on how to overcome the major challenges in the sector. Invest Salone should build on experiences of other countries, such as Liberia, to determine how to overcome entrenched interests for the benefit of the wider population. The objective will be for Sierra Leone to better benefit from the "blue economy"^{xv}, generating more revenues for the Government to spend on its priorities, and more sustainable jobs for Sierra Leone's people.

8.5. **Freetown Port Action-Orientated Political Economy Analysis.** Freetown Port is the gateway connecting Sierra Leone to the global economy. However, it is currently a major bottleneck that reduces the competitiveness of all firms in Sierra Leone. The process of getting goods into and out of Sierra Leone is complex, ambiguous, and presents multiple opportunities for corruption, delays and theft. Invest Salone will work with the Government of Sierra Leone to demystify and clarify the process and rules for firms using the port. This intervention will then work at a high-level to support the implementation of steps to ensure the rules on the books reflect firms' experience on the ground.

8.6. The Supplier is expected to propose at least two additional interventions for its opening portfolio. The inception report will detail a full intervention portfolio sufficient to meet Invest Salone's outcomes.

9. Contract Requirements

9.1. Financial Management

- 9.1.1. DFID will award a hybrid contract, with payment made on a combination of inputs and payment by results (as detailed in Section 10). The Supplier will be responsible for the effective oversight, management and governance of programme funds, procurement, and spending and ensure compliance with DFID policies and international best practices in prudent financial management regulations.
- 9.1.2. The Supplier will be responsible for aggregating expenditure and forecasts from all downstream suppliers and providing transparent, disaggregated invoices accompanied by a clear and concise narrative to DFID. The narrative should proactively highlight issues to DFID to maximise the efficiency of the invoice sign-off process. Invoices will be submitted monthly in arrears within no more than three weeks of the month end. The Supplier should manage downstream suppliers to ensure that this deadline is met.
- 9.1.3. As detailed in Section 6.3.7, the Supplier will provide a concept note (including budget) for each intervention proposed. The contract will be amended on an annual basis to reflect actual spend and remaining budget under the flexible facility.
- 9.1.4. The Supplier will provide monthly and yearly expenditure forecasts based on resource accounting standards. Forecasting accuracy is a primary metric used by DFID to assess a programme’s performance. The Supplier will be expected to forecast one month ahead, the calendar year and financial year with an accuracy of +/- 5%. The Supplier will notify DFID immediately if expenditure is expected to exceed this range.

9.2. Value for Money

- 9.2.1. The Supplier must include a Value for Money (VfM) Framework, including metrics covering economy, efficiency, effectiveness, equity and cost effectiveness, as defined in DFID’s Approach to Value for Money (see Annex). The Supplier will report on Value for Money, including progress on key indicators, in the Annual Report and Business Plan (see Section 6.8.3). The VfM Framework should be included in the technical proposal and therefore **must not** include any commercial or budget information.
- 9.2.2. The VfM Framework should include indicators that the Supplier will monitor throughout the programme. These indicators will be revised if necessary during the inception phase and on an annual basis. VfM indicators may include:

Economy (cost of inputs)	<ul style="list-style-type: none"> • Average staff day rate, disaggregated by expert band • Core team costs vs. budget • Actual total flight costs (core and flexible facility) vs. budget • Flexible facility expenses as % of flexible facility expenditure • Cumulative costs savings due to assets acquired from other projects as a % of total assets purchased • Cumulative cost savings due to office and accommodation sharing agreements with third parties
Efficiency (inputs to outputs)	<ul style="list-style-type: none"> • Unit cost of facilitating an investment link for one company • Unit cost of facilitating a trade link for one company Number of fee days per partnership agreements established • Cost per investment climate reform • Number of fee days per partnership agreement signed • Ratio of Invest Salone grant financing matched by partner firms

Effectiveness (outputs to outcomes)	<ul style="list-style-type: none"> • Ratio of number of trade links facilitated to ongoing buying relationships • Number of firms that continue to invest in an Invest Salone initiative one year after support ends • Cost per additional investment in Sierra Leone's tradable sectors attributable to Invest Salone • Cost per ongoing buying relationship between foreign buyers and Sierra Leonean producers attributable to Invest Salone • Cost per increase in exports of goods and services attributable to Invest Salone
Cost Effectiveness (inputs to impacts)	<ul style="list-style-type: none"> • Cost per person with an increased income attributable to Invest Salone • Cost per net attributable income change
Equity	<ul style="list-style-type: none"> • Share of women/disabled workers in targeted firms (of which director/owner) • Reduction in pay or employment gap for women/disabled workers as a result of Invest Salone • Share of local vs international partnership recipients

9.2.3. The Supplier will adopt the analysis in Invest Salone's economic appraisal (see Annex) in the VfM section of the Annual Report and Business Plan, and detail how the economic appraisal will be tested and updated over the duration of the programme. The Supplier will report a forecast Net Present Value and Benefit:Cost Ratio, underpinned by an updated economic appraisal with up to date assumptions.

9.2.4. The Supplier will be responsible for developing a "VfM culture" within the Invest Salone Team. To support this, the Supplier will detail processes that it will implement to maximise Value for Money in the day-to-day implementation of the programme. Such processes may include:

- A policy on booking flights and hotels no later than two months ahead of the travel date, unless there is a strong reason not to;
- Office and accommodation sharing arrangements;
- Establishing a guest house(s) rather than using hotels;
- Determining an optimal balance between owned and leased vehicles.

9.3. Programme Management Performance Indicators

9.3.1. The Supplier will contractually commit to meeting the following performance indicators:

- Monthly invoices submitted to DFID on or before the 20th calendar day of the following month.
- Updated monthly forecasts for the current financial year submitted to DFID on or before the 20th calendar day of the month.
- Monthly dashboards submitted to DFID on or before the 7th calendar day after the month-end.
- Quarterly reports submitted to DFID on or before the 7th calendar day after the quarter-end.
- Updated programme risk register to be submitted to DFID on or before the 7th calendar day after the quarter-end.
- Updated financial year forecasts for the remaining years of the programme submitted to DFID on or before the 31st December of each year.
- Updated monthly forecasts for the next financial year submitted to DFID on or before the 31st December of each year.

- Annual Report and Business Plan submitted to DFID no later than three calendar months before DFID's Annual Review deadline.
- Updated asset register to be submitted to DFID no later than three calendar months before DFID's Annual Review deadline.
- Updated delivery chain map to be submitted to DFID no later than three calendar months before DFID's Annual Review deadline.

9.3.2. The Supplier will report their performance against these indicators in their Quarterly Reports (see Section 6.8.3). If one or more indicators have not been met, the Supplier will detail an action plan for ensuring full compliance going forward.

9.4. Contract Review Points

9.4.1. The Supplier should have the capacity to rapidly mobilise and start delivering outputs within the inception period. To ensure the Supplier is held accountable to this expectation, there will be a formal review point eight months after the contract start date, at which DFID will decide to whether to continue or cancel the contract.

9.4.2. A mid-term review undertaken by the Third Party Verifier will inform the decision to proceed to Phase 2 of the contract. This decision to extend will be at DFID's sole discretion and based on continuing need, the Supplier's and Invest Salone's performance, and an assessment of Invest Salone's potential to achieve its long term objectives.

10. Payment by Results Framework

10.1. Payment by Results Overview

10.1.1. The supplier will detail a contractually binding "Payment by Results Framework". The Payment by Results Framework will meet the specifications detailed in Section 10 of this Terms of Reference.

10.1.2. The objectives of the Payment by Results Framework are:

- **Efficiency.** Facilitating greater measurement of and focus on key results, thus enabling better decision making about how to achieve them through more efficient allocation of resources.
- **Flexibility & Adaptability.** Allowing the Supplier space for adaptive use of inputs and processes. The payment by results framework should incentivise the Supplier to be proactive in adapting its portfolio based on latest evidence and data, launching and closing activities in order to maximise Invest Salone's outcomes.
- **Accountability.** The payment by results framework should complement the contractual review points to incentivise continual, high quality performance by the Supplier.

10.1.3. The Payment by Results Framework will have Key Performance Indicators (KPIs) linked to outputs and outcomes:

- **Output KPIs** will relate to the known outputs that will be delivered by the programme in the first 12 months of implementation, including but not limited to high quality policy, analysis and strategy reports finalised, and partnership agreements signed.
- **Outcome KPIs** will relate to known outcome level results that will be achieved by the programme over its full duration. These may include number of firms supported

to obtain debt or equity financing, or number of international firms investing in Sierra Leone production.

10.1.4. Output KPIs will be assessed 3, 6 and 12 months after the contract start date. Outcome KPIs will be first assessed 12 months after the contract start date and every 12 months thereafter although the first payment linked to these will not be due for payment until end of month 24.

10.2. Fees at Risk

10.2.1. The Supplier will link an element of payment to the successful achievement of KPIs. The maximum value of this element at risk will be equal to a fixed percentage of the aggregated value of all fees (core team and flexible facility) charged for staff contracted by the Supplier or sub-contractors (if applicable) during the KPI assessment period, inclusive of long term and short term personnel.

10.2.2. The Supplier will specify the fixed percentage of fees that will be put at risk in Year 1 of the programme during which Output KPIs will be assessed. This percentage will be at least 15%. The percentage of fees put at risk by the Supplier against Output KPIs will be a commercial assessment criterion.

10.2.3. The Supplier will specify the fixed percentage of fees that will be put at risk from Year 2 to 6 of the programme, during which Outcome KPIs will be assessed. This percentage will be at least 5%. The percentage of fees put at risk by the Supplier against Outcome KPIs will be a commercial assessment criterion.

10.2.4. The difference in fees at risk for Year 1 and Years 2 to 6 reflects the fact that output KPIs are more within the Supplier's control than outcome KPIs.

10.2.5. The Supplier will implement a fee retention model. In its monthly invoices, the Supplier will reduce the invoice total by the total fees multiplied by the % of fees put at risk. At the next KPI assessment date, these fees will be paid if all KPIs are met.

10.2.6. **Worked example:** The Supplier has committed to put 15% of fees at risk against Output KPIs. The table bellows shows the fee retention and invoice amounts, assuming all Output KPIs are met by the Supplier when assessed at the end of Month 3.

Month	Total Fees & Expenses	Fees	Fees retained	Fees released	Invoice Total
1	£200,000	£100,000	- £15,000	£0	£185,000
2	£250,000	£100,000	- £15,000	£0	£235,000
3	£300,000	£150,000	- £22,500	£52,500	£330,000
Totals	£750,000	£350,000	- £52,500	£52,500	£750,000

10.2.7. **Worked example:** The Supplier has committed to put 5% of fees at risk against Outcome KPIs. The table bellows shows the fee retention and invoice amounts, assuming all Outcome KPIs are met by the Supplier at the end of month 24.

Month	Total Fees & Expenses	Fees	Fees retained	Fees released	Invoice Total
13	£300,000	£150,000	- £7,500	£0	£292,500
14	£300,000	£150,000	- £7,500	£0	£292,500
15	£300,000	£150,000	- £7,500	£0	£292,500
16	£300,000	£150,000	- £7,500	£0	£292,500
17	£300,000	£150,000	- £7,500	£0	£292,500

18	£300,000	£150,000	- £7,500	£0	£292,500
19	£300,000	£150,000	- £7,500	£0	£292,500
20	£300,000	£150,000	- £7,500	£0	£292,500
21	£300,000	£150,000	- £7,500	£0	£292,500
22	£300,000	£150,000	- £7,500	£0	£292,500
23	£300,000	£150,000	- £7,500	£0	£292,500
24	£300,000	£150,000	- £7,500	£90,000	£390,000
Totals	£3,600,000	£1,800,000	- £90,000	£90,000	£3,600,000

10.3. *Assessing Output KPIs*

10.3.1. Output KPIs will be due 3, 6 and 12 months after the contract start date. Output KPIs for the 6 month inception phase of the contract are specified in the table below. Concept notes are defined in Section 6.3.7 of this Terms of Reference.

KPIs due on the last calendar day of month 3 of the contract (KPIs equally weighted)		
ID	Output KPIs	Target
OP1	100% of core team positions mobilised and working at their intended location. Team Leader and Portfolio Manager as named in the bid working at their intended location.	As stated in bid, unless DFID explicitly requests otherwise. [Pass/Fail]
OP2	Meetings held with key government institutions, including State House, the Vice President's Office, the Ministry of Finance, the Ministry of Planning and Economic Development.	Effective counterpart identified at named institutions with whom the Supplier can develop new interventions. [Pass/Fail]
OP3	Final concept note for the High Level Public Private Dialogue intervention, informed by in-research and engagement with government and private sector stakeholders.	(1) Concept note approved by DFID (2) date for first dialogue confirmed (contingent on government buy-in). [Pass/Fail]
OP4	Final concept note for the Environmental Protection Agency Support intervention, informed by in-country research and engagement with government and private sector stakeholders.	(1) Concept note approved by DFID (2) work plan and milestones approved by EPA (contingent on government buy-in). [Pass/Fail]
OP5	Political economy analysis and concept note on the fishing sector drafted, informed by in-country research and engagement with government, DFID (including DFID's Governance Team), UK Ministry of Defence in Sierra Leone and private sector stakeholders.	Analysis and concept note approved by DFID. [Pass/Fail]
OP6	Political economy analysis and concept note on the Freetown Port drafted, informed by in-country research and engagement with government, DFID and private sector stakeholders.	Analysis and concept note approved by DFID. [Pass/Fail]
KPIs due on the last calendar day of month 6 of the contract (KPIs equally weighted)		
ID	Output KPIs	Target
OP7	100% of core team positions mobilised and working at their intended location. Team Leader and Portfolio Manager as named in the bid working at their intended location.	As stated in bid, unless DFID explicitly requests otherwise. [Pass/Fail]
OP8	First Public Private Dialogue held, informed by research and evidence provided by a dedicated secretariat.	First meeting held and dates to subsequent meeting(s) confirmed (contingent on government buy-in). [Pass/Fail]
OP9	Inception report delivered detailing:	Inception report approved by DFID. [Pass/Fail]

	<ul style="list-style-type: none"> - Overarching strategy informed by political economy analysis; - Sector strategies informed by political economy and conflict analysis; - Geographical strategies informed by political economy and conflict analysis, including finalised satellite office locations; - Opening intervention portfolio details, including interventions in agriculture, tourism, fisheries and light manufacturing sufficient to meet the programme's outcomes (detailed concept notes as per Section 6.3.7 of these Terms of Reference included in annexes); - Proposed Output KPIs due by month 12 and Outcome KPIs for the remainder of the programme. 	
OP10	Monitoring and Evaluation system designed and implemented.	Evidence of functioning system in line with Section 6.5 of the Terms of Reference approved by DFID. [Pass/Fail]

10.3.2. The Output KPIs due 12 months after the contract start date will be proposed by the supplier in the inception report, for approval by DFID. These KPIs will be negotiated alongside the longer term Outcome KPIs, as detailed in Section 10.4 of these Terms of Reference. The Supplier agrees to commit to Output KPIs and targets that are sufficient to meet Invest Salone's long-term logframe targets.

10.3.3. All Output KPIs will be assessed against their respective targets. Output KPIs in the first six months will be assessed as either pass (100%) or fail (0%), however the KPIs due at 12 months may allow partial achievement (0-100%) if defined as such. Individual KPIs cannot score more than 100%.

10.3.4. The overall Output KPI Score will range from 0-100% and is calculated by summing the product of individual KPI weightings and their score as illustrated below.

ID	Score	Weight	Weighted Score
KPI1	100%	50%	50%
KPI2	60%	20%	12%
KPI3	90%	30%	27%
		Output KPI Score:	89%

10.3.5. At 3, 6 and 12 months, if the Output KPI Score is 90% or less, the value of the fees released is equal to [the aggregate value of the fees retained during the assessment period] multiplied by the Output KPI Score. If the Output KPI Score is greater than 90%, the value of the fees released is equal to the aggregate value of the fees retained.

10.3.6. **Worked example:** The Supplier has committed to put 15% of fees at risk against Output KPIs. 3 months into the programme, the Supplier has invoiced a total of £250,000 in fees for the preceding 3 months. The aggregate value of fees retained is £250,000 x 15% = £37,500. The supplier has not achieved KPI OP2 but has achieved the remaining 5 KPIs, resulting in an Output KPI Score of 83.3%. The value of the fees released is £37,500 x 83.3% = £31,237.50. £6,262.50 will be retained by DFID as a result of the missed KPI.

10.3.7. Performance against Output KPIs will be self-assessed by the Supplier. The Supplier will submit their assessment and accompanying evidence to DFID for approval within 7 calendar days of the KPI due date. In the event of a dispute, the Third Party Verifier will determine the final assessment.

10.4. Assessing Outcome KPIs

10.4.1. The Outcome KPIs will first be assessed for the purposes of Payment by Results 24 months after the contract start date and every 12 months thereafter. The Supplier will submit a self-assessment with accompanying evidence to DFID and the Third Party Verifier within 20 calendar days of the KPI due date. Outcome KPIs will be assessed and confirmed independently by the Third Party Verifier, which will undertake its own assessment of performance. The Supplier will work closely with the Third Party Verifier throughout the programme to ensure coherence between, and agreement on the methodologies used to verify performance. The Third Party Verifier will implement a process to enable the Supplier to appeal decisions made.

10.4.2. The Supplier will propose clearly defined Outcome KPIs and targets in the inception report for review by DFID. Following negotiation between DFID and the Supplier, if necessary, agreed KPIs and targets will be enforced following written agreement by DFID and the Supplier. In the event that an agreement is not reached within two months of the inception report delivery, the Outcome KPIs listed below will be enforced which are indicative of DFID's expectations.

Indicator	Weight	Year-End Cumulative Targets				
		Year 2	Year 3	Year 4	Year 5	Year 6
OC1: Cumulative value of additional Foreign Direct Investment in Sierra Leone's tradable sectors as a direct result of Invest Salone's activities. The investor or investee must be named in a signed Partnership Agreement and the specific FDI flows are a stated intention of Invest Salone's activities as stated in the Partnership Agreement.	25%	£10m	£15m	£20m	£35m	£50m
OC2: Cumulative number of ongoing, multi-year buying relationships (sales of least \$50,000/year) between foreign buyers and Sierra Leonean producers as a direct result of Invest Salone's activities (buyer or the Sierra Leone based firm must be named in a signed Partnership Agreement).	25%	5	10	15	20	25
OC3: Cumulative number of ongoing, multi-year buying relationships (sales of least \$100,000/year) between foreign buyers and Sierra Leonean producers as a direct result of Invest Salone's activities (buyer or the Sierra Leone based firm must be named in a signed Partnership Agreement).	25%	0	3	6	9	12

OC4: Cumulative increase in the total yearly value of goods and services exports as an result of Invest Salone’s activities (evidenced by independently verified evaluation)	25%	£1m	£3m	£6m	£10m	£15m
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10.4.3. The Supplier and DFID will have the opportunity to renegotiate the Outcome KPIs 24 months after the contract start date and every 12 months thereafter. Agreement of changes will be by written agreement between DFID and the Supplier. In the event that no agreement can be reached, the existing Outcome KPIs will continue to be enforced.

10.4.4. Starting in Year 2, Outcome KPIs will be assessed yearly against their respective targets. Outcome KPIs may be partially achieved or may exceed their targets.

10.4.5. The overall Outcome KPI Score is calculated by summing the product of individual KPI weightings and their score as illustrated below.

ID	Score	Weight	Weighted Score
OC1	140%	25%	35%
OC2	90%	25%	22.5%
OC3	80%	25%	20%
OC4	100%	25%	25%
		Outcome KPI Score:	102.5%

10.4.6. At 24 months and every 12 months thereafter, if the Outcome KPI Score is 90% or less, the value of the fees released is equal to [the aggregate value of the fees retained during the assessment period] multiplied by the Outcome KPI Score. If the Outcome KPI Score is greater than 90%, the value of the fees released is equal to the aggregate value of the fees retained.

10.4.7. **Worked example:** The Supplier has committed to put 10% of fees at risk against Outcome KPIs. 24 months into the programme, the Supplier has invoiced a total of £1,200,000 in fees for the preceding 12 months. The aggregate value of fees retained is £1,200,000 x 10% = £120,000. The supplier has an Outcome KPI Score of 85%. The value of the fees released is £120,000 x 85% = £102,000. £18,000 will be retained by DFID as a result of the missed KPI.

10.4.8. Outcome KPIs are cumulative. If the Supplier successfully achieves an Outcome KPI score of greater than 90% in any given year, all fees retained as a result of missed Outcome KPIs in previous years will be released without interest by DFID.

10.5. Outperformance Awards

10.5.1. The Supplier will receive Outperformance Awards for exceptional achievement of Outcome-level results over and above DFID’s expectations. Outperformance Awards will be assessed at the end of Phase 1 and Phase 2 of the contract. 1% of the contract value will be ring-fenced for the Outperformance Award. The Phase maximum award amount must be included in the overall proposed budget as per Tab 2 of DFID’s proforma Cost template.

10.5.2. The Outperformance Awards will be based on the Outcome KPI Score calculated at the end of Phase 1 and 2 of the contract. The Supplier will be eligible for an Outperformance Award if it achieves an Outcome KPIs Score of 110% or above. The value of the Outperformance Award will be equal to the Maximum Award for the assessment period multiplied by [the Outcome KPI score minus 100%]. The

Outperformance Award is capped at the Maximum Award for the assessment period. The tables below illustrate the Outperformance Award paid for different Outcome KPI Scores after Phase 1 and 2, assuming that the contract value is £27,000,000 (of which £11,000,000 is budgeted in Phase 1 and £16,000,000 in Phase 2).

Phase 1 Outcome KPI Score	% Award	Incentive Awarded
109%	0%	£0
110%	10%	£11,000
150%	50%	£55,000
175%	75%	£82,500
200%	100%	£110,000
250%	100%	£110,000

Phase 2 Outcome KPI Score	% Award	Incentive Awarded
109%	0%	£0
110%	10%	£16,000
150%	50%	£80,000
175%	75%	£120,000
200%	100%	£160,000
250%	100%	£160,000

10.5.3. The Outcome KPI Score required for each level of award can be renegotiated at the same time as the Outcome KPIs, as per the process detailed in Section 10.4.2.

10.6. Force Majeure

10.6.1. The Supplier must submit a Force Majeure Notice if a Force Majeure event prevents achievement of one or more KPIs. Force Majeure events are detailed in Section 42 and defined in Schedule 1 of the Standard Terms and Conditions.

11. Do No Harm

11.1. DFID requires assurances regarding protection from violence, exploitation and abuse through involvement, directly or indirectly, with DFID suppliers and programmes. This includes sexual exploitation and abuse, but should also be understood as all forms of physical or emotional violence or abuse and financial exploitation.

11.2. The programme is targeting a highly sensitive area of work. The Supplier must demonstrate a sound understanding of the ethics in working in this area and applying these principles throughout the lifetime of the programme to avoid doing harm to beneficiaries. In particular, the design of interventions including research and programme evaluations should recognise and mitigate the risk of negative consequence for women, children and other vulnerable groups. The Supplier will be required to include a statement that they have duty of care to informants, other programme stakeholders and their own staff, and that they will comply with the ethics principles in all programme activities. Their adherence to this duty of care, including reporting and addressing incidences, should be included in both regular and annual reporting to DFID;

11.3. A commitment to the ethical design and delivery of interventions including the duty of care to beneficiaries, other programme stakeholders and their own staff must be demonstrated.

11.4. DFID does not envisage the necessity to conduct any environmental impact assessment for the implementation of the programme. However, it is important to adhere to principles of “Do No Harm” to the environment.

12. General Data Protection Regulation

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

13. Duty of Care

- 13.1. The Service Provider is responsible for the safety and well-being of their Personnel (as defined in Section 2 of the contract) and Third Parties affected by their activities under this contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.
- 13.2. DFID will share available information with the Service Provider on security status and developments in-country where appropriate.
- 13.3. A copy of the DFID visitor notes (and a further copy each time these are updated), which the Service Provider may use to brief their Personnel on arrival.
- 13.4. The Service Provider is responsible for ensuring appropriate safety and security briefings for all of their Personnel working under this contract and ensuring that their Personnel register and receive briefing as outlined above. Travel advice is also available on the FCO website and the Service Provider must ensure they (and their Personnel) are up to date with the latest position.
- 13.5. This Procurement will require the Service Provider to operate in conflict-affected areas and parts of it are highly insecure. The security situation is volatile and subject to change at short notice. The Service Provider should be comfortable working in such an environment and should be capable of deploying to any areas required within the region in order to deliver the Contract.
- 13.6. The Service Provider is responsible for ensuring that appropriate arrangements, processes and procedures are in place for their Personnel, taking into account the environment they will be working in and the level of risk involved in delivery of the Contract (such as working in dangerous, fragile and hostile environments etc.). The Service Provider must ensure their Personnel receive safety in the field training prior to deployment if judged necessary.
- 13.7. The supplier is fully responsible for Duty of Care in line with the details provided above and the initial risk assessment matrix developed by DFID. They must confirm that:
- They fully accept responsibility for Security and Duty of Care.
 - They understand the potential risks and have the knowledge and experience to develop an effective risk plan.
 - They have the capability to manage their Duty of Care responsibilities throughout the life of the contract.
- 13.8. Acceptance of responsibility must be supported with evidence of capability and DFID reserves the right to clarify any aspect of this evidence. In providing evidence the supplier should consider the following questions:
- Have you completed an initial assessment of potential risks that demonstrates your knowledge and understanding, and are you satisfied that you understand the risk management implications (not solely relying on information provided by DFID)?

- Have you prepared an outline plan that you consider appropriate to manage these risks at this stage (or will you do so if you are awarded the contract) and are you confident/comfortable that you can implement this effectively?
- Have you ensured or will you ensure that your staff are appropriately trained (including specialist training where required) before they are deployed and will you ensure that on-going training is provided where necessary?
- Have you an appropriate mechanism in place to monitor risk on a live / on-going basis (or will you put one in place if you are awarded the contract)?
- Have you ensured or will you ensure that your staff are provided with and have access to suitable equipment and will you ensure that this is reviewed and provided on an on-going basis?
- Have you appropriate systems in place to manage an emergency / incident if one arises?

DFID Sierra Leone

Supplier Duty of Care

Risk Assessment

Theme	DFID risk score
FCO Travel Advice	3
Host nation travel advice	N/A
Transportation	4
Security	3
Civil unrest	3
Violence / crime	3
Espionage	1
Terrorism	2
War	1
Hurricane	1
Earthquake	1
Flood	3
Medical services	3

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

Annexes

Background Reading

Delivery Chain Mapping Smart Guide

UK Aid Branding Guidance

Due Diligence Smart Guide

Risk Register

DFID Policy on Subsidy to the Private Sector

DFID's Approach to Value for Money

Economic Appraisal

Invest Salone Business Case

Logframe

Concept Note Template

Footnotes

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- ⁱ The Inequality-adjusted Human Development Index combines a country's achievements in health, education and income, adjusting for how they are distributed across the country's population.
- ⁱⁱ Margolis et al (2016) 'Findings from the 2014 Labor Force Survey in Sierra Leone', World Bank
- ⁱⁱⁱ UNFPA Sierra Leone (2015) Population and Housing Census Thematic Report on Gender
- ^{iv} OECD (2017) Revenue Statistics in Africa 2017
- ^v WFP (2016) Logistics Capacity Assessment, Sierra Leone Port of Freetown
- ^{vi} Sierra Leone Ministry of Energy & Power, The Sierra Leone Energy Sector: Prospects & Challenges
- ^{vii} World Bank (2017) Sierra Leone Systematic Country Diagnostic
- ^{viii} Sierra Leone Ministry of Mines and Mineral Resources (2018) Website: <https://slminerals.org/key-minerals/>
- ^{ix} DFID DevTracker (2017) SOBA Project Completion Review
- ^x DFID Sierra Leone (2015) Inclusive Growth Diagnostic, World Bank (2017) Sierra Leone Systematic Country Diagnostic, Millennium Challenge Corporation (2013) Sierra Leone Constraints Analysis Report
- ^{xi} World Bank (2018) Doing Business Rankings, Website: <http://www.doingbusiness.org/rankings>
- ^{xii} Transparency International (2017), Website: https://www.transparency.org/news/feature/corruption_perceptions_index_2017
- ^{xiii} World Food Programme Logistics Capacity Assessment (2015), Sierra Leone Roads Assessment
- ^{xiv} Margolis et al (2016) 'Findings from the 2014 Labor Force Survey in Sierra Leone', World Bank
- ^{xv} The 'Blue Economy' is an emerging concept which encourages better stewardship of our ocean or 'blue' resources. It underpins the thinking behind the Commonwealth Blue Charter, highlighting in particular the close linkages between the ocean, climate change, and the wellbeing of the people of the Commonwealth. Further details: <http://thecommonwealth.org/blue-economy>

**Appendix A: of Contract Section 3 (Terms of Reference)
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 DFID and any changes to the content of this schedule must be agreed formally with DFID under a Contract Variation.

Description	Details
Identity of the Controller and Processor for each Category of Data Subject	<p>The Parties acknowledge that for the purposes of the Data Protection Legislation, the following status will apply to personal data under this contract</p> <ol style="list-style-type: none">1) The Parties acknowledge that Clause 33.2 and 33.4 (Section 2 of the contract) shall not apply for the purposes of the Data Protection Legislation as the Parties are independent Controllers in accordance with Clause 33.3 in respect of personal data necessary for the administration and/or fulfilment of the contract.