

## Section 4 Appendix A

## CALLDOWN CONTRACT

Framework Agreement with: **Palladium International Limited**

Framework Agreement for: **FCDO General Economic Development Framework (GEDF)**

Framework Agreement Purchase Order Number: **PO 8126**

Call-down Contract For: **Jobs for Economic Transformation Programme Ghana (JET)**

Contract Purchase Order Number: **PO 8570**

I refer to the following:

1. The above-mentioned Framework Agreement dated 8<sup>th</sup> February 2019;
2. Your proposal of 3<sup>rd</sup> July 2019 and subsequent clarification e-mails:
  - **REDACTED.**

and I confirm that FCDO 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 30<sup>th</sup> November 2020 ("the Start Date") and the Services shall be completed by 29<sup>th</sup> November 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 FCDO requires the Supplier to provide the Services to the Government of Ghana (GoG) (the "Recipient").

## 3. Financial Limit

- 3.1 Payments under this Call-down Contract shall not exceed **£16,391,728** ("the Financial Limit") and is **exclusive** of any government tax, if applicable as detailed in Annex B.

When Payments shall be made on a 'Milestone Payment Basis' the following Clause 22.3 shall be substituted for Clause 22.3 of the Framework Agreement.

## 22. PAYMENTS & INVOICING INSTRUCTIONS

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



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When the relevant milestone is achieved in its final form by the Supplier or following completion of the Services, as the case may be, indicating both the amount or amounts due at the time and cumulatively. Payments pursuant to clause 22.3 are subject to the satisfaction of the Project Officer in relation to the performance by the Supplier of its obligations under the Call-down Contract and to verification by the Project Officer that all prior payments made to the Supplier under this Call-down Contract were properly due.

#### 4. FCDO Officials

4.1 The Project Officer is: **REDACTED**

4.2 The Contract Officer is: **REDACTED**

#### 5. Additional Documents to be included in the Contract

5.1 The following documents are included in and form part of this Call-down Contract:

- I. Technical Proposal Part A and B dated 2<sup>nd</sup> July 2019
- II. Commercial Narrative Proposal Part C dated 2<sup>nd</sup> July 2019.

#### 6. Key Personnel

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

#### 7. Reports

7.1 The Supplier shall submit project reports in accordance with the Terms of Reference/Scope of Work at Annex A

#### 8. Break Points

8.1 This contract will be subject to the following break points and continuation of the services after these periods will be based on agreement of deliverables, satisfactory performance and the progress of the Supplier against the specified outputs.

- End of the Inception period.
- Early 2023

#### 9. Section 2 - Framework Agreement Terms and Conditions

9.1 Section 2 - Framework Agreement Terms and Conditions require certain parameters be set on an individual Call-down Contract basis. The following clauses will supersede their counterparts at Section 2, for the purposes of this Call down Contract only: **REDACTED**

#### 10. Call-down Contract Signature

10.1 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**



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**days** of the date of signature on behalf of FCDO, FCDO will be entitled, at its sole discretion, to declare this Call-down Contract void.

No payment will be made to the Supplier under this Call-down Contract until a copy of the Call-down Contract, signed on behalf of the Supplier, returned to the FCDO Contract Officer.

Signed by an authorised signatory  
for and on behalf of  
**The Secretary of State for  
Foreign, Commonwealth &  
Development Affairs**

Name:

Position:

Signature:

Date:

Signed by an authorised signatory  
for and on behalf of the Supplier

**Palladium International Ltd**

Name:

Position:

Signature:

Date:

## Jobs and Economic Transformation (JET) Programme Terms of Reference (ToR)

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<b>1. Introduction .....</b>	<b>3</b>
1.1 Programme context and overview .....	3
1.2 JET Objective .....	4
<b>2. Recipients.....</b>	<b>4</b>
<b>3. Scope .....</b>	<b>5</b>
<b>4. The Requirements.....</b>	<b>6</b>
<b>5. Detailed Requirement.....</b>	<b>7</b>
<b>6. Key KPIs .....</b>	<b>Error! Bookmark not defined.</b>
6.1 Payment by Results .....	15
6.2 Key Performance Indicators (linked to <i>REDACTED</i> % of Fees) .....	17
6.3 Milestones Related KPIs (linked to <i>REDACTED</i> % of fees.....	20
6.4 Inception phase (6 months).....	20
6.5 Implementation phase (From April 2020).....	23
6.6 Coordination and influencing activities .....	24
6.7 Monitoring and Evaluation .....	25
6.8 Knowledge generation, management and communication .....	25
6.9 Financial management and reporting .....	25
6.10Engagement with FCDO staff .....	26
<b>7. Reporting.....</b>	<b>26</b>
7.1 Inception Phase .....	26
7.2 Implementation Phase.....	26
<b>8. Constraints and dependencies .....</b>	<b>27</b>
8.1 Funding allocation results.....	27
8.2 Supplier composition. ....	27
8.3 Local content. ....	28
8.4 Reputational risk. ....	28
8.5 Staffing requirements: .....	28
<b>9. Review points/Break Points .....</b>	<b>28</b>
<b>10.Scale up/down .....</b>	<b>28</b>
<b>11.Timeframe.....</b>	<b>29</b>
<b>12.Duty of Care .....</b>	<b>29</b>

**13.Other requirements.....29**

13.1 Transparency..... 29

13.2 Delivery chain mapping ..... 30

13.3 Key documents: ..... 30

13.4 Intellectual Property ..... 30

13.5 UK Aid Branding ..... 30

13.6 General Data Protection Regulations (GDPR)..... 30

**14.Coordination.....30**

**Annex 1: FCDO Overall Intervention .....32**

**Annex 2: Governance Structure.....32**

**Appendix A: GDPR .....35**

## 1. Introduction

The Supplier will support the Government of Ghana (GoG)<sup>1</sup> and other stakeholders e.g. the private sector to implement the UK-Ghana Jobs and Economic Transformation Programme (JET).

### 1.1 Programme context and overview

The Foreign, Commonwealth, Development Office (FCDO Ghana) leads the UK's efforts to reduce poverty in Ghana. FCDO Ghana's programmes currently focus on economic development, governance and human development.

Ghana has enjoyed strong growth in recent years however, this growth is underpinned by commodities, which are undiversified and volatile. A lack of industrialisation and investment into productive sectors (manufacturing and processing) is limiting Ghana's ability to transform its economy into one that is resilient to external shocks and that creates jobs.

The Government of Ghana has set out its ambition to move "Ghana beyond aid" and has developed plans and policies designed to spur industrialisation and economic transformation. The government intends to focus on stimulating private investments and improve the enabling infrastructure in nine priority sectors. The sectors being targeted by Government of Ghana are:

- Pharmaceuticals,
- Petroleum
- Automobiles
- Industrial Salt
- Palm Oil
- Industrial Starch
- Industrial Parks
- Textiles and Garments
- Other Light manufacturing that may emerge as viable for investment and job creation

The overarching JET programme has a maximum budget of £20 million and will run for 5 years. The Supplier contract is expected to run from October 2020 and end in October 2025, depending on satisfactory delivery and Government of Ghana and private sector continued support for the project. The overarching JET programme is made up of three components:

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<sup>1</sup> The Lead Government partner for the programme is the Ministry of Trade and Industry who is leading the industrialisation and anchor sector strategy driving overall policy direction for industrial policy. Other agencies such as the Ghana Investment Promotion Authority, Ghana Export Promotion Authority, Ghana Free Zones authority and others will also play a critical role.

- Component 1 (the focus of the ToR) (up to<sup>2</sup> a limit of £16,391,728) which consists of the main programme of work delivered by the Supplier in support of job creation and investment generation in specific sectors;
- Component 2 (£1.8 million) which is a Strategic Response Facility which will be managed by FCDO and used to support strategic policy engagement and support to the GoG ahead of the contract being in place.
- Component 3 (£1.5m), also managed by FCDO, which will cover FCDO independent monitoring and lesson learning. This does not substitute for supplier monitoring of outputs and outcomes. The supplier is expected to have a robust monitoring and evaluation system to monitor programme results. The supplier will also be expected to have its own knowledge management and lesson learning embedded within programme delivery.

## 1.2 JET Objective

The JET programme will contribute towards economic transformation in Ghana, create more and better jobs and support inclusive growth and poverty reduction, exploring opportunity for climate/environmentally friendly interventions and the adaptation of green technologies. The programme will support increased investment at scale into manufacturing and industrial sectors which in turn will boost productivity by introducing new technology and management capabilities, increasing the capabilities of the workforce and generate opportunities for the wider economy. It will do so by taking a focused anchor investment facilitation approach to deliver investment at scale into target sectors. To meet its wider goal of inclusive, climate/environmentally friendly economic development and poverty reduction, the supplier will create opportunities to generate jobs and catalyse investment in different geographic areas of Ghana.

Through this contract, the JET programme is expected to generate more than £50 million in additional private investment and create 15,000 formal quality jobs. Other key programme results include increased productivity of domestic firms, stronger work practises of firms in priority sectors (e.g. adherence to labour laws, provisions for a safe working environment, environmental protection and inclusive workforce policies e.g. women and persons with disabilities (PWD)).

The programme is expected to work in a politically aware, nimble and plugged in manner within a context where the Government of Ghana has set out an ambition to move beyond aid and is leading its own agenda around industrialisation, trade and investment.

## 2. Recipients

The recipients of this service will be the Government of Ghana (GoG), domestic companies and other beneficiaries e.g. Ghanaian employees and local

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<sup>2</sup> The amount is indicative with the bid presenting the most effective value in terms of cost and quality will be preferred.

communities benefiting from investment, jobs, enabling industrial infrastructure and skills training etc.

### 3. Scope

It is anticipated that Supplier will work in four to five of the government's priority 'anchor' or 'backbone' sectors (as indicated in paragraph 1.1) as well as provide wider enabling environment support related to this. The Supplier is contracted to deliver services to **create 15,000 jobs and stimulate over £50 million in private investment**, in support of Ghana's industrialisation and economic diversification. It will do this by:

- **Stimulating strategic anchor investment** into priority sectors by helping the Government of Ghana to provide investors with robust market and commercial information to guide investment decisions and attract investment
- **Helping Ghana to implement industrial and trade policies** to attract and retain 'more and better' investment in the target sectors, including by providing technical expertise to help government to prioritise their policy actions, and supporting investment promotion agencies, trade agreements, local content units and trade facilitation;
- **Building capability of domestic firms and increasing local content and suppliers in facilitated investments** to secure wider economic spill-overs, including by providing assistance in business development and technology innovation to domestic firms, helping broker links to development financing; and investing in technical skills development;
- **Addressing gaps in the enabling environment**, by providing Technical Assistance (TA) and piloting interventions together with the private sector including Development Finance Institutions such as CDC Group PLC (formally Commonwealth Development Cooperation), PIGD (Private Infrastructure Group) and Government to stimulate further investments in the enabling infrastructure, e.g. industrial parks, special economic zones, skills hubs, technology parks and logistics.

The JET programme has been designed in close collaboration with other parts of Her Majesty's Government (HMG) in Ghana. It is expected to be a catalyst for a new strategic partnership between the UK and Ghana, based on mutual prosperity and focused on economic development, investment, trade and strategic political cooperation, in line with the Government of Ghana's 'beyond aid' vision. As such, as a secondary objective, JET seeks to explore how UK investors and companies could also support economic transformation in Ghana and trade between the UK and Ghana can be increased.

Due to GoG leadership on industrialisation and the beyond aid agenda the supplier management structure will be agile and responsive. The supplier will



operate a lean and efficient management structure that coordinates operational and technical delivery by other partners in Ghana (including GoG), whilst bringing in highly specialised skills (globally links with key anchor investors), as well as local expertise relevant to specific interventions in a priority anchor/backbone sectors. The requirement is therefore expected to be delivered by a small team of investment and transaction advisers as well as other specialists who will draw on practical support from global experts when needed. The team will be flexible and politically astute and will gain traction by aligning programme support with a locally owned Government and private sector agenda. Additionally, the team will have to local knowledge and expertise given the political economy context within which the programme will operate.

The proposed **Governance Arrangements**, see also annexed to the ToRs, will utilise a Project Steering Committee (PSC) which is chaired by FCDO and the GoG. This is annexed to this ToR. The structure is subject to change based on prevailing circumstances at the time of the project and all changes proposed by the supplier will have to be agreed by FCDO.

#### 4. The Requirements

The Supplier will be responsible for delivering the Terms of Reference. The contract will commence by November 2020 and run for five years, split into two distinct phases as follows:

- Inception: Immediate mobilisation activities to establish stakeholder relationships post-contract award – initial 6 months** recognising that election campaigning for the next elections will start as early as mid-2020, and the prospect of elections will also introduce some uncertainty for private investors. The Supplier will be required to hit the ground running to demonstrate early results, and activities funded through the SRF will prepare the ground for this. The Supplier will use this time to establish a working relationship with the GoG (relationship with the lead JET Government Ministry -Ministry of Trade is key) and the private sector in key sectors. The inception phase is expected to last for no more than six months. The programme will focus on delivering in 3-5 of the Government priority sectors. Whilst the sector selection for the programme will be finalised during the inception phase, Preliminary analysis indicate that the following sectors are likely to form part of the five sectors focused on by JET: Pharmaceuticals, Garments and Textiles and Automobiles. A final confirmation of sectors will be arrived during the inception phase based on market conditions prevailing in those sectors at the time. During the inception phase and using existing (undertaken as part of the SRF) and new analysis, the Supplier will agree five sectors for programme engagement with FCDO and the PSC. The selection of sectors will also be informed by global investor trends as well as GoG work, focus and momentum in the key sectors. A key output of this phase will be a clear implementation roadmap with relevant government agencies and the private sector (investors) and a revised logical framework analysis report will be shared by the Supplier that set out activities, outputs and annual milestones. Supplier payment at the end of the mobilisation phase will be

linked to delivery of a set of pre-determined key deliverables (see section on inception phase deliverables) that demonstrate the Supplier is set up and running, and fully capable of delivering high quality interventions.

- **Implementation:** The Supplier will deliver the log-frame and roadmap, in close collaboration with the GoG (PSC) and private sector stakeholders. A set of KPIs are outlined in the ToRs (see section on KPIs) setting out the key deliverables anticipated for the implementation phase.

## 5. Detailed Requirement

The supplier will work with key stakeholders to deliver the following core requirements of the programme:

**Requirement 1– Stimulate investment in four or five of the government’s nine priority sectors.** The supplier will take an active role in seeking out (including identifying investor targets and supporting transaction support around these) and supporting investments with the highest additionality and development impact. This component will be looking at **investments at scale**. Here the programme is focusing on facilitating key strategic anchor investors in sectors. Anchor investors could be both Foreign Direct Investors and Domestic Investors with expansion plans. The supplier will:

- key supplier deliverable under this requirement - bring investor contacts within the supplier’s network to deliver sector investment targets or to deliver new investor leads. In both cases the supplier is expected to deliver and generate the investment leads and provide investor transaction advice to enable those investments to be actualised working with national stakeholders e.g. Government.
- work with existing investment facilitation institutions, e.g. private sector, investor intermediaries, industrial park managers and other government institutions to;
  - i. identify new investors in targeted sectors
  - ii. reduce search costs for investors by for example producing and disseminating country / sector investment profiles or helping to structure incentive frameworks
  - iii. engaging existing or new investors in other countries who are or might consider relocating or expanding into other countries, and
  - iv. support new deals – e.g. by supporting investors with developing their case for investment, by undertaking market analysis, by helping potential investee firms or investment promotion agencies to produce “teasers” or information memorandums, by improving investee firms’ investment readiness and by linking buyers with producers;
- facilitate investment deals – e.g. by supporting negotiations with the government or its agencies or between investors and investees;
- Increase the developmental impact of deals, including by promoting better business practices, higher labour standards, improving skill sets of workers, enhancing environmental protections, supporting gender

- equality and social inclusion of youth and PWD, and having a greater community impact or supporting linkages with domestic suppliers;
- support existing foreign or domestic investors in priority sectors to scale up – e.g. by helping them to access finance; developing the business case for working on new product areas, in new geographies; supporting deals post investment – e.g. by helping develop early implementation plans;
- track investment results including commitments made on development impact.
- Any other activities that will deliver new investment in target sectors.

**Requirement 2 - Helping Ghana implement industrial and trade policies to attract and retain ‘more and better’ investment in the target sectors.** This could include support for specific industrial policies or regulation as well as working to improve the capacity (including strategies) of trade and industrial promotion agencies. Under this component the supplier is expected to provide technical assistance (including embedded advisory support):

- key supplier deliverable under this requirement – The supplier is expected to deliver specialist expertise for the development of targeted policies for the supported sectors. The sector policy work is expected to be targeted and in line with global best practice but also grounded in realistic policy actions that will spur investment.
- support improvements and policy changes needed to attract more and better-quality foreign investors in the priority manufacturing and industrial sectors. Institutions supported may include but not be limited to Investment Promotion Agencies, Economic Zones/ Export Processing Authorities, Customs and Tax authorities and related ministries;
- development of targeted investment promotion strategies (sector, geography and investor focused), trade facilitation, improvements to the economic zones and/ or industrial parks, refinement of existing investor incentives regimes and required policy changes which remove obstacles for investors but still ensures value for money for Ghana. On the later the net benefit to Ghana of any policy changes vs investment stimulated should be positive. The supplier will be required to help Government calculate the net benefits to Ghana of any targeted incentive proposed and ensure that any advice provided by the supplier is in line with best practice.
- As part of the targeted industrial promotion strategies organise high-quality Investment Summit/events, ensuring that the steering committee is consulted and engaged on the planning of the summit.

The JET programme is not focused on generic investment climate reforms e.g. customs reforms but rather designed to focus on unlocking policy constraints related to specific deals and transactions in priority backbone sectors. Nonetheless, where cross-cutting issues are of sufficient magnitude that addressing them would significantly increase the prospects of investment generation and job creation, a case can be made by the Supplier to FCDO for providing support to more generic enabling environment issues.

Under this component, TA provided will be grounded in political economy analysis and a clear understanding of the incentives for change. TA will be prioritised in areas where it offers a good chance of generating the change needed to facilitate new investment or to create sustainable international value chain linkages, in the short to medium term (not more than 2-3 years) and where it is of a manageable scale / cost.

**Requirement 3 – Building capability of domestic firms and increasing local content in facilitated investments.** The Supplier would be expected to provide technical assistance and or other results-based grants:

- to address issues emerging from the private sector (domestic firms) and other related organisations to unlock or sustain foreign or other private sector investments in the sector e.g. technology innovation support, including green technology transfers or other assistance to improve domestic supplies for anchor sector investors;
- to link domestic firms to sources of finance (including DFI financing) to improve their productive capacity to supply to anchor investors or export;
- to address issues such as poor availability of domestic inputs, inadequate provision of key services such as logistics or inadequate availability of skilled workers from the domestic market in support of new investments.
- Work with potential domestic anchor investors to develop the sector where Foreign Direct Investment is not feasible for the sector in the short term. This could be potentially the case in some sectors where short-term FDI investment in a priority sector is not feasible. In such a scenario support will focus on the domestic firms and the potential to increase manufacturing in the industrial sector not directly linked an FDI investment. However, decisions to work with these firms in the absence of new FDI investment to raise production in the sector will be guided by the potential for scale, development impacts and the ability of these firms to ramp up manufacturing in the sector.

TA support may be provided directly to businesses, or to other intermediaries, such as business membership organisations or other intermediary organisations to address challenges around specific investments. As JET is not anticipated to be a broad SME support programme but focused on delivering large scale private sector investment to transform priority sectors, the Supplier would have to demonstrate to FCDO how TA and other technology/innovation improvement support to domestic firms under this component links into larger-scale sector improvements in the short to medium term (e.g. including potential for large investors or FDI to link to these firms or source from them in the short to medium term) and or supports facilitating investment into target sectors. Under this requirement, work on domestic firms to improve their ability to receive orders (trade) with global firms will also be eligible as part of JET.

It is possible different instruments including grants (including returnable finance instruments) may be needed for support under this component. Where this arises and where the current market does not provide this support, such instruments can be developed but will require FCDO approval.

**Requirement 4 - Addressing gaps in the enabling infrastructure for industrialisation.** The supplier will be expected to:

- Work with investors and the GoG to address gaps in the industrial infrastructure;
- Explore and pilot initiatives with Development Finance Institutions including Private Infrastructure Development Group (PIDG), CDC (UK development finance institution) etc. to deliver targeted industrial and climate-friendly infrastructure;
- Help the GoG with feasibility studies and Public Private Partnerships and other financing frameworks around industrial parks;
- Engage with privately operated parks (industrial parks) to ensure an optimal framework to optimise current and planned infrastructure investment into these parks.

For all components support needs to be strongly grounded in an understanding of political economy issues. Activities should only be undertaken:

- a) in areas where political economy analysis shows there is potential for success, (this is particularly important where a policy or incentive regime is needed to facilitate a large-scale investment,
- b) in ways responsive to political economy constraints and opportunities, e.g. identifying potential blockers and supporters, and seeking to build coalitions to support activity, (e.g. where Foreign Direct Investment is or perceived to be competing with local products, and
- c) where there is enough support from the GoG or investors to support these transactions.

Given the differing sectors and types of support that can be provided, testing and adaptation will be expected to assess what approaches are most impactful and cost-effective. In all cases the supplier will need to design and agree with FCDO a set of evaluation criteria during the mobilisation phase for reporting and tracking the performance of activities. FCDO staff should be able to have access to a live database of JET facilitated investors and be aware of what other partners and donors are doing to ensure proper attribution of results.

FCDO recognises that progress will be unequal across sectors supported. The business case allows exit from sectors where performance is not forthcoming and expansion in others. Approval will be sought from FCDO and partners where this arises. Additionally, the business case allows for transaction and or advisory support in a non-target sectors provided this is either a request from programme partners (specifically the GoG or other investors where there is large scale investment opportunity that has a transformative effect for manufacturing and or industrialisation with a major development benefits, or there is a potential to create a significant number of jobs (is a new emerging sector for Ghana and could have a significant impact on economic diversification). In such cases, approval will have to be sought from FCDO.

**Instruments to be used for delivery of the programme**

It is anticipated that both technical assistance and results-based Investment Facilitation grants or expenditures (further details on this is provided below) will be used to deliver this this and other requirements of the ToRs. Other instruments needed to deliver the ToRs could also be developed during the implementation and mobilisation phase but will have to be agreed with FCDO.

**Results Based Investment Facilitation Expenditures or grants:** This is front line delivery funding to downstream partners e.g. programme expenditures or grants to downstream partners that helps to land specific investments. These investment facilitation grants expenditures include for example funding for skills hubs, industrial parks other infrastructure or other public good investment that can secure the landing of anchor investment. Additionally, these could be grant agreements with Government of Ghana, intermediary companies or not-for profits in supported sectors to deliver specific investment deals. These expenditures do not refer to routine supplier expenditures or expected to be used by consortium partners. This is funding for parties outside the direct FCDO/supplier contract. We anticipate that a significant proportion of programme funds will go toward such funding types with remaining project funding going into programme management (core supplier team fees and expenses) and specialist technical assistance for investment facilitation. The percentage of programme towards this funding type may be changed during programme implementation but will have to be agreed with FCDO. A range of actors are eligible for this fund including Government, private sector and other non-state actors. This can be in a form of a grant to be managed by the third party and not always technical assistance.

More broadly the precise type and scale of support for results-based grants will vary and be informed by factors including the nature of the investment (e.g. a significant anchor investor who is the first mover into the sector requiring a specific infrastructure), the size of the potential benefit, the stage in the process of the investment, and the level of additionality<sup>3</sup>. Any support provided to land individual or a cluster of investments will have to be assessed against a set of criteria including benefits/fit of the potential investment, fit with GoG priorities; investment value, and development impact e.g. jobs, wider economic spill overs etc. The support will also have to pass the test of whether a subsidy is required (where funding goes to private sector), and a wider public good argument will also need to be made. Where the expenditures support public good enabling infrastructure to support a cluster of investments a case will have to be made on why commercial partners cannot fund this and where the support is likely to benefit an individual large anchor firm in the sector in the short term a case made as to the additionality and why wider spill over benefits justify this support. An assessment criterion (including approvals process) will be developed by the supplier and agreed with FCDO during the inception phase for the use of the results-based grants or expenditures. The supplier will also assess if other returnable grant instruments will be more suitable particularly where it is difficult

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<sup>3</sup> Some types of project activities might be purely programme funded, e.g. analyses or investment facilitation material promoting the industrial sectors in Ghana. Where support becomes increasingly investor-specific – e.g. helping an investor develop the business case for operating in Ghana – and as the investment progresses towards conclusion, the investor will be expected to meet an increasing share of the costs. Given available budgets, and additionality requirements, it is also likely that the investor will be asked to bear the large majority of total investment.

to justify a subsidy. The use of returnable grants or other returnable finance instruments under this results-based grants component will have to be agreed with FCDO with proposal on how it will be managed within FCDO rules and if and whether commercial banks and other private sector institutions would be better placed to provide these returnable financing.

**Technical Assistance:** Two types of technical assistance is envisaged. The first being technical expertise embedded within the core programme supplier team and the other is the specialist technical assistance skills that will be required in some sectors which cannot feasibly be embedded from programme inception.

- a) **Core supplier team technical assistance (including other programme management costs)** – This is anticipated to be technical assistance skills responding to these ToRs (e.g. investment structuring and facilitation to reduce search cost for firms, industrial policy development) will be embedded within the core team.
- b) **Specialist technical assistance** - During programme implementation, we anticipate that specialist technical skills will be required which cannot be determined ex-ante or indeed may be too expensive (from a VFM point of view) to embed within the core supplier team. For example, specialist consultants or well-known industry intermediaries in specific sectors, sourcing or intermediation experts in specific sectors who can help structure or facilitate complex investment deals or specialist technical assistance to be embedded within Government for specific investment deals. The use of such specialist technical assistance particularly where this is delivered by investment intermediaries will have to be done on a clear result basis and distinct from what the core supplier team would ordinarily deliver. A fee rate card for this specialist TA will be provided by bidders and use of this specialist technical assistance will have to be agreed with FCDO in advance of need on either a quarterly basis (based on demand from either project partners e.g. Government or other downstream partners) or when the need to use this element of the project fund arises. The supplier will have to demonstrate best value and that there is such a demand for this specialist assistance either from Government and/or other market actor and that this can unlock investment and other development benefits. The latter will have to be linked to a reasonable potential market actor or actors to respond (via investment) to the specialist technical assistance proposed. The use of the specialist technical assistance also relates to where Government partners request for special technical consultants to support delivery of a specific investment deal that may be commercially sensitive and cannot be delivered by the core supplier team or needs to be embedded with Government. These specialist TA may be identified in close coordination with the supplier and GoG with the latter having preferences on the skill set and consultant they would like to deliver this assignment. The supplier will have to be flexible to some of these sensitivities as well as potentially explore the use of the results-based grants pot for such support if the specialist technical assistance cannot be secured via the supplier consortium. However, in the first instance the use

of specialist technical assistance component of the supplier contract should be used for such requests.

In general, use of JET programme funding to reduce search costs for investors (either through technical assistance and or results-based grants expenditures) should be assessed against what the investors themselves must contribute towards these activities. The supplier will need to provide such justification for use of both the use of the grants and specialist technical assistance before approval is given by FCDO. During the programme inception phase FCDO will work with the supplier on details on approvals for use of the grants and specialist technical assistance.

Other instruments can be deployed for programme delivery where deemed necessary including co-financing together with Development Finance Institutions on enabling industrial infrastructure linked to key anchor investments and other returnable financing instruments. These will have to be designed and approval sought from FCDO. Co-financing and or leveraging from DFIs and other FCDO returnable capital and or grants is actively encouraged.

Given the potential interdependences of the results-based grants and specialist technical assistance instruments the supplier is expected to constantly monitor use of these funds to ensure that full value for money is realised.

## **Monitoring and Evaluation**

Monitoring and Evaluation will need to be undertaken throughout the life-cycle of the project by the Supplier, with a dedicated budget, including collecting robust jobs, investment and other beneficiary data (disaggregated by gender and other social factors) attributable to the programme; independent mid and end of project reviews, lessons learning and audits. During inception a detailed programme monitoring and evaluation framework will be defined building on central guidance about flexible and adaptive programming.

- The principle tool for programme monitoring will be the logframe, which will capture impact, outcome and output indicators in line with the programme theory of change. The Supplier will collect baselines in selected target sectors, which will include current information on economic output, employment, value added, level of competitiveness and exports. Data for specific firms within a priority sector will capture employment, turnover and profitability, alongside qualitative information on firm performance. Capturing data across these levels will allow the programme to assess how individual interventions are impacting on firm and sector performance, and how these are in turn, contributing to wider inclusive growth and development. On the later wider data on impact of JET on women and local communities will be expected to be collected by the supplier.
- The Supplier will be expected to analyse monitoring data and capture lessons learnt (including preparing case studies) for FCDO and other



stakeholders. These studies will be shared with both the Programme Steering Committee (PSC) and the proposed programme Strategic Advisory Panel (SAP) as part of their independent challenge function to the programme. Further details of the programme's Governance arrangements and the respective roles of the supplier vis a vis the PSC and SAP can be found in the Governance arrangements annexed to these ToRs. A lesson learning and communication strategy will be developed during the inception phase and revised / expanded during the Supplier implementation phase.

- The Supplier will work closely with a range of FCDO Centrally Managed Programmes, such as Invest Africa and the Ethiopia Investment Advisory Facility (EIAF) (both implementing similar programmes) and organise joint East Africa-West Africa/Ghana lesson learning events. UK Jobs and Economic Transformation Business Case and other relevant documents can be found on FCDO's Development tracker <https://devtracker.FCDO.gov.uk/projects/GB-1-205058/>. Additionally, and where feasible joint programming (via results-based grants and specialist technical assistance) should be developed and implemented with central programmes where these could increase value for money for FCDO and where joint work in a sector makes more sense from a VFM perspective. The supplier will therefore be required to actively engage with relevant centrally managed programmes.
- Using monitoring and evaluation funds, FCDO will commission independent audits and evaluations (jobs, diversification etc) on Supplier transactions and accounts as well as those of downstream partners where formal funding arrangements are in place. A tailored and proportionate approach to audit will be taken by FCDO and informed by both the size of expenditures.
- The Supplier will have to comply with FCDO requirements on terrorism financing, bribery and corruption, safeguarding, robust financial management, risk management etc and is responsible for ensuring relevant downstream partners are also compliant. For that purpose, the supplier will have to set up effective monitoring and oversight processes to include Safeguarding. Additionally, the Supplier will have to ensure that investee companies or other project partners that the programme engages with or supports adhere to local labor and companies law legislation. The Supplier will have to assure FCDO that robust due diligence is undertaken in the selection of project partners. As part of this the Supplier is expected to undertake due diligence and work with facilitated investors to promote adoption of good business standards and quality standards up and down their supply chains

## **6. Payment by Results Model (PbR)**

A payment by results model will be used for effective implementation of the JET contract to ensure delivery, share risks and secure VfM. The following

PbR model's will be used to assess supplier performance during the Inception and Implementation Phases:

### 6.1 Payment by Results – Inception phase – Milestone deliverables

- **REDACTED** of fees will be released quarterly to the SP upon successful achievement of the inception phase deliverable outputs and activities outlined in pages 23 to 26. The Supplier also accepts that a payment of these fees will be withheld according to the proposed schedule if deliverables are not fully or partially met.
- REDACTED% Expenses will be reimbursed quarterly to the programme implementer based on actual costs incurred.
- **REDACTED** of fees will be reimbursed quarterly to the programme implementer based on actual costs incurred.

The Supplier will have to be adaptive and flexible whilst working on this programme and a hybrid model for payments against results is set out.

### 6.2 Payment by Results – Implementation phase – Key Performance Indicators (KPI's)

To ensure delivery, share risks and secure VfM, KPIs will be used to assess supplier performance during the Implementation Phase. These will be linked to a payment by results modality. KPI's set will ensure rapid mobilisation and adherence to the design and outcomes of the project. This will include performance KPI's associated with performance of the core supplier team including quality of delivery and responsiveness to requests and evidence of problem solving. KPIs will ensure that management of the contract is undertaken as transparently as possible and to ensure that there is clarity of roles and responsibilities between FCDO and the Supplier. The supplier will demonstrate to FCDO at specific review points, to be refined with FCDO during the Inception Phase, its performance against these KPI's. Together with final agreement of the relevant KPI's during the inception phase, the supplier and FCDO will also agree an effective system to monitor their achievement over time and provide appropriate management information for both parties in respect of such. This system will include a process whereby any disputes concerning achievement of the KPI's or otherwise can be dealt with effectively. In general, the KPIs against a set of criteria listed below:

#### a) For general KPIs linked to supplier responsiveness, relationships and quality of reporting

- **Managing relationships to deliver programme outputs** – Refers to customer relationship and strategic engagement with key stakeholders
- **Compliance** (conformity to regulations and standards)
- **Professionalism of and innovation within the Supplier Team**
- **Financial risk and programme management to ensure VFM**

#### b) For KPIs linked to more strategic results and programme outputs

- **Achievement of agreed output (s) set out in programme log framework and results framework agreed during the inception phase.**

A detailed log frame will be agreed during the inception phase with the supplier and approved by FCDO. Implementation Phase performance will also be tracked through the progress against this logical framework and key milestones. The KPIs set out below recognises that some programme results may have some time lags and cannot be measured quarterly but rather annually.

Payment structures for each phase are set out below.

### **Payment by Results Schedule for the Implementation Phase**

#### Expenses:

- **REDACTED**% paid quarterly based on actuals.

#### Fees:

- **REDACTED**% paid quarterly based on inputs - providing they are in line with the overall budget agreed with FCDO, with a quarterly payment at the end of each 3-month Implementation period. % paid quarterly based on KPIs, with the first payment being due at the end of each 3-month Implementation period. Payment is based on satisfactory delivery of the specific KPIs related to supplier responsiveness, quality of reporting and relationships with programme partners.
- **REDACTED**% fees withheld and paid annually on achievement of KPIs related to achievement of log frame milestones (see project performance related KPIs in the table below). Where the supplier fails to meet 100% of a project related KPI in the payment period due to circumstances beyond their control but recovers all or part of the project related KPI in the following periods they may charge the related balance of the KPI payment.

The KPIs proposed for the implementation phase are indicative and both these and the implementation phase PBR mechanism will be agreed during the inception phase. We will build in flexibility in the final agreed mechanism (for the implementation phase) to vary elements of the milestones in mutual agreement to reflect the complexity of the programme.

## 6.2 Indicative Key Performance Indicators *related to* supplier responsiveness, relationships and quality of reporting (project management KPIs linked to % of Fees)

	How do you rate performance against?	Success criteria/verification	How & when assessed
<b>Managing relationships to deliver programme outputs</b>	Strategic engagement with HMG (FCDO and other Government Departments in Ghana).	Evidenced by appropriate level of engagement/communications with relevant HMG stakeholders and issues around wider UK interest are being incorporated into programme delivery. Evidence of taking feedback from partners to adapt the programme (where required).	Quarterly reporting (mails, phone call log, meeting minutes; feedback from relevant stakeholders).
	Effective coordination and/or collaboration with Government stakeholders.	Consistent participation in relevant fora, good functioning of the Programme Steering Committee and governance structures. Evidence of taking feedback from partners to adapt the programme (where required). Good relationships formed and strategic engagement with the key players.	Quarterly reporting -Meeting minutes; documentation of contributions in groups., feedback from stakeholders.
	Engagement of local expertise for incorporating locally led solutions to support delivery.	Strong local expertise and intermediaries engaged with the programme where appropriate. Good understanding of the local context and market.	Quarterly monitoring.
	Engagement with wider set of stakeholders to leverage additional support for the programme.	Interactions with CDC, PIDG, IFC, UKEF and other DFIs as well as multilaterals and donors to leverage financing to investors in key sectors.	Number of partnership initiatives with stakeholders. Through quarterly monitoring.
	Engagement with the private sector (investors, relevant business membership organisations and other private sector intermediaries).	Solid intelligence and information of the domestic and global market and trends provided to FCDO.	Quarterly reporting and information provided consistent with other stakeholders understanding of market trends.

<b>Compliance (conformity to regulations and standards)</b>	Adherence to FCDO SMART rules and regulations to, fraud reporting risk management, corruption/bribery and safeguarding anti-terrorism.	Supplier able to document their adherence to FCDO regulation, immediate reporting of suspected cases of fraud, safeguarding and other issues with impacts on FCDO reputation.	Quarterly and due diligence reports.
	Ethical business behaviour.	Companies engaged with adhere to local and international legislation, best practice (workplace practices, health and safety, duty of care, safeguarding etc.)	Quarterly and due diligence reports.
<b>Professionalism of and innovation within the Supplier Team</b>	Quality of delivery and responsiveness and innovation within the supplier team.	Quality of delivery and responsiveness to requests and evidence of innovative approaches to problem solving. Meeting with agreed deadlines, evidence of problem solving, quality submission of reports and M&E plan.	Quarterly report and emails (response time), timeliness and quality of reviews, reports and feedback.
<b>Financial risk and programme management to ensure VFM</b>	Demonstration of strong financial, risk and programme management practices.	Meeting with agreed deadlines, evidence of problem solving, quality submission of reports and M&E plan.	Quarterly report and emails (response time), annual reviews and feedback.
	Robust cost control in line with contract and reporting on VFM metrics.	Delivery of project within agreed budget (FCDO to take into consideration changes to external factors). Deviations from forecast budgets should be within a 5% tolerance margin.	Quarterly report and emails (response time), annual reviews and feedback.
	Robust management of performance by sub-contractors ensuring due diligence and quality assurance.	Supplier takes responsibility for managing underperformance and getting the best out of the subs to deliver effectively.	Quarterly report and emails (response time), annual reviews and feedback.

**Payment Structure for Indicative Key Performance Indicators linked to project management (supplier responsiveness, relationships and quality of reporting)**

- All KPIs will be assessed quarterly
- Weightings will be applied to each KPI, which will then be scored out of 1-6 each quarter. With a weight of 25 points for each high level KPI criterion.
- Of performance related fees 100% will be paid upon full achievement of KPIs. In line with the maximum total score of 600, the proposed payment % structure shall be as follows:
  - 500 and above 100% of fees (no fee at risk)
  - 300-499 - 80% of fees paid with 20% of fee at risk
  - 100-299 - 40% of fees paid with 60% of fee at risk
  - 99 and below 10% of fees paid with 90% at risk

<b>Indicative KPI</b>	<b>Scale (1-6)</b>	<b>Weighting</b>	<b>Total</b>
Managing relationships to deliver programme outputs	6	25	150
Compliance (conformity to regulations and standards)	6	25	150
Professionalism of and innovation within the Supplier Team	6	25	150
Financial risk and programme management to ensure VFM	6	25	150
<b>Total</b>			<b>600</b>

### 6.3 Indicative Milestones Related KPIs linked to % of fees during the implementation Phase – Related to logframes and underpinning results framework.

Project related performance/milestone targets – linked to the Log frame or other monitoring framework.	Achievements of annual milestones agreed in the logframe or monitoring framework	Achievement log frame targets related to but not exclusive to the following	A
		<ul style="list-style-type: none"> <li>a) Investment (deals identified and facilitated (numbers and investment amount).</li> <li>b) jobs and other development impacts (e.g. local content, improvement in workplace practises, engagement of investors with local communities etc.).</li> <li>c) leveraging additional finance for key deals within the programme.</li> </ul>	

Payment schedule:

Project related KPIs will be assessed annually (from the end of Q4) (minimum of % of Fees at risk)

100% of milestone achieved = 100% of withheld fees paid

75% of milestones achieved = 75% of withheld fees paid

50% of milestone achieved – 50% of withheld fees paid

Less than 50% of milestones = 0% of fees paid (fees forfeited)

Where the supplier fails to meet 100% of a project related KPI in the payment period due to circumstances beyond their control but recovers all or part of the project related KPI in the following periods they may charge the related balance of the KPI payment.

#### **Inception and implementation deliverables**

### **6.4 Inception phase (6 months)**

At the high level the table below outlines programme activities and focus of the inception phase which will guide payment. Given the adaptive nature of the programme, timelines and delivery milestones will be adjusted during programme inception phase kick off.

Workstream	Activities	Deliverable	Responsible	M1	M2	M3	M4	M5	M6
1. Stakeholder Engagement	Stakeholder mapping refresh	Stakeholder map	Core team + local STTA						
	Bi-monthly SC Meetings	Meeting minutes	Core team						
	Stakeholder 1-2-1 meetings	Meeting minutes	Local STTA + core team						
	Stakeholder strategy workshop	Workshop minutes / output paper	Core team + local STTA						
2. Technical Design Refresh	Analytical refresh – investment landscape	Report	Core team + STTA						
	Technical design co-creation workshop (combined with SC meeting)	Workshop minutes / output paper	Core team + local STTA						
	Technical design validation workshop	Workshop minutes / output paper	Core team + STTA						
	Develop implementation TOC, milestone and costed workplan	Implementation Plan	Core team						
	MEL Strategy and Plan development	MEL Strategy + Plan	Core team + STTA						
	Grants approach development	Grants Manual	Core team + STTA						
3. Mobilisation and Recruitment	Inception report writing	Inception Report	Core team						
	Team Leader recruitment	Team Leader on board	Core team						
	Other team recruitment	Wider core team recruited	Core team						
	Equipment procurement	Equipment procurement	Core team						
	Operations and Procurement Strategy	Project Management Manual	Core team						
	Knowledge Management and Communications Strategy	KM and Communications Strategy	Core team + STTA						
	Office Set Up	Office Set Up	Core team						

At the end of the inception phase an overall implementation phase plan and report will be provided by the supplier which takes into account all the deliverables (including annexes of all the developed guidance and plans) of the inception phase.

Transition from inception to implementation will be dependent on completion of deliverables in the inception phase and subject to FCDO approval of the implementation Phase report.

In more detail the key deliverables of the inception phase will include

- A staffing management plan in place and approved and recruitment in progress for the implementation phase;
- As part of the implementation plan, potential enhancements to sector analytical work that have been previously undertaken to support sector selection. Using this enhanced analytical work, agree with FCDO and the GoG key sectors of engagement using criteria highlighted in the BC;
- Programme Governance arrangements reviewed, strengthened and operationalised;
- Working with key programme partners to develop an implementation strategy and plan for the implementation phase, whilst also recognising that the programme will be highly demand led and adaptive. In this regard high level work plans for middle to outer years will be acceptable;
- A clear financial budget for the implementation phase that sets out budgets for flexible specialist technical assistance components separate from the core team budget of the supplier. Additionally, the implementation phase budgets breakdown should indicate some sort of analysis of budget per sector and other project breakdowns by programme components/objectives. Quarterly budgets projections should also be developed for the first two years and annual budgets for the outer years;
- A monitoring and evaluation strategy or plan including a cost-effective real time reporting mechanism capable of providing FCDO with live information on potential and actual deals supported and results achieved. As part of this, arrangements for documenting and monitoring programme activities will be agreed; including the development of a data collection plan, which will have to be adhered to. For example, the FCDO will engage with and agree with the supplier the methodology for collecting results such as jobs. Current guidance on jobs is attached and considers issues of attribution and displacement;
- A communication strategy developed to support: (i) the programme's internal and external communications; (ii) the GoG's communications and



stakeholder engagement around its industrialisation plan; (iii) a shared narrative and top lines for development partners working in this sector; and (iv) UK communications and new branding around a UK-Ghana strategic partnership;

- An investor engagement strategy developed including a list of initial investor targets building on work already done under the SRF and working with the POC and other stakeholders;
- Grant making mechanism outlined including roles of different stakeholders as well potential for returnable grant instruments within the results-based grants.
- Outline and agree relevant approvals from FCDO for deploying results-based grants and specialist technical assistance.
- As part of the monitoring and evaluation framework indicate how investors and downstream partners including those accessing results -based grants will be tracked and managed and how FCDO and partners will have real-time online/live information on this outside quarterly reporting;
- Detailed logframe targets and Value for Money indicators developed and agreed, building on those provided in the Business Case and based on the KPIs proposed in the ToRs and those proposed by the supplier in the commercial and technical bid;
- A development impact strategy or plan for what and how gender and social inclusion issues will be monitored during implementation as part of the monitoring and evaluation framework;
- A reputational risk assessment mechanism or guidance established, and standards set for how the programme will engage with businesses;
- Working relationship with the HMG Economic Development, Investment and Trade team established, ensuring UK trade and investment priorities are taken into consideration in both selection of sectors and other issues incorporated in the implementation phase plan.
- An assessment criterion (including approvals process) developed by the supplier and agreed with FCDO for the use of the results-based grants.
- An implementation phase plan **and report which pulls together all the elements and deliverables in the inception phase.**

The supplier will leverage and build on the already ongoing work and relationships developed by FCDO and other key stakeholders in order to ensure continuity of existing JET efforts and activities and will be working closely with the JET Steering Committee to ensure a smooth learning curve and handover of the programme activities whilst ensuring an efficient and adaptive mobilisation phase. The TA pool for the inception phase provides JET with the needed agile support to work as adaptive as possible and will enable a quality delivery of economic recovery activities even if remote interactions with the GoG and other stakeholders continue to be in place.

The programme start-up and inception phase team as lean possible ensuring that only the critical roles are engaged, and a flexible approach is taken with regard to the utilisation of TA – as and when needed based on demand. To ensure VFM for the programme management side of the programme, the Project Director is supported by the Project Manager and Project Associate,

with leadership and direction transitioned onto the Team leader during the inception phase. A senior manufacturing or industrialisation call-down expert will lead the engagement with GoG and stakeholders and additionally grants manager and other TA will work on a flexible and demand driven basis until the full set of staff are recruited during the inception phase.

Overall, the supplier is expected to be flexible and have the ability to respond to emerging opportunities to deliver programme results during this period. These opportunities may arise from the project partners such as the Government or other private sector interest for investing in key sectors which is time sensitive.

## **6.5 Implementation phase (From May 2021)**

- Implementation of programme activities based on agreed objectives, strategies and work plans. A phased approach will be taken, allowing future objectives, strategies and work plans to be set and/or stretched in light of regular assessments of value for money performance;
- Staff are in place based on the agreed organogram and staffing plan. FCDO needs to approve all changes to the core staff and all experts who will work for more than 30 days on the project;
- Any subcontracting relationships effectively managed including contracting, monitoring, supporting and assessing sub-contractors;
- Secretariat for the governance structure and relationships with key partners maintained;
- Communications plan implemented including organisation of the annual investment summits; The deliverables above should be summarised in a report (of not more than 50 pages). Payment for the mobilisation phase and approval to move to the implementation phase will be subject to (a) quality of the report including strength of examples of work and evidence underpinning it (b) feedback from the Ghana Government and HMG on performance and (c) timeliness and responsiveness during the mobilisation phase.
- To minimise level of reporting and to free up time for the supplier to deliver the programme, some key strategic documents once approved by FCDO will only be updated twice a year including sector strategies and profiles, annual work plan (including quarterly targets) development impact strategy, knowledge management and communications strategy, and monitoring and evaluation plan;
- Quarterly reports to FCDO (progress and financial reports) and separate reports to the PSC summarising key programme progress. Quarterly reports (of maximum 30 pages) should include updates on: activities and workplan targets, logframe results at an output level, transactions (broken down by sector), investment assessment and information forms, company risk assessments completed and financials (spend and budget for next quarter);
- Annual reports (of maximum 50 pages with an executive summary) including updates on: progress against annual workplans, logframe results at an output and outcome level, progress against Key Performance Indicators, results against Value for Money indicators, transactions

(broken down by country and sector), company due diligence assessments completed, implementation of the gender strategy, financials (annual spend), information on work with subcontractors and small and medium enterprises in delivery. Reporting for JET should be aligned with FCDO's annual review process, with annual reports submitted three months before the annual review deadline. The annual review for JET will take place in April of each year. The annual review assesses the progress of a programme and the findings are published. Examples of annual reviews can be found on <https://devtracker.FCDO.gov.uk/>. Annual reviews usually contain actions to address issues or make further improvements, and timely implementation of these actions is expected.

In addition to the core implementation activities, the Supplier is responsible for the following:

## **6.6 Coordination and influencing activities**

- Coordination with other FCDO programmes including the Manufacturing Africa programme (formally called Invest Africa Programme). With regards to Manufacturing Africa the Supplier will ensure programme synergies are explored as well as lesson learning to enhance delivery of the JET programme.
- Coordination with other donors. The Supplier will be responsible for coordinating and aligning with the relevant donor, maximising synergies with these programmes and ensuring JET does not duplicate. For example, the World Bank Ghana Economic Transformation Programme. JET will seek to ensure synergies with this programme. The Supplier will also collaborate with donor/multilateral infrastructure programmes in country on industrial parks, PPPs, water and electricity.
- Strong engagement with CDC, the Private Infrastructure Development Group, and other similar institutions to share market knowledge / intelligence and encourage them, as well as other investors, to invest (and otherwise support investment) in ways which enable expanded manufacturing FDI. During design, FCDO has discussed with CDC the establishment of a market information portal and a potential pilot with PIDG on bespoke industrial infrastructure support. These ideas will have to be taken forward by the Supplier and implemented.
- Close engagement with other UK government departments such as the Department of International Trade (DIT) on the implementation of JET ensuring that market information that is not commercially sensitive is shared with UK Government departments. The Supplier will also engage with and contribute to the UK Ghana Business Council that has been set up to enhance the UK – Ghana economic development dialogue.
- Wider support to FCDO/HMG activities around economic development. The supplier will be required to use their expertise to provide light-touch support and advice to FCDO and other parts of the UK Government on their approach to supporting economic development within Ghana, sharing lessons learnt from JET to improve HMG approaches.

**All politically sensitive engagement with Government of Ghana and key partners related to the programme must be cleared with FCDO.**

## **6.7 Monitoring and Evaluation**

The Supplier will be responsible for setting out a data collection and monitoring plan and be responsible for collecting data to assess programme performance. FCDO will undertake external reviews of the monitoring and evaluation plans. During such external assessments the supplier will be expected to provide information to experts contracted by FCDO to enable an assessment of the monitoring plans as well as programme performance. Specifically, the following FCDO monitoring is anticipated:

- Annual reviews;
- Post-election review to assess the new administration's commitment to the programme;
- Mid-term review in 2022/23 to determine potential scale up, coordinated delivery with other FCDO Centrally Managed Programmes or exits;
- End programme review 2025.

## **6.8 Knowledge generation, management and communication**

The Supplier will:

- Synthesise information into analytical and information products suitable for dissemination and stakeholder engagement with different audiences as required: private sector, public sector, donors and others;
- Deliver proactive communication to all relevant stakeholders identified in the knowledge management and communications strategy;
- Conduct research to cover knowledge gaps. This is likely to include, among other areas, analysis of the case for entering new sectors;
- Share all information, outputs and contacts generated through the programme with FCDO and any parties identified by FCDO as requested, unless commercially sensitive (in which case it will not be shared outside of the contractor and FCDO);
- Provide information required by the International Aid Transparency Initiative;
- Respond promptly to audits and enquiries whether originating from FCDO's own internal auditors or financial/press staff, UK Parliament or related entities such as the International Development Committee, Independent Commission for Aid Impact, National Audit Office or questions to UK Members of Parliament.

## **6.9 Financial management and reporting**

The supplier will be required to provide full and detailed cost information to FCDO, including:

- costs (including for programme related events and budgets of grants with third parties;

- Demonstrating that proposed funding provides value for money by using FCDO/international recognised procurement practices, benchmarks, cost comparisons and agreed efficiency saving targets;
- Adhering to FCDO guidelines on travel and communication spend which may require pre-approval of some/all elements due to reputational risk;
- Checking, verifying and authorising financial claims, ensuring funds are claimed in accordance with agreed budgets and rules;
- Timely disbursement of funds in line with FCDO payment guidance;
- Maintenance of full financial records and working with FCDO on external audits;
- Verification of payment claims by sub-contracted implementers and third-party grants;
- Producing quarterly and annual financial returns for JET showing spent, broken down into individual projects in FCDO's financial year period;
- Report on the Payment by Results element – both payments accrued, anticipated and any reimbursements;
- FCDO will commission an external audit by the end of each financial year. The external audit will be undertaken using international standards and the Supplier will ensure that audit observations are dealt with in a timely way.

## **6.10 Engagement with FCDO staff**

The supplier will:

- Attend fortnightly meetings with the FCDO Ghana team throughout the inception period and monthly meetings during implementation phase;
- Report on day-to-day technical issues to the Private Sector Development Adviser in FCDO Ghana, and on broader ToR compliance issues to the Senior Responsible Officer for JET who has overall oversight of programme delivery;
- Provide continued access to relevant FCDO staff and other contractor to the IT system/mechanism to monitor and track work contact with investors.

## **7. Reporting**

### **7.1 Inception Phase**

- The deliverables above should be summarised in a report (of not more than 50 pages). Payment for the mobilisation phase and approval to move to the implementation phase will be subject to (a) quality of the report including strength of examples of work and evidence underpinning it (b) feedback from the PSC and HMG on performance and (c) timeliness and responsiveness during the mobilisation phase.

### **7.2 Implementation Phase**

- Given the flexibility and demand-driven nature of JET, key strategic documents updated and approved by FCDO will only be updated twice a

year. These include sector strategies and profiles, annual work plan (including quarterly targets), development impact strategy, knowledge management and communications strategy, and monitoring and evaluation plan;

- Quarterly reports to FCDO (management and progress reports) and separate reports to the PSC summarising key programme progress. Quarterly reports (of maximum 30 pages) should include updates on: activities and workplan targets, logframe results at an output level, transactions (broken down by sector), investment assessment and information forms, company risk assessments completed and financials (spend and budget for next quarter);
- Annual reports (of maximum 50 pages) including updates on: progress against annual workplans, logframe results at an output and outcome level, progress against Key Performance Indicators, results against Value for Money indicators, transactions (broken down by country and sector), company due diligence assessments completed, implementation of the gender strategy, financials (annual spend), information on work with subcontractors and small and medium enterprises in delivery. Reporting for JET should be aligned with FCDO's annual review process, with annual reports submitted three months before the annual review deadline. The annual review for JET will take place in May of each year. The annual review assesses the progress of a programme and the findings are published. Examples of annual reviews can be found on <https://devtracker.FCDO.gov.uk/>. Annual reviews usually contain actions to address issues or make further improvements, and timely implementation of these actions is expected.

## **8. Constraints and dependencies**

### **8.1 Funding allocation results.**

It is anticipated that less than 8% of the programme will be spent on administration costs (this relates to programme set up and administrative or non-core programme staff) and at least 60% on core delivery (results based grants and other sub-contracts to deliver the four components of the programme) with the remainder going to technical assistance (research and short term advisory services), monitoring and evaluation, and ancillary activities. This allocation will be further refined during the mobilisation phase.

### **8.2 Supplier composition.**

Given the complexity of the work and number of different activities, a range of skills will be required to implement the programme. For example, the transaction/investment facilitation components require investment specialists or firms with a large manufacturing client base or contacts (to UK, Asian, African and European investors and key market players) whilst the technical assistance components focusing on policy frameworks requires some more traditional development specialists.

### **8.3 Local content.**

The supplier is expected to maximise local content and knowledge in part through the use of local sub-contractors (it is expected that the pool of local sub-contractors used will expand throughout the project life cycle). The aim is to build local capacity so that a competitive intermediary market exists for when FCDO exits and for non-FCDO funded work.

### **8.4 Reputational risk.**

The supplier will be required to undertake or engage a third party to undertake corporate risk assessments prior to any support provided to businesses (see attached internal guidance on reputational risk assessment and Company Engagement Relationship Assessment). The assessment requires a review of business registration, accounts, organisational leadership, beneficial ownership, and compliance with sanctions lists. These assessments will ensure that a potential partner business/or its staff are not subject to relevant UN, EU or other international sanctions or blacklists, adhere to the appropriate social, environmental, business integrity (anti-corruption) and labour standards, and that reputational risk are manageable (e.g. reputation and past conduct). The Supplier is required to provide necessary assurances to FCDO prior to providing support.

### **8.5 Staffing requirements:**

**In-country presence** - The supplier will operate a lean staff presence on the ground in Ghana with a focus on technical rather than non-technical staff. Programme teams will need to be familiar with investment opportunities, be able to develop relationships with the beneficiary country institutions and have an understanding of the political economy and business networks in country. Additionally, presence in key countries investing in or buying from Ghana may be required in order to find the investors and understand the complexities and needs of manufacturing businesses.

The staffing plan agreed in the Inception Phase will need to indicate the level of experience/rate to be paid and names for the core team for the first two years. Key named experts cannot be changed without FCDO's approval.

## **9. Review points/Break Points**

The contract will be subject to review points after inception (also post-election review) and midterm. The continuation of the contract will be subject to a) continued strategic relevance of the project as assessed by FCDO; b) an assessment of delivery against agreed deliverables, satisfactory performance and progress against the specified outputs. In addition, annual reviews will be conducted on the programme as per FCDO corporate requirements.

## **10. Scale up/down**

FCDO reserves the right to scale back or discontinue the programme at any point (in line with the Terms and Conditions). Conversely, we may also decide to scale up the programme by up to an additional 2 years should it prove to be having a strong impact and has the potential to yield better results, dependent on budget and ongoing effectiveness of the programme.

If FCDO were to take the decision to increase the scale of the programme during its entire term (including any extensions), the increase will be up to an additional:

- £8.35 million over and above the original contract value (50% increase).

The Supplier must maintain flexibility in approach and be able to exit from high risk environments as required and with agreement from FCDO.

We expect the supplier to be able to adjust to such requests.

## **11. Timeframe**

The contract will run for 5 years from November 2020. Subject to the satisfactory performance of the Supplier, continuing need and availability of funding, the contract may be extended, utilising a negotiated procedure, for a period of up to 24 months and up to the contract values shown above.

## **12. Duty of Care**

The supplier will provide its own duty of care, including any logistical arrangements, in relation to its employees and other personnel it retains.

FCDO will share available information with the supplier on security status and developments in-country where appropriate. FCDO will provide a copy of the FCDO visitor notes (and a further copy each time these are updated), which the supplier may use to brief their personnel on arrival.

Travel advice is also available on the FCDO website and the supplier must ensure its personnel are compliant with it. The supplier is responsible for ensuring appropriate safety and security briefings for all its personnel working under this contract.

The FCDO Duty of Care risk Assessment is provided in Annex 1.

## **13. Other requirements**

### **13.1 Transparency**

FCDO requires the Supplier receiving and managing funds to release data, in a standard, re-usable format, on how funds have been spent. This is also



required of immediate sub-contractors, sub-agencies and partners. Further IATI information is available from: <http://www.aidtransparency.net/>

### **13.2 Delivery chain mapping**

The supplier must provide a delivery chain map that identifies and captures (usually in visual form) the names of all partners involved in delivering a specific product or service, down to the end beneficiary. The first version of this will be needed by the end of the first month of the inception phase. Updates to this will be required whenever the delivery chain changes. These must be produced in accordance with FCDO guidance.

### **13.3 Key documents:**

- Business Case
- Design phase analytical documents

### **13.4 Intellectual Property**

It is expressly understood that all documentation developed during and pertaining to this contract are owned by FCDO and will be made available to FCDO during and at the end of this contract. Any information withheld will be considered a breach of contract.

### **13.5 UK Aid Branding**

The Supplier and Partners that receive funding from FCDO must use the UK aid logo on their development and humanitarian programmes to be transparent and acknowledge that they are funded by UK taxpayers. The Supplier and Partners should also acknowledge funding from the UK government in broader communications, but no publicity is to be given to this Contract without the prior written consent of FCDO.

### **13.6 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 Appendix A and the standard clause 33 in section 2 of the contract.

## **14. Coordination**

FCDO Ghana focal points for this assignment will be the Private Sector Development Adviser) and the Senior Responsible Officer (SRO) who will have ultimate oversight of the programme. The SRO will engage on questions of strategic importance and represent FCDO at the PSC.

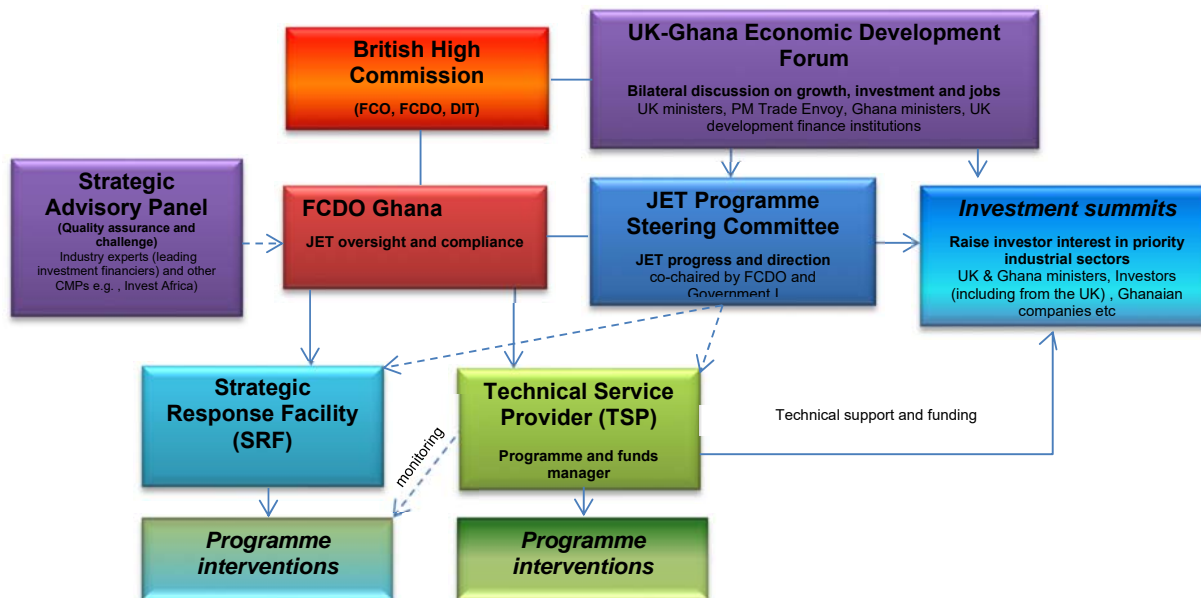
Programme Management support will be provided by the following;

- (Programme Manager)
- (Programme Officer);

The supplier and relevant consultants will be responsible for making their own travel and logistical arrangements.

**Annex 1: REDACTED****Annex 2: Governance Structure****UK-Ghana Jobs and Economic Transformation (JET)****Terms of Reference for the Programme Steering Committee (PSC)**

Management, oversight and quality assurance of the JET programme will be provided by the entities detailed below.



The **JET Programme Steering Committee (PSC)** is expected to:

- Provide a forum for UK-GoG dialogue on sector interventions, programme progress and direction. Where appropriate the PSC will elevate issues of investment and other opportunities to the high-level **Economic Development Forum**;
- Lead the organisation of annual **investment summits** to raise investor interest in priority industrial sectors. The first summit is expected to be used to formally launch the JET programme.
- Engage with The **Strategic Advisory Panel (SAP)** who will provide an external technical advisory and challenge function on the programme, advising on wider investor sentiment relating to Ghana, sharing global lessons on industrialisation from other countries and using information generated by the programme to advise on upcoming financing decisions.

The PSC will be co-chaired by the FCDO Ghana Development Director and a senior government of Ghana (GoG) representative leading trade, industrialisation and investment (likely to be the Minister of Trade and Industry). Membership will comprise of senior representatives from GoG, including from the Ministry of Trade and Industry (MoTI), the Office of the Vice President, the Ghana Investment Promotion Council (GIPC), the Ghana Free Zones Board

(GFZB) and the Ghana Export Promotion Authority (GEPA). Other representatives from the Economic Development Forum will be invited to join PSC meetings when appropriate.

The PSC will convene every six months and at key decision points in the programme life (to be agreed during the mobilisation phase when finalising the implementation roadmap).

The PSC will be inaugurated after programme approval and detailed ToRs agreed with members of the group.

## **PSC members**

1. **FCDO** will manage and oversee the programme on behalf of the UK Government. The Senior Responsible Officer for the programme is the Team Leader of the Governance and Economic Transformation Team (GETT) in FCDO Ghana and will ensure strong programme compliance and senior-level influence. The Lead Adviser will be the Private Sector Development Adviser and will lead the day-to-day delivery and technical direction of the programme. Programme management and financial oversight will be provided by a Deputy Programme Manager within GETT and a programme officer. All FCDO staff working on this programme will be expected to have regular contact with direct and indirect beneficiaries of the programme.
2. **Government of Ghana representatives** in the PSC will:
  - Identify teams within respective agencies and departments to work with the programme;
  - Provide strategic direction on government priorities around industrialisation, investment and jobs;
  - Work with the technical service provider (TSP) and private sector on key interventions to deliver investment and jobs in priority industrial anchor sectors;
  - Agree ToRs with FCDO and the TSP for key pieces of work and programme deliverables;
  - Participate in the panel for the selection of the TSP.
3. The **TSP** will coordinate and manage delivery with multiple stakeholders. It is expected to operate a lean management structure that provides technical direction and other support for the government of Ghana and private sector delivery of programme outputs. Specifically, the TSP is expected to:
  - Build capacity within government to deliver work in target sectors including engaging with government to set up appropriate governance structures to ensure greater policy coordination and engagement with investors;
  - Provide support including results-based grants to third parties in both the public and private sectors to deliver specific programme outputs;
  - Provide call down technical advisory support to the GoG and investors;

- Capture changes at an industry level to assess programme performance;
- Engage with UK Government stakeholders in Ghana on specific UK investor interest or opportunities in target sectors;
- Act as a secretariat for the PSC.

### **Strategic Response Fund (SRF)**

A Strategic Response Fund (SRF) will be used to support (technical assistance) the public and private sector around a range of issues in support of Ghana's industrialisation and economic transformation agenda ahead of the appointment of the TSP.

The **Strategic Advisory Panel (SAP)** will provide an external technical advisory and challenge function on the programme, advising on wider investor sentiment relating to Ghana, sharing global lessons on industrialisation and using information generated by the programme to advice on upcoming investment decisions. The SAP will be constituted of industry specialists, including representatives from CDC and PIDG, other CMPs such as Invest Africa and other leading equity and public investment experts. The panel will come together every six months but can be convened earlier if required.

**Appendix A: of Contract Section 3 (Terms of Reference)**  
**Schedule of Processing, Personal Data and Data Subjects *REDACTED***