

Section 4 Appendix A

CALLDOWN CONTRACT

Framework Agreement with: **IMC Worldwide Ltd**

Framework Agreement for: **Expert Advisory Call down Service (EACDS)**

Framework Agreement Purchase Order Number: **PO 7468**

Call-down Contract For: **THE IMPLEMENTATION OF THE ZIMBABWE BUSINESS ENABLING ENVIRONMENT PROGRAMME (BEEP)**

Contract Purchase Order Number: **PO 7942**

I refer to the following:

1. The above mentioned Framework Agreement dated 30th September 2016;
2. Your proposal of 28-2-17

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 **31st March 2017** ("the Start Date") and the Services shall be completed by **31st December 2017** ("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 Government of Zimbabwe, BMOs, research institutions and business media. ("the Recipient").

3. Financial Limit

- 3.1 Payments under this Call-down Contract shall not exceed **£888,883.56** ("the Financial Limit") and is exclusive of any government tax, if applicable as detailed in Annex B. OR

4. DFID Officials

- 4.1 The Project Officer is:

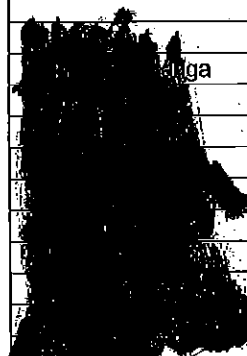
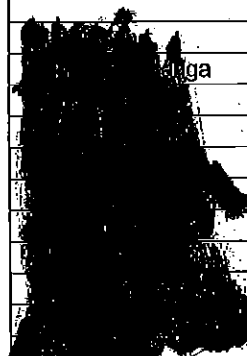
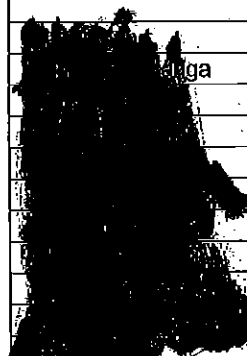
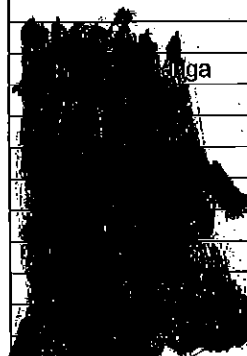
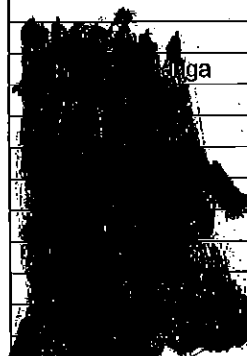
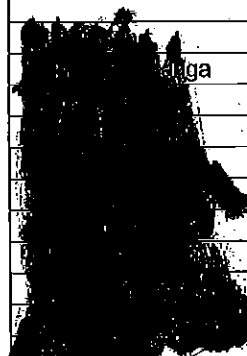
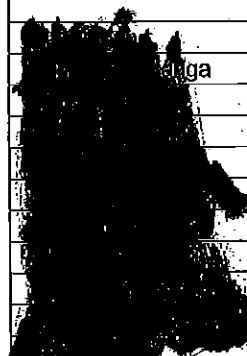
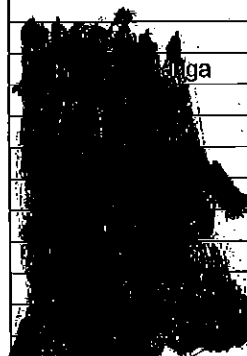
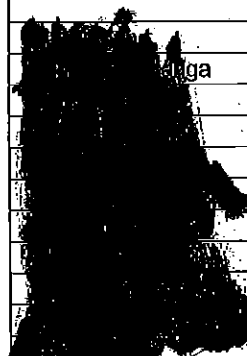
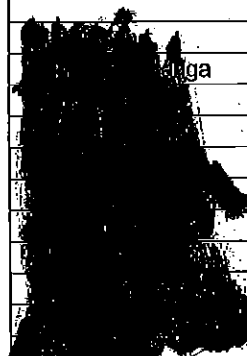
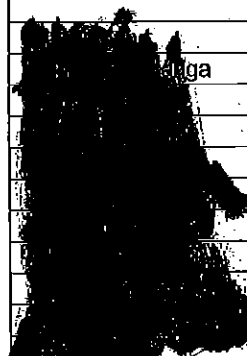
 DFID Zimbabwe Economic Advisor

4.2 The Contract Officer is:

 Procurement Specialist (EK)

5. Key Personnel

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

Name	Position	Fee Band	Country
	MDA Manager	National Principal Expert	Zimbabwe
	BMO Manager	National Principal Expert	Zimbabwe
	Media Manager	National Senior Expert	Zimbabwe
	Research Manager	Principal Senior Expert	Zimbabwe
	MRM Manager	Principal Senior Expert	Zimbabwe
	Finance Manager	National Senior Expert	Zimbabwe
	Office Assistant	National Assistant Expert	Zimbabwe
	Office Driver	National Assistant Expert	Zimbabwe
	QAL	International Principal Expert	UK
	ST specialists	TBD / varies	TBD
	Programme Manager	International Expert	UK

6. Reports

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

7. Additional Documents

- 2016 03-13 PROPOSAL 010 Zimbabwe BEEP (17-03-17)

8. Duty of Care

All Supplier Personnel (as defined in Section 2 of the Agreement) engaged under this Call-down Contract will come under the duty of care of the Supplier:

- 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.
- 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:



Department
for International
Development



- 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. Call-down Contract Signature

- 9.1 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
IMC

Name:
Position:
Signature:
Date:

TERMS OF REFERENCE FOR THE IMPLEMENTATION OF THE ZIMBABWE BUSINESS ENABLING ENVIRONMENT PROGRAMME (BEEP)

A Service Provider (SP) will be contracted by DFID to provide the services as noted below on a design and implement basis.

1. Background

Zimbabwe's broad investment climate and more specifically its business environment deteriorated during 'the lost decade' (1999-2008), where GDP contracted by over 45% and inflation peaked at over 231 million percent. This period was characterised by political instability and a raft of inconsistent and poorly implemented economic policies. The post dollarization recovery (2009-2013) while notable was constrained by the poor and further deteriorating business environment and since 2014, economic growth and investment (both foreign and domestic) have stalled.

The poor business environment is in part due to the limited ability of business membership organisations (BMO's) and the media to effectively influence Government of Zimbabwe (GoZ) policy on growth and economic governance. These entities lack analytical and influencing capacity, which has led to an unstructured and unbalanced approach to policy dialogue. The result has been a policy agenda driven predominantly by a handful of large companies or based on patronage ties and special interests. Global experience shows that governments often initiate policy and regulatory reform in response to private sector advocacy.

2. The Objective

- The Business Enabling Environment Programme (BEEP) aims to improve the business advocacy process in Zimbabwe by assisting key participants in the advocacy 'market'. These include:
 - BMO's and the business media (demand-side);
 - Government Ministries, Department and Agencies (MDA's) (supply-side)
 - Research Institutions and think-tanks (information/service providers to the demand and supply sides)
- Assisting demand-side organisations will enhance their capacity to effectively advocate for change and their capacity to then monitor Government's progress in effecting change. Improving the capacity of BMO's to advocate effectively for change and participate in public/private dialogue will lead to systemic improvements in the enabling environment contribute to sustainable economic growth. Furthermore, strengthening the capacity of research institutions (as well as BMO's and the media) to undertake effective policy research will enhance the advocacy capacity of the private sector by providing timely and policy-appropriate information. Supporting MDA's capacity to implement policy change will ensure that the market for advocacy operates efficiently and effectively
- The BEEP will provide technical assistance (TA) and capacity building support primarily to GoZ and BMO's. In doing so the programme will;
 - Stimulate dialogue between government and business on issues of importance to economic growth and ensure that policy is well-informed;
 - Assist BMO's and the media to conduct and access good quality research to strengthen the evidence base for the dialogue on key issues. This will provide the a strong base from which to formulate evidence-based policy positions;
 - Improve co-ordination and collaboration of pro-growth advocacy activities amongst business and trade associations, media and research institutions.
 - Support improvements in the leadership and governance of business and trade associations to enhance professionalism and sustainability of business associations and their core activities;

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- Work with relevant government MDAs (which set the policy for business activity) in providing relevant and appropriate supply side responses to the BEEP's demand-side activities;
 - Identify possible champions of reforms and those who would possibly block reform efforts of this initiative, with the aim of achieving their buy-in.
- The principal areas to be covered by BEEP relate to policy reform, regulation, and Institutional performance. The programme will assist stakeholders to:
 - Strengthen the evidence base for business friendly policy, legal and regulatory change,
 - Identify ways in addressing critical regulatory and institutional constraints,
 - Develop communications strategies to influence stakeholders (through public opinion broadly or amongst small groups of decision-takers).

3. The Recipients

- The main recipients of the BEEP services will be GoZ, BMOs, research institutions and business media. The programme is an 11 month extension to DFID's recently completed core business environment reform programme (2013-2016) and will run from February 2017 to December 2017. DFID will commit £900,000 to the programme.

4. Scope of Work

- The programme will work at a national level, supporting national organisations and their provincial chapters where appropriate. In addition it will provide TA to state organisations and media in the main economic hubs of the country.
- The BEEP will track particular issues relevant to overcoming constraints to economic growth as well as working alongside key institutions (both public and private) to raise their capacity to effectively respond to changing economic, social and political conditions.
- Phase 2 of the business environment reform programme is currently under design. A key part of the delivery of this extension is to facilitate a well-structured and orderly transition from the phase 1 extension into the phase 2 business environment reform programme.

5. Methodology

- The BEEP will provide TA, capacity building support and support for operational costs to selected partners. Partners will initiate the engagement through the submission of proposals for individual projects. Proposals that seek to take a more strategic approach by combining a number of projects which cut across principal areas (involving a coalition of organisations) will also be encouraged.
- Supporting BMO's in a structured and strategic manner will provide opportunities for collaboration and partnership amongst key institutions as opposed to fostering potentially damaging competition amongst institutions.
- The BEEP will operate as a "managed investment fund"; the SP will play a hands-on role in developing project proposals with partners just as an equity investor does when investing in a new venture. This has the benefit of effectively reducing fiduciary risk as only reputable partners are likely to be selected and projects will be focused on the BEEP's objectives.
- Project development will however, remain a demand-driven process. Where such proposals are weak in their presentation, the SP will provide assistance through the provision of expert consultancy services to strengthen proposals. The SP will also proactively engage BMO's to

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encourage the adoption of innovative, Zimbabwe-specific practices and strategies for business advocacy. Support from the BEEP will aim to help BMO's absorb the cost and risk of associated with this process of innovation.

- In order to deliver more systemic support to advocacy organizations, the SP will be also be allowed to develop and finance projects through direct commissions. This mechanism will be for projects that are felt to be warranted but which are unlikely to attract proposals. For instance the SP will have the flexibility to support organisations that are deemed necessary for effective advocacy (such as media organizations, or policy research institutions) to develop the capacity and design new products for BMO's. The SP will also be able to use this facility to support other nascent organisations, which are relevant to particular policy issues, to increase their capacity and allow them to contribute more effectively to the ongoing policy dialogue.
- Except in unique circumstances, for instance where a potential partner has very limited financial capacity, BEEP projects will require partners to make a contribution towards project costs.
- The programme itself will be structured such that applicants' progress through a staged process as follows:
 - Submission of a project concept note which explains the concept, partners involved, the intended outcome and an estimated budget. This will provide an opportunity for the SP to comment on the proposal and suggest ways in which it can be strengthened.
 - Applicants will be asked to submit a detailed proposal which sets out what they want to do and how it will be achieved together with targets and a budget and timescale. The proposal will be assessed against detailed criteria (made available to all applicants). These criteria will be developed by the SP and agreed with DFID during the design phase.
 - All applications that are assessed will be submitted to a Project Approval Committee (PAC). The PAC will be constituted by the SP (in consultation with DFID) during the design phase with the objective of providing a degree of independence in decision-making.
- Organisations that submit proposals will provide:
 - A sensible and properly costed proposal with clearly specified objectives and targets and an explanation of how the project complements the organisation's other activities;
 - A detailed budget of expenditure, and expected income if from more than one source (recognising that greater leverage will improve the chances of success and that multi-year budgets will be expected to decline as income from other sources increases);
 - Evidence that it is a genuine BMO and that members pay towards the cost of the organisation, or else have a plan showing how the organisation intends to move towards sustainability.
- The SP will be responsible for all the operations of the fund, including but not limited to: marketing, outreach and public information; design and operation of application and assessment procedures; arranging for and contracting of technical assistance (where required) and outreach awards to assist emerging and weak associations to submit applications; assessing applications against criteria; concluding project agreements with successful applicants; disbursement of support; monitoring of projects; proposing rules and procedures for approval by the PAC - including periodic amendments; keeping accurate records of disbursements and financial reporting; brief quarterly reporting and identifying and sharing lessons.
- The SP will be responsible for: reviewing the sum contribution of the overall portfolio programme interventions to the project purpose; reviewing key individual interventions;; ensuring the efficacy.

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efficiency and financial probity of the funds disbursed; periodic external reviews of systems, outputs and impact, and recommending necessary changes.

- In implementing the BEEP, the SP will work closely with other programmes supported by DFID, other development partners and the GoZ. These include:
 - DFID's Pro-poor Growth Programme (PPG).
 - DFID's Livelihoods and Food Security Programme (LFSP)
 - DFID's Transparency Responsiveness Accountability and Citizen Engagement Fund (TRACE)
 - The Zimbabwe Reconstruction Fund (ZIMREF) - The World Bank multi-donor Trust Fund.
 - Government led growth strategies such as ZIMASSET,
 - IMF's Staff Monitored Programme.
 - EU's Trade and Private Sector Development (TPSD) Programme.
 - Ad-hoc UNDP-led business environment initiatives.
 - Other initiatives as appropriate.
- The SP will identify, screen, select and support approved projects by providing external TA (where required) or supporting specific activities. Specific project activities may also involve the issuance of grants. Procurement will be implemented in accordance with robust and transparent guidelines. For all projects over a certain size (the threshold to be determined by the SP during the Inception phase), TA providers must be selected on the basis of a competitive tender, with an explicit evaluation of competing bids consistent with DFID guidelines. Beneficiaries will be asked to comment on the short-list of TA providers but not approve final selection. The procurement guidelines will be developed by the SP during the inception phase and agreed with DFID.

6. Monitoring and Reporting

- The SP will monitor the progress of the implementation of individual interventions and will produce impact assessment reports.
- The SP will attempt to resolve any issues encountered by beneficiaries and/or service providers in the first instance and revert to DFID if no resolution is agreed.
- On a quarterly basis the SP will meet with DFID to discuss progress and the next quarter's activities.
- The SP will provide a brief quarterly report and a detailed bi-annual report to DFID on the status of ongoing projects, highlighting any projects considered to be at risk of failing to deliver their expected outputs. The SP will also produce a project completion report at the end of the programme. Reporting formats will be agreed as part of the business plan.
- DFID will determine what form of ex post evaluation of completed projects should be undertaken, either by the programme managers or by independent evaluators.
- The SP will provide financial projections to DFID on a quarterly basis.

7. Outputs and deliverables

- The SP will be required to submit the following for DFID's approval within 1 month of the beginning of the contract.

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1. An inception report after 1 week to ensure that the SP is developing a programme in line with DFID's envisioned outcome
2. A Business Plan which sets out the approach to deliver the BEEP including, but not limited to;
 - o The organisation structure, roles and responsibilities, and a work plan for February 2017 – December 2017.
 - o Proposed implementing partners and recipients; including evidence that relationships have been established and that there is a willingness to engage.
 - o A proposed logframe for the BEEP with key outputs, outcomes and impacts of the programme and indicators which are specific, measurable, achievable, realistic and timely (SMART). Results will be disaggregated by gender, and challenging targets for the proportion of women beneficiaries will be agreed with DFID during the design phase.
 - o Value for Money strategy/assessment.
 - o A detailed budget proposal with milestones for payments linked to clear deliverables.

- Following approval by DFID, the Business Plan and a suitably detailed logframe will constitute the principle delivery for the SP. The SP will be required to implement the programme in line with its recommendations and international best practice. The SP will be monitored against the business plan and logframe.
- The SP will be required to submit a brief quarterly report for to support an annual strategic review and a "completion report" at the end of the contract.
- DFID reserves the right to scale the programme up or down based on performance, and to terminate the contract if performance is unsatisfactory. The key review points for the programme and contract will be at delivery of the inception report (1 week post signing contract), delivery of the first business plan (2 weeks post signing contract). If DFID decides not to proceed to the implementation phase, the contract will be terminated at no further cost to DFID, with the design and associated work including business plan being the property of DFID.

8. Budget

- The total budget for BEEP is £900,000, which the SP will be required to pre-finance and claim back monthly invoices on a cost recovery basis.
- A limit to the disbursement rate will not immediately be set. However if this rate becomes too high given the length of the programme, this will be revisited.

9. Timeframe

- The BEEP is expected to be fully operational by March 2017 and continue until December 2017.

10. Qualifications of SP

- The selected SP shall have the following skills, expertise and experience:
 - Ability to design, deliver, monitor and evaluate market development/M4P programmes.
 - A successful track record of implementing projects in support of economic growth and poverty reduction in Sub Saharan Africa.
 - Ability to deploy experts who have a strong track record and commitment to poverty and gender equity issues, and have acquired knowledge of the M4P approach.

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- Location of the core Implementing team within Zimbabwe will be agreed with DFID during the design phase.
- DFID Zimbabwe encourages collaboration with local organisations to maximise positive multiplier effects across the Zimbabwean economy and to increase the pool of local expertise. It is expected that the SP will award a number of sub-contracts to local consultancies, NGOs or academic organisations.

11. Duty of Care

- The SP will be responsible for their own safety and well-being (as defined in Section 2 of the Contract) and Third Parties affected by the consultants' activities under this contract, including appropriate security arrangements. The SP will also be responsible for the provision of suitable security arrangements for their domestic and business property.
- DFID will share available information (including its own risk assessment table below) with the consultants on security status and developments in-country where appropriate. DFID will provide the following:
 - The consultants will be offered a security briefing by the British Embassy on arrival. They must register with their respective Embassies to ensure that they are included in emergency procedures.
 - A copy of the DFID visitor notes (and a further copy each time these are updated).
 - The consultants are 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 consultant must ensure that he/she (and their Personnel) is up to date with the latest position.
- Bidders must develop their Tender on the basis of being fully responsible for Duty of Care in line with the details provided above and the initial risk assessment matrix developed by DFID (see Annex D of this ToR). The consultant must confirm in the Tender 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 capability to manage their Duty of Care responsibilities throughout the life of the contract.
- If SP is unwilling or unable to accept responsibility for Security and Duty of Care as detailed above, your Tender will be viewed as non-compliant and excluded from further evaluation.
- 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, Tenderers should consider the following questions:
 - a) 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 (if any), are appropriately trained (including specialist training where required) before they are deployed and will you ensure that on-going training is provided where necessary?

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- o 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)?
- o Have you ensured or will you ensure that your staff (if any) are provided with and have access to suitable equipment and will you ensure that this is reviewed and provided on an on-going basis?
- o Have you appropriate systems in place to manage an emergency / incident if one arises?

	Unlikely
Overall Risk	3 - Medium Risk
Information	
How often / how many	Not Available
Information	3 - Medium Risk
Supply	3 - Medium Risk
Violence / crime	2 - Low Risk
Explosion	3 - Medium Risk
Fire	Not Available
Wear	
Equipment	
Hardware	
Food	
Medical Services	2 - Low Risk