

CONTRACT FOR SUPPLIER SERVICES

Section 1 - FORM OF CONTRACT

CONTRACT FOR : **Innovations Knowledge Exchange Facility (IKEF) - Design and implementation of Innovations Knowledge Exchange Facility in the Agri-Food and Health Sectors between India and Low Income Countries**

PURCHASE ORDER NUMBER: **6880**

THIS CONTRACT is made

BETWEEN : The Secretary of State for International Development at the Department for International Development, British High Commission, Shantipath, Chanakyapuri, New Delhi, 110 021 (DFID);

AND : IMC Worldwide Ltd ("Supplier")
whose Registered Office is situated at 64-68 London Road, Redhill, Surrey, RH1 1LG

(together "the Parties").

WHEREAS:

- A.** DFID requires the Supplier to provide the services as defined in Section 3 (the "Services") to DFID India (the "Recipient"); and
- B.** the Supplier has agreed to provide the Services on the terms and conditions set out in this Contract.

IT IS HEREBY AGREED as follows:

1. Documents

This Contract shall be comprised of the following documents:

Section 1	Form of Contract
Section 2	General Conditions
Section 3	Terms of Reference
Section 4	Special Conditions
Section 5	Schedule of Prices

This Contract constitutes the entire agreement between the Parties in respect of the Suppliers obligations and supersedes all previous communications between the Parties, other than as expressly provided for in Section 3 and/or Section 4.

2. Contract Signature

If the Original Form of Contract is not returned to the Contract Officer (as identified in Section 4) duly completed (including the applicable Purchase Order Number at the top of Section 1), and 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 Contract void.

No payment will be made to the Supplier under this Contract until a copy of the Form of Contract, signed on behalf of the Supplier, is returned to the Contract Officer.

3. Commencement and Duration of the Services

The Supplier shall start the Services on 21 April 2015 (the "Start Date") and shall complete them by 20 April 2018 (the "End Date") unless this Contract is terminated earlier in accordance with its terms and conditions.

4. Financial Limit

Payments under this Contract shall not, in any circumstances, exceed **£3,293,656** (UK Pound Three Million Two Hundred Ninety Three Thousand Six Hundred Fifty Six only) exclusive of any government tax, if applicable (the "Financial Limit").

5. Time of the Essence

Time shall be of the essence as regards the performance by the Supplier of its obligations under this Contract.

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

Name:

Position: Procurement & Commercial Manager

Signature:

Date: 13 April 2015

For and on behalf of
IMC Worldwide Ltd

Name:

Position:

Signature:

Date:

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DEFINITIONS AND INTERPRETATION

1. Definitions

"Commercially Sensitive Information" the information listed in Section 4 comprising the information of a commercially sensitive nature relating to the Supplier, its intellectual property rights or its business of which the Supplier has indicated to DFID that, if disclosed by DFID, would cause the Supplier significant commercial disadvantage of material financial loss;

"Confidential Information" means all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, know-how, personnel and suppliers of either party, including all intellectual property rights, together with all information derived from any of the above, and any other information clearly being designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered to be confidential;

"the Supplier" means the person(s), partnership(s) or company (ies) with whom this Contract is placed.

"the Supplier's Personnel" means any person instructed pursuant to this Contract to undertake any of the Supplier's obligations under this Contract, including the Supplier's employees, agents and sub-contractors.

"the Contract Officer" means the person named in Section 4 who is responsible for all contractual aspects of the Contract.

"Contracting Authority" any contracting authority as defined in Regulation 5(2) of the Public Contracts (Works, Services and Supply) (Amendment) Regulations other than DFID;

"Crown Body" any department, office or agency of the Crown;

"Data Controller" shall have the same meanings as set out in the Data Protection Act 1998;

"DFID Data" means (a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are: (i) supplied to the Supplier by or on behalf of DFID; or (ii) which the Supplier is required to generate, process, store or transmit pursuant to this Agreement; or (b) any Personal Data for which DFID is the Data Controller;

"Data Processor" shall have the same meaning as set out in the Data Protection Act 1998;

"Data Protection Legislation" means the Data Protection Act 1998 and all other applicable laws and regulations relating to the processing of personal data and privacy, including without limitation, the guidance and codes of practice issued by the Information Commissioner;

"Data Subject" shall have the same meaning as set out in the Data Protection Act 1998;

"Environmental Information Regulations" means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issues by the Information Commissioner or relevant Government Department in relation to such regulations;

"the Equipment" means any equipment, computer hardware or software, materials, goods and vehicles and associated services necessarily required for the implementation of the Services, which the Supplier cannot reasonably be expected to provide, which are financed or provided by DFID for use by the Supplier.

"the Financial Limit" means the amount specified in Section 1 and is the maximum amount payable by DFID under this Contract.

"FOIA" means the Freedom of Information Act 2000 and any subordinate legislation made under this Act from time to time, together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government Department in relation to such legislation;

"Information" has the meaning given under Section 84 of the Freedom of Information Act 2000;

"Law" means any applicable law, statute, bye-law, regulation, order, regulatory policy, guidance or industry code, rule of court or directives or requirements of any Regulatory Body, delegated or subordinate legislation or notice of any Regulatory Body;

"Personal Data" shall have the same meaning as set out in the Data Protection Act 1998;

"Process" has the meaning given to it under the Data Protection Legislation but, for the purposes of this Contract, it shall include both manual and automatic processing;

"the Project Officer" means the person named in Section 4 who is responsible for issuing instructions and dealing with all correspondence in connection with the technical aspects of the Contract;

"Regulatory Bodies" means those government departments, regulatory, statutory and other entities, committees and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in this Contract or any other affairs of DFID and "Regulatory Body" shall be construed accordingly;

"Request for Information" a request for information or an apparent request under the FOIA, the Environmental Information Regulations and associated codes of practice;

"the Security Policy" means DFID's security policy, which can be accessed on DFID's website at <http://www.dfid.gov.uk/work-with-us/procurement/dfid-information-security-policy-for-contractorsconsultants/> or as notified to the Supplier from time to time;

"the Services" means the services set out in the Terms of Reference (Section 3).

2. Interpretation

2.1 In the event of any inconsistency between the Form of Contract (Section 1), these General Conditions (Section 2) and the Special Conditions (Section 4), the Special Conditions shall prevail.

2.2 Except as expressly provided in Clause 23 the Supplier is not the agent of DFID and has no authority to represent and shall not purport to represent or enter into any commitments on behalf of DFID in any respect.

2.3 Nothing in this Contract is intended to make nor shall it make DFID the employer of the Supplier or any of the Supplier's Personnel.

2.4 All communications by the Supplier relating to notifications or applications for consents or instructions must be addressed to the DFID Contract Officer whose name and address are given in Section 4.

OBLIGATIONS OF THE SUPPLIER

3. Obligations

3.1 The Supplier shall perform all its obligations under this Contract (including the provision of the Services) with all necessary skill, diligence, efficiency and economy to satisfy generally accepted professional standards expected from experts.

3.2 If the Supplier is a joint venture then each of the joint venture parties shall have joint and several liability in respect of the Supplier's obligations under this Contract.

4. Personnel

4.1 All members of the Supplier's Personnel shall be appropriately qualified, experienced and in a suitable physical condition so as to ensure that the Supplier complies with all the Supplier's obligations under this Contract.

4.2 No changes or substitutions may be made to members of the Supplier's Personnel identified as key personnel in Section 4 of this Contract without DFID's prior written consent.

4.3 If DFID considers any member of the Supplier's Personnel unsuitable, the Supplier shall substitute such member as quickly as reasonably possible without direct or indirect charge to DFID with a replacement acceptable to DFID.

4.4 The Supplier is responsible for all acts and omissions of the Supplier's Personnel and for the health, safety and security of such persons and their property. The provision of information by DFID shall not in any respect relieve the Supplier from responsibility for its obligations under this Contract. Positive evaluation of proposals and award of this Contract (or any subsequent Contract Amendments) is not an endorsement by DFID of the Supplier's security arrangements.

4.5 The Supplier shall comply with the Staff Vetting Procedures in respect of all Supplier's Personnel employed or engaged in the provision of the Services. The Supplier confirms that all Supplier's Personnel employed or engaged by the Supplier by the agreed start date of this contract were vetted and recruited on a basis that is equivalent to and no less strict than the Staff Vetting Procedures, as provided within DFID's Security Policy.

4.6 The Supplier shall provide training on a continuing basis for all Supplier Personnel employed or engaged in the provision of the Services in compliance with the Security Policy and the Security Plan.

5. Sub Contractors

5.1 The Supplier shall not sub-contract any of its obligations under this Contract without the prior written consent of DFID.

5.2 If, having obtained DFID's consent, the Supplier sub-contracts any of its obligations, the sub-contract shall:-

(a) provide that payments due to the sub-contractor shall be made not more than 30 days after provision to the Supplier of a valid invoice; and

(b) include rights for the Supplier and obligations on the sub-contractor to ensure that DFID's rights to require replacement of personnel (as set out in Clause 4.3) and DFID's rights and the Supplier's obligations (as detailed within this contract) can be enforced against the sub-contractor.

6. DFID Data

6.1 The Supplier shall not delete or remove any proprietary notices contained within or relating to DFID Data.

6.2 The Supplier shall not store, copy, disclose, or use DFID Data except as necessary for the performance by the Supplier of its obligations under this Contract or as otherwise expressly authorised in writing by DFID.

6.3 To the extent that DFID Data is held and/or processed by the Supplier, the Supplier shall supply that DFID Data to DFID as requested by DFID in the format(s) specified by DFID.

6.4 Upon receipt or creation by the Supplier of any DFID Data and during any collection, processing, storage and transmission by the Supplier of any DFID Data, the Supplier shall take responsibility for preserving the integrity of DFID Data and preventing the corruption or loss of DFID Data.

6.5 The Supplier shall perform secure back-ups of all DFID Data and shall ensure that up-to-date back-ups are stored off-site in accordance with the Security Policy. The Supplier shall ensure that such back-ups are available to DFID at all times upon request, with delivery times as specified by DFID.

6.6 The Supplier shall ensure that the system on which the Supplier holds any DFID Data, including back-up data, is a secure system that complies with the Security Policy.

6.7 If DFID Data is corrupted, lost or sufficiently degraded as a result of the Supplier's Default so as to be unusable, DFID may:

6.7.1 require the Supplier (at the Supplier's expense) to restore or procure the restoration of DFID Data to the extent and in accordance with the Business Continuity and Disaster Recovery Provisions specified in the Security Policy and the Supplier shall do so as soon as practicable but not later than three days following written request from DFID; and/or

6.7.2 itself restore or procure the restoration of DFID Data, and shall be repaid by the Supplier any reasonable expenses incurred in doing so to the extent and in accordance with the requirements specified in the Business Continuity and Disaster Recovery Provisions specified in the Security Policy.

6.8 If at any time the Supplier suspects or has reason to believe that DFID Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the Supplier shall notify DFID immediately and inform DFID of the remedial action the Supplier proposes to take.

7. Protection of Personal Data

7.1 With respect to the parties' rights and obligations under this Contract, the parties agree that DFID is the Data Controller and that the Supplier is the Data Processor.

7.2 The Supplier shall:

7.2.1 process the Personal Data only in accordance with instructions from DFID (which may be specific instructions or instructions of a general nature as set out in this Contract or as otherwise notified by DFID to the Supplier during the Term);

7.2.2 process the Personal Data only to the extent, and in such manner, as is necessary for the provision of the Services or as is required by Law or any Regulatory Body;

7.2.3 implement appropriate technical and organisational measures to protect the Personal Data against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure. These measures shall be appropriate to the harm which might result from any unauthorised or unlawful processing, accidental loss, destruction or damage to the Personal Data and having regard to the nature of the Personal Data which is to be protected;

7.2.4 take reasonable steps to ensure the reliability of any Supplier's Personnel who have access to the Personal Data;

7.2.5 obtain prior written consent from DFID in order to transfer the Personal Data to any Sub-contractors or Affiliates for the provision of the Services;

7.2.6 ensure that all Supplier's Personnel required to access the Personal Data are informed of the confidential nature of the Personal Data and comply with the obligations set out in this clause 7;

7.2.7 ensure that none of Supplier's Personnel publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by DFID;

7.2.8 notify DFID (within two Working Days) if it receives:

7.2.8.1 a request from a Data Subject to have access to that person's Personal Data; or

7.2.8.2 a complaint or request relating to DFID's obligations under the Data Protection Legislation;

7.2.9 provide DFID with full cooperation and assistance in relation to any complaint or request made, including by:

7.2.9.1 providing DFID with full details of the complaint or request;

7.2.9.2 complying with a data access request within the relevant timescales set out in the Data Protection Legislation and in accordance with DFID's instructions;

7.2.9.3 providing DFID with any Personal Data it holds in relation to a Data Subject (within the timescales required by DFID); and

7.2.9.4 providing DFID with any information requested by DFID;

7.2.10 permit DFID or its representatives (subject to reasonable and appropriate confidentiality undertakings), to inspect and audit, in accordance with clause 16 (Access and Audit), Supplier's data processing activities (and/or those of its agents, subsidiaries and Sub-contractors) and comply with all reasonable requests or directions by DFID to enable DFID to verify and/or procure that the Supplier is in full compliance with its obligations under this Contract;

7.2.11 provide a written description of the technical and organisational methods employed by the Supplier for processing Personal Data (within the timescales required by DFID); and

7.2.12 not Process Personal Data outside the United Kingdom without the prior written consent of DFID and, where DFID consents to a transfer, to comply with:

7.2.12.1 the obligations of a Data Controller under the Eighth Data Protection Principle set out in Schedule 1 of the Data Protection Act 1998 by providing an adequate level of protection to any Personal Data that is transferred; and

7.2.12.2 any reasonable instructions notified to it by DFID.

7.3 The Supplier shall comply at all times with the Data Protection Legislation and shall not perform its obligations under this Contract in such a way as to cause DFID to breach any of its applicable obligations under the Data Protection Legislation.

8. Freedom of Information

8.1 The Supplier acknowledges that DFID is subject to the requirements of the FOIA, the Environmental Information Regulations and associated codes of practice shall assist and cooperate with DFID to enable DFID to comply with its Information disclosure obligations.

8.2 The Supplier shall and shall ensure that its Sub-contractors shall:

8.2.1 transfer to DFID all Requests for Information that it receives as soon as practicable and in any event within two Working Days of receiving a Request for Information;

8.2.2 provide DFID with a copy of all Information in its possession, or power in the form that DFID requires within five Working Days (or such other period as DFID may specify) of DFID's request; and

8.2.3 provide all necessary assistance as reasonably requested by DFID to enable DFID to respond to the Request for Information within the time for compliance set out in section 10 of the FOIA or regulation 5 of the Environmental Information Regulations.

8.3 DFID shall be responsible for determining in its absolute discretion and notwithstanding any other provision in this Contract or any other agreement whether the Commercially Sensitive Information and/or any other Information is exempt from disclosure in accordance with the provisions of the FOIA, the Environmental Information Regulations and associated codes of practice.

8.4 In no event shall the Supplier respond directly to a Request for Information unless expressly authorised to do so by DFID.

8.5 The Supplier acknowledges that (notwithstanding the provisions of Clause 8) DFID may, acting in accordance with the Department of Constitutional Affairs' Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the Freedom of Information Act 2000 ("**the Code**"), be obliged under the FOIA, or the Environmental Information Regulations to disclose information concerning the Contractor or the Services:

8.5.1 in certain circumstances without consulting the Supplier; or

8.5.2 following consultation with the Contractor and having taken their views into account;

provided always that where 8.5.1 applies DFID shall, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give the Supplier advanced notice, or failing that, to draw the disclosure to the Supplier's attention after any such disclosure.

8.6 The Supplier shall ensure that all Information is retained for disclosure in accordance with clauses 8.7 and 8.8 and shall permit DFID to inspect such records as requested from time to time.

8.7 The Supplier shall, during this Contract and for a period of at least seven years following the expiry or termination of this Contract, retain and maintain all Information:

8.7.1 in accordance with the requirements of the Public Records Office and in accordance with the exercise of the degree of care that would be expected from a leading company within the relevant industry or business sector;

8.7.2 in chronological order;

8.7.3 in a form that is capable of audit;

8.7.4 at its own expense.

8.8 Wherever practical, original Information shall be retained and maintained in hard copy form.

8.9 The Supplier acknowledges that any Commercially Sensitive Information noted within this contract is of indicative value only and that DFID may be obliged to disclose it in accordance with clause 8.5.

9. Confidentiality

9.1 Except to the extent set out in this clause or where disclosure is expressly permitted elsewhere in this Contract, each party shall:

9.1.1 treat the other party's Confidential Information as confidential and safeguard it accordingly; and

9.1.2 not disclose the other party's Confidential Information to any other person without the owner's prior written consent.

9.2 Clause 9.1 shall not apply to the extent that:

9.2.1 such disclosure is a requirement of Law placed upon the party making the disclosure, including any requirements for disclosure under the FOIA, the Environmental Information Regulations and associated codes of practice pursuant to clause 42 (Freedom of Information);

9.2.2 such information was in the possession of the party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;

9.2.3 such information was obtained from a third party without obligation of confidentiality;

9.2.4 such information was already in the public domain at the time of disclosure otherwise than by a breach of this Contract; or

9.2.5 it is independently developed without access to the other party's Confidential Information.

9.3 The Supplier may only disclose DFID's Confidential Information to the Supplier's Personnel who are directly involved in the provision of the Services and who need to know the information, and shall ensure that such Supplier's Personnel are aware of and shall comply with these obligations as to confidentiality.

9.4 The Supplier shall not, and shall procure that the Supplier's Personnel do not, use any of DFID's Confidential Information received otherwise than for the purposes of this Contract.

9.5 At the written request of DFID, the Supplier shall procure that those members of the Supplier's Personnel identified in DFID's notice signs a confidentiality undertaking prior to commencing any work in accordance with this Contract.

9.6 Nothing in this Contract shall prevent DFID from disclosing the Supplier's Confidential Information:

9.6.1 to any Crown Body or any other Contracting Authority. All Crown Bodies or Contracting Authorities receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other Crown Bodies or other Contracting Authorities on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any Crown Body or any Contracting Authority;

9.6.2 to any person conducting an Office of Government Commerce gateway review;

9.6.3 for the purpose of the examination and certification of DFID's accounts; or

9.6.4 for any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which DFID has used its resources.

9.7 DFID shall use all reasonable endeavours to ensure that any government department, Contracting Authority, employee, third party or Sub-contractor to whom the Contractor's Confidential Information is disclosed pursuant to clause 9.6 is made aware of DFID's obligations of confidentiality.

9.8 Nothing in this clause 9 shall prevent either party from using any techniques, ideas or know-how gained during the performance of the Contract in the course of its normal business to the extent that this use does not result in a disclosure of the other party's Confidential Information or an infringement of IPR.

10. Warranties

10.1 The Supplier warrants, represents and undertakes for the duration of the Term that:

10.1.1 all personnel used to provide the Services will be vetted in accordance with Good Industry Practice and the Security Policy;

10.1.2 it has and will continue to hold all necessary (if any) regulatory approvals from the Regulatory Bodies necessary to perform the Supplier's obligations under this Contract;

10.1.3 it has and will continue to have all necessary rights in and to the Supplier's Software or the Third Party Software and/or the Supplier's Background IPRs, or any other materials made available by the Supplier and/or the Sub-contractors to DFID necessary to perform the Supplier's obligations under this Contract;

10.1.4 in performing its obligations under this Contract, all Software used by or on behalf of the Supplier will:

10.1.4.1 be currently supported versions of that Software; and

10.1.4.2 perform in all material respects in accordance with its specification,

10.1.5 as at the agreed Contract start date all statements and representations in the Supplier's response to the ITT and any follow up information provided by the Supplier are to the best of its knowledge, information and belief, true and accurate and that it will advise DFID of any fact, matter or circumstance of which it may become aware which would render any such statement or representation to be false or misleading;

10.1.6 as detailed in this contract or at the request of DFID, the Supplier will provide a Business Process Manual and supporting documentation containing all necessary information and explanation required for the purpose of executing the Exit Plan and for suitably qualified employees of DFID or of the Replacement Contractor to be able to use the Software and receive the Services and to perform the Replacement Services on termination or expiry; and

10.1.7 the Supplier's system and assets used in the performance of the Services:

10.1.7.1 will be free of all encumbrances [any exceptions must be agreed in writing with DFID]

10.1.7.2 will be Date Compliant; and

10.1.7.3 will be Euro Compliant.

10.1.8 it shall at all times comply with Law in carrying out its obligations under this Contract.

11. Security Requirements

11.1 The Supplier shall comply, and shall procure the compliance of the Suppliers Personnel, with the Security Policy and the Security Plan and the Supplier shall ensure that the Security Plan produced by the Supplier fully complies with the Security Policy.

11.2 DFID's Security Policy can be accessed on the DFID website at <http://www.dfid.gov.uk/work-with-us/procurement/dfid-information-security-policy-for-contractorsconsultants/> or as notified to the Supplier from time to time. The Supplier shall ensure that they keep up to date with the latest version of the Security Policy on this website.

11.3 If the Supplier believes that a change to the Security Policy will have a material and unavoidable cost implication to the Services it may submit a Change Request. In doing so, the Supplier must support its request by providing evidence of the cause of any increased costs and the steps that it has taken to mitigate those costs. Any change to the Charges shall then be agreed in discussion with the Contract Officer.

11.4 Until and/or unless a change to the Charges is agreed by DFID pursuant to clause 11.3 the Supplier shall continue to perform the Services in accordance with its existing obligations.

12. Malicious Software

12.1 The Supplier shall, as an enduring obligation throughout the Term, use the latest versions of anti-virus definitions available [from an industry accepted anti-virus software vendor] to check for and delete Malicious Software from the ICT Environment.

12.2 Notwithstanding clause 12.1 if Malicious Software is found, the parties shall co-operate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of DFID Data, assist each other to mitigate any losses and to restore the Services to their desired operating efficiency.

12.3 Any cost arising out of the actions of the parties taken in compliance with the provisions of clause 12.2 shall be borne by the parties as follows:

12.3.1 by the Supplier where the Malicious Software originates from the Supplier's Software, the Third Party Software or the DFID Data (whilst the DFID Data was under the control of the Contractor); and

12.3.2 by DFID if the Malicious Software originates from the DFID Software or the DFID Data (whilst DFID Data was under the control of DFID).

13. Disclosure of Information

13.1 The Supplier and the Supplier's Personnel shall not, without the prior written consent of DFID, disclose to any third party any confidential information obtained during or arising from this Contract (other than in the proper performance of this Contract or as may be required by authority of competent jurisdiction). In addition, no publicity is to be given to this contract without the prior written consent of DFID.

14. Intellectual Property Rights

14.1 All intellectual property rights in all material (including but not limited to reports, data, designs whether or not electronically stored) produced by the Supplier or the Supplier's Personnel pursuant to the performance of the Services ("the Material") shall be the property of the Supplier.

14.2 The Supplier hereby grants to DFID a world-wide, non-exclusive, irrevocable, royalty-free licence to use all the Material.

14.3 For the purpose of Clause 14.2, "use" shall mean, without limitation, the reproduction, publication and sub-licence of all the Material and the intellectual property rights therein, including the reproduction and sale of the Material and products incorporating the same for use by any person or for sale or other dealing anywhere in the world.

15. Official Secrets Acts

15.1 The Supplier shall ensure that all members of the Supplier's Personnel are aware that the Official Secrets Acts 1911 to 1989 apply to them.

16. Access and Audit

16.1 The Supplier shall keep accurate and systematic accounts, files and records ("the Records"). The Records shall clearly identify, among other things, the basis upon which invoices have been calculated and the Supplier shall keep the Records throughout the duration of this Contract and for six years following its termination.

16.2 The Supplier shall upon request provide DFID or its representatives including the National Audit Office, unrestricted access to the Records in order that the Records may be inspected and copied. The Supplier shall co-operate fully in providing to DFID or its representative's answers to such enquiries as may be made about the Records.

16.3 Where it is found by DFID that any overpayment has been made to the Supplier the Supplier shall reimburse DFID such amount within 28 days of the date of DFID's written demand.

17. Corruption, Commission, Discounts and Fraud

17.1 The Supplier warrants and represents to DFID that neither the Supplier nor any of the Supplier's Personnel:

(a) has given, offered or agreed to give or accepted, any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of any contract or for showing or forbearing to show favour or disfavour to any person or entity in relation to any contract; or

(b) has entered into any contract in connection with which commission has been paid or agreed to be paid by or to the Supplier or Supplier's Personnel or on their behalf or to their knowledge unless, before such contract was made, particulars of any such commission and of the terms of any agreement for the payment of such commission were disclosed in writing to DFID, whose written consent was subsequently given to such payment.

17.2 Neither the Supplier nor any of the Supplier's Personnel shall accept for or on their own benefit any trade commission, discount or similar payment or benefit in connection with this Contract.

17.3 The Supplier undertakes that neither the Supplier nor the Supplier's Personnel shall attempt or commit any fraud, deception, financial or procedural wrongdoing in relation to the performance by the Supplier of its obligations under the Contract and shall immediately notify DFID of any circumstances giving rise to a suspicion that such wrongful activity may occur or has occurred.

18. Conflict of Interest

18.1 Neither the Supplier nor any of the Supplier's Personnel shall engage in any personal, business or professional activity which conflicts or could conflict with any of their obligations in relation to this Contract.

18.2 The Supplier and the Supplier's Personnel shall notify DFID immediately of any actual or potential conflict together with recommendations as to how the conflict can be avoided.

19. Discrimination

19.1 The Supplier shall not unlawfully discriminate within the meaning and scope of the provisions of the Race Relations Act 1976, the Sex Discrimination Acts 1975 and 1986, and the Disability Discrimination Act 1995 (as revised, amended or supplemented from time to time) or as prohibited by the laws of the place of the performance of any of the Services.

19.2 The Supplier shall take all reasonable steps to secure that the Supplier's Personnel do not unlawfully discriminate as set out in Clause 19.1.

20. Environmental Requirements

20.1 The Supplier shall take all reasonable steps to protect the environment in relation to the performance of the Services and shall comply with all applicable environmental laws, regulations and DFID practice.

21. Insurances

21.1 The Supplier shall maintain professional indemnity insurance cover of an amount not less than the Financial Limit.

21.2 At the request of DFID, or its representatives, the Supplier shall provide evidence showing that such insurance has been taken out and maintained and that current premiums have been paid.

22. Indemnity

22.1 Except where arising from the negligence of DFID or DFID's employees, the Supplier shall indemnify DFID in respect

of any costs or damages howsoever arising out of or related to breach of warranty or representation, contract or statutory

duty, or tortious acts or omissions by the Supplier or the Supplier's Personnel or any claims made against DFID by third parties in respect thereof.

PROCUREMENT AND EQUIPMENT

23. Procurement

23.1 Subject to Clause 23.4 all Equipment to be procured pursuant to this Contract and paid for by DFID shall be procured by a DFID registered procurement agent, acting as agent of DFID ("the Procurement Agent").

23.2 For the purpose of the appointment of a Procurement Agent and for this purpose only, the Supplier shall act as an agent of DFID.

23.3 The Supplier shall provide the Procurement Agent with sufficient details for the satisfactory procurement and delivery of Equipment and shall manage the Procurement Agent on DFID's behalf.

23.4 Where the total value of the Equipment is less than 50% of the Financial Limit or £100,000, whichever is less the Supplier may, subject to DFID's prior written consent, procure such Equipment.

23.5 All procurement of Equipment shall

(a) be undertaken in accordance with DFID Guidance on Procurement of Goods and Environmental Procurement Policy or such other procedures as may be agreed in writing by DFID;

(b) achieve "Value for Money" and be conducted in a fully transparent manner;

(c) be on the basis that the ownership in Equipment shall vest in DFID, and shall be so marked.

23.6 "Value for Money" shall mean procuring at the optimum combination of whole-life cost and quality to meet requirements.

24. Use of and Responsibility for Equipment

24.1 Equipment may only be used in providing the Services and shall be safely kept and maintained. Personal use of Equipment by the Supplier is not permitted unless DFID gives prior written consent.

24.2 The Supplier shall keep an up to date inventory of the Equipment its condition and location and make such inventory available to DFID immediately on request.

24.3 Subject to Clause 24.4 the Supplier shall be responsible for all loss or damage to Equipment other than that caused by fair wear and tear. The Supplier shall notify DFID immediately the Supplier becomes aware of any loss of or damage to Equipment.

24.4 Except as required by law, the Supplier shall not insure Equipment. DFID shall bear the risk in respect of loss or damage provided such loss or damage was not due to the Supplier's negligence and provided the Supplier obtains and pays to DFID such proper compensation as may be due from others.

24.5 The Supplier shall obtain DFID's instructions on the disposal of Equipment and comply with such instructions.

PRICE AND PAYMENT

25. Applicable Provisions and Financial Limit

25.1 Unless different provisions are substituted in Section 4, Clauses 25 to 29 inclusive shall apply in relation to price and payment.

25.2 The components which comprise the Financial Limit are set out in the Schedule of Prices, Section 5. No expenditure may be incurred in excess of the Financial Limit and no variations between components shown in the schedule of prices in Section 5 are permitted without the prior written authority of the Contract Officer.

26. Fees

26.1 Any fees payable are deemed to cover the cost of salary, overseas inducements, leave allowances, bonuses, profit, taxes, insurances, superannuation, non-working days and all other costs including, but not limited to, clothing, passports, visas and vaccinations, overheads and expenses of whatsoever nature that may be incurred except those otherwise specifically provided for in this Contract.

27. Expenses

27.1 Travel and living expenses will be paid at a rate consistent with the Schedule of Prices at Section 5 of the contract. All journeys by Rail or Air will be made by a class of travel that is no more than Standard / Economy.

28. Invoicing Instructions

28.1 Unless otherwise expressly provided in Section 4 or Section 5, invoices should be submitted monthly in arrears to the Accounts Payable Section, DFID Financial Management Group, Abercrombie House, Eaglesham Road, East Kilbride, Glasgow, G75 8EA, and in accordance with the remainder of clause 28.

28.2 DFID shall unless otherwise expressly provided in Section 4 make payments due by direct credit through the UK Bank Clearing Systems (BACS). All invoices must contain details of the UK bank account to which payments are to be made.

28.3 Invoices should include a form of letterhead, the Purchase Order number, bear an original signature and be numbered sequentially and dated. Each invoice should state the period the services were provided using "from" and "to" dates. The final invoice presented in connection with this Contract should be endorsed "Final Invoice".

28.4 All invoices should correspond with the budget lines identified in the Schedule of Prices, Section 5 of this Contract.

28.5 DFID may request proof of payment in respect of any item and shall be entitled to refuse to meet a claim if this cannot be provided.

28.6 Any invoice not presented in accordance with the above may be rejected and in any event shall be liable to query and delay in payment. DFID reserves the right not to pay any amount due in respect of an invoice received by DFID more than 90 days after the day of the Supplier becoming entitled to invoice for the payment to which it relates.

29. Payments

29.1 Subject to DFID being satisfied that the Supplier is or has been carrying out their duties, obligations and responsibilities under this Contract, sums duly approved shall be paid within 30 days of receipt of a valid invoice.

29.2 Payment shall be made in sterling in the UK. Expenses (if any) arising in foreign currency shall be reimbursed at the exchange rate stated in the London Financial Times "Guide to World Currencies" on the Friday immediately preceding the date on which the purchase was made or services acquired by the Supplier or, if this took place on a Friday, at the rate so stated on that day.

29.3 If for any reason DFID is dissatisfied with performance of this Contract, an appropriate sum may be withheld from any payment otherwise due. In such event DFID shall identify the particular Services with which it is dissatisfied together with the reasons for such dissatisfaction, and payment of the amount outstanding will be made upon remedy of any unsatisfactory work or resolution of outstanding queries.

29.4 Should DFID determine after paying for a particular service that the service has not been completed satisfactorily, DFID may recover, or withhold from further payments, an amount not exceeding that previously charged for that service until the unsatisfactory service is remedied to its satisfaction.

FORCE MAJEURE AND TERMINATION

30. Force Majeure

30.1 Where the performance by the Supplier of their obligations under this Contract is delayed, hindered or prevented by an event or events beyond the reasonable control of the Supplier and against which an experienced Supplier could not reasonably have been expected to take precautions, the Supplier shall promptly notify DFID in writing, specifying the nature of the force majeure event and stating the anticipated delay in the performance of this Contract.

30.2 From the date of receipt of notice given in accordance with Clause 30.1, DFID may, at its sole discretion, either suspend this Contract for up to a period of 6 months ("the Suspension Period") or terminate this Contract forthwith.

30.3 If by the end of the Suspension Period the parties have not agreed a further period of suspension or re-instatement of the Contract, this Contract shall terminate automatically.

31. Suspension or Termination without Default of the Supplier

31.1 DFID may, at its sole discretion, suspend or terminate this Contract at any time by so notifying the Supplier and giving the reason(s) for such suspension or termination.

31.2 Where this Contract has been suspended or terminated pursuant to Clause 31.1, the Supplier shall:

(a) take such steps as are necessary to terminate the provision of the Services, (including suspending or terminating any Sub-Contracts) in a cost-effective, timely and orderly manner; and

(b) provide to DFID, not more than 60 days after DFID notifies the Supplier of the suspension or termination of this Contract an account in writing, stating:

(i) any costs, if any, due before the date of suspension or termination;

(ii) any costs to be expended after the date of suspension or termination which the Supplier necessarily incurred in the proper performance of this Contract and which it cannot reasonably be expected to avoid or recover.

31.3 Subject to DFID's approval DFID shall pay such amount to the Supplier within 30 days after receipt from the Supplier of an Invoice in respect of the amount due.

32. Suspension or Termination with Default of the Supplier

32.1 DFID may notify the Supplier of the suspension or termination of this Contract where the Services or any part of them are not provided to the satisfaction of DFID, giving the reasons for such dissatisfaction and, in the case of suspension, the action required by the Supplier to remedy that dissatisfaction and the time within which it must be completed.

32.2 Where this Contract is suspended under Clause 32.1 and the Supplier subsequently fails to remedy the dissatisfaction DFID may terminate this Contract forthwith.

32.3 DFID may, without prejudice to its other rights, including but not limited to the right to claim for costs and losses incurred, terminate this Contract forthwith where:

(a) the Supplier or any member of the Supplier's Personnel, either directly or through their servants or agents, breaches any of their obligations under this Contract; or

(b) the Supplier or any member of the Supplier's Personnel has committed an offence under the Prevention of Corruption Acts 1889 to 1916 or the Anti-Terrorism Crime and Security Act 2001 or in breach of Clause 17 of this Contract; or

(c) the Supplier is an individual or a partnership and at any time:

(i) becomes bankrupt; or

(ii) is the subject of a receiving order or administration order; or

(iii) makes any composition or arrangement with or for the benefit of the Supplier's creditors; or

(iv) makes any conveyance or assignment for the benefit of the Supplier's creditors; or

(d) the Supplier is a company and:

(i) an order is made or a resolution is passed for the winding up of the Supplier; or

(ii) a receiver or administrator is appointed in respect of the whole or any part of the undertaking of the Supplier.

(e) the Supplier is a partnership or a company and there is a Change in Control. "Change in Control" means that the person(s) (including corporate bodies) directly or indirectly in Control of the Supplier at the time this Contract is entered into cease to be in Control. "Control" means the power of a person to secure that the affairs of the Supplier are conducted in accordance with the wishes of that person.

32.4 Where this Contract is terminated in accordance with this Clause, the Supplier shall without prejudice to DFID's other remedies, take any steps necessary to terminate the provision of the Services in a timely and orderly manner but shall not be entitled to any further payment in relation to this Contract.

32.5 Where this Contract is terminated pursuant to Clause 32.3(b) the Supplier shall pay DFID within 10 days of notification such amount as DFID shall have determined as the amount of any loss to DFID resulting from such termination together with the amount or value of any gift, consideration or commission concerned.

GENERAL PROVISIONS

33. Variations

33.1 No variation in the terms or scope of this Contract shall be effective without DFID's prior written consent and recorded in writing [in the form of a letter entitled "Contract Amendment No. "]. DFID shall have no liability in respect of work performed outside the Services set out in Section 3 .

34. Assignment

34.1 Except where clause 34.2 applies, the Supplier shall not, without the prior written consent of DFID, assign or transfer or cause to be assigned or transferred, whether actually or as the result of takeover, merger or other change of identity or character of the Supplier, any of its rights or obligations under this Contract or any part, share or interest therein.

34.2 Notwithstanding clause 34.1, the Supplier may assign to a third party ("**the Assignee**") the right to receive payment of the Contract Price or any part thereof due to the Supplier under this Contract (including any interest to which DFID is liable under the Late Payments of Commercial Debts (Interest) Act 1998). Any assignment under this clause 34.2 shall be subject to:

- (a) reduction of any sums in respect of which DFID exercises its right of recovery under clauses 29.3 and 29.4;
- (b) all related rights of DFID under the contract in relation to the recovery of sums due but unpaid; and
- (c) DFID receiving notification under both clauses 34.3 and 34.4.

34.3 In the event that the Supplier assigns the right to receive the Contract price under clause 34.2, the Supplier shall notify DFID in writing of the assignment and the date upon which the assignment becomes effective.

34.4 The Supplier shall notify DFID of the Assignee's contact information and bank account details to which DFID shall make payment.

35. Limit of Liability

35.1 Except where there has been misconduct, gross negligence, dishonesty or fraud on behalf of the Supplier or the Supplier's Personnel the Supplier's liability under this Contract shall be limited to the amount of the Financial Limit.

36. Retention of Rights

36.1 Clauses 5.2(b),6,7,8,9,11,12, 13, 14, 15 16, 22, 23, 35.1, 37 and 38 of this Section 2 and any relevant clauses listed under Section 4 shall continue in force following the termination of this Contract.

37. Law

37.1 This Contract shall be governed by the laws of England and Wales.

38. Amicable Settlement

38.1 The parties will attempt in good faith to negotiate a settlement to any claim or dispute between them arising out of or in connection with this Contract. If the matter is not resolved by negotiation the parties will refer the dispute to mediation in accordance with CEDR (Centre for Effective Dispute Resolution in London, UK) procedures. If the parties fail to agree terms of settlement within 90 days of the initiation of the procedure the dispute may be referred to an arbitrator as agreed between the parties or failing such agreement as may be nominated by the President of the Law Society of England and Wales upon application of any party. The initiation of the procedure is defined as the written request to CEDR by any party for a mediation provided that such request is copied to the other party (ies).

38.2 The decision of the arbitrator shall be final and binding on both parties.

38.3 The seat and place of arbitration shall be London.

39. Transparency of UK Government Spend

The parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of this Contract is not confidential information. DFID shall be responsible for determining in its absolute discretion whether any of the content of the Contract is exempt from disclosure in accordance with the provisions of the FOIA.

Notwithstanding any other term of this Contract, the Supplier hereby gives their consent for DFID to publish the Contract in its entirety, including from time to time agreed changes to the Contract, to the general public.

DFID may consult with the supplier to inform its decision regarding any exemptions but DFID shall have the final decision in its absolute discretion.

The Supplier shall assist and cooperate with DFID to enable DFID to publish this Contract.

40. United Kingdom Income Tax and National Insurance Contributions

40.1 Where the Supplier is liable to be taxed in the UK in respect of consideration received under this contract, it shall at all times comply with the Income Tax (Earnings and Pensions) Act 2003 (ITEPA) and all other statutes and regulations relating to income tax in respect of that consideration.

40.2 Where the Supplier is liable to National Insurance Contributions (NICs) in respect of consideration received under this contract, it shall at all times comply with the Social Security Contributions and Benefits Act 1992 (SSCBA) and all other statutes and regulations relating to NICs in respect of that consideration.

40.3 For those workers contracted on PAYE terms via the Supplier, their contract with the Supplier, signed in advance of any employment, will specifically state:

“The Temporary Staff shall be engaged by and shall sign terms of engagement with the Supplier and at no stage shall be deemed to have employment or co-employment with DFID. The Supplier shall be responsible for payment of remuneration of the Suppliers Temporary Staff and for making statutory deductions and payment of all statutory contributions in response of earnings in relation to National Insurance and the administration of Income Tax (PAYE) applicable to the Contractors Temporary Staff by Law.”

40.4 Where the Supplier engages a limited company (“The Company”) on behalf of DFID, the contract they enter into sets out that The Company has responsibility for, and indemnifies the Supplier in respect of any tax and NI payments:

“The Company shall indemnify the Employment Business in respect of any tax or employees national insurance together with any interest of penalties, costs or expenses incurred or arising out of or in connection with any such payments.”

Section 3

TERMS OF REFERENCE

Innovations Knowledge Exchange Facility (IKEF)

Design and implementation of Innovations Knowledge Exchange Facility in the Agri-Food and Health Sectors between India and Low Income Countries

1. INTRODUCTION

The Department for International Development (DFID) is the UK government's aid agency and provides development finance and support in emerging and developing countries. DFID works with the Indian government, civil society, NGOs and the private sector in India to support policies to reduce poverty and improve the quality of the lives of the poor.

India, with its growing markets, leadership in global policy fora, vibrant private sector and a young, educated population in search of new opportunities has a growing global footprint. India's low-cost, effective expertise, technologies, products and services and business models relevant in low-income, challenging settings draw a global audience.

In tackling issues of poverty and social and economic inclusion, India has demonstrated leadership in designing and implementing innovative solutions that reduce poverty and improve the quality of life at the bottom of the pyramid (BoP) and at scale. The impact of such innovations, also known as inclusive innovations, may result from cheaper or better products or services, creation of jobs or increased access to markets.

Such inclusive Indian innovations have demonstrable potential to impact the poor not just in India but also in other low income countries. However, while the potential for inclusive innovations to transform the lives of the poor in India and third countries remains substantial, several challenges remain in sourcing, nurturing, scaling and adopting such solutions both in India and from India to other low income country settings.

For inclusive innovative ideas to bring about a transformational change, support is needed throughout the innovations lifecycle - i.e. around discovery, incubation and pilot, scale up and replication.

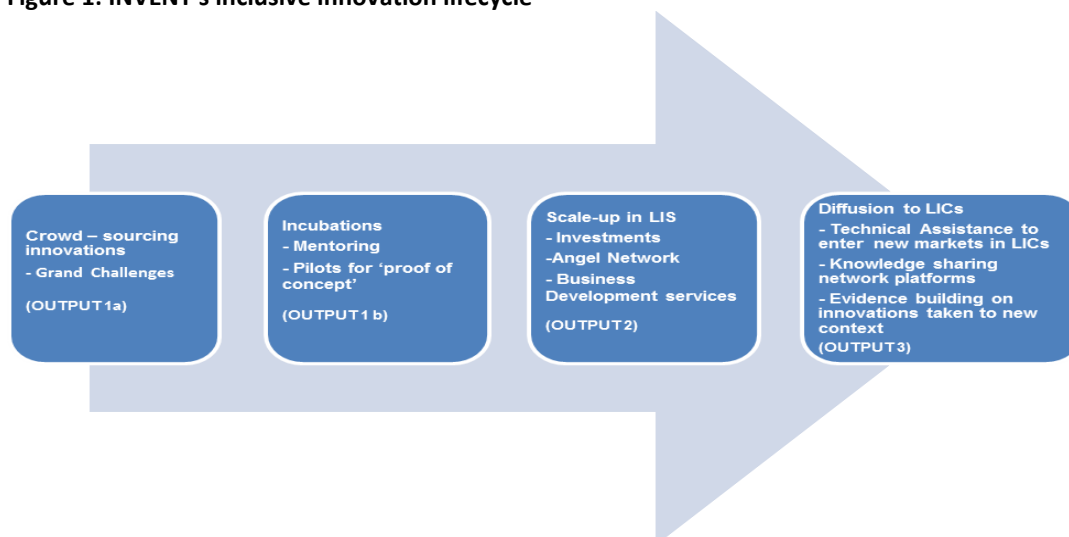
2. DFID Support for Inclusive Innovations

DFID's programme Innovative Ventures and Technologies for Development (INVENT) aims to provide support along the inclusive innovations lifecycle. INVENT is one of DFID's flagship programmes in India, tapping into India's demonstrated potential around innovative ideas and technologies that can serve the needs of the poor. Also termed 'inclusive innovations', these usually aim to have both positive economic and social impacts on poor people.

INVENT focuses on addressing the challenges and barriers across the inclusive innovation lifecycle (see *Figure 1: INVENT's inclusive innovation lifecycle*), for the benefit of up to 1 million poor people in the Low Income States (LIS) of India and in Low Income Countries (LICs). Focus LICs for INVENT are Ethiopia, East Africa and South Asia.

INVENT will leverage the potential of the private sector to deliver these results both in India and globally. DFID will invest in social enterprises, or enterprises that provide innovative goods and services relevant to the poorer segments of the population. Health, education, food security and energy are the focus sectors under the INVENT programme.

Figure 1: INVENT's inclusive innovation lifecycle



Source: Adapted from INVENT Business Case

INVENT has both India and global focus. Within India, INVENT focuses on low income states. Outside India, the focus is on low income countries in South Asia and East Africa (as mentioned above) including Ethiopia and the focus areas are health and agriculture/food sectors. The objectives of the Global elements of INVENT are to:

1. Identify, pilot and nurture inclusive innovations:

- a. Leverage Indian expertise to help generate new solutions to tackle entrenched global challenges by developing an India-specific window for work in LICs, on existing donor-led 'Grand Challenges' Funds in the health and agri-food sectors.

2. Support knowledge-sharing on inclusive innovations between India and low income countries through:

- a. Supporting a network of potential investors and investees from India in other LICs
- b. Technical support for replication, adaptation and adoption of inclusive innovations developed for up to 3 LICs in the health and agri-food sectors; and
- c. Inclusive innovation evaluations undertaken to strengthen global evidence base on processes for successful replication/adaptation of innovation models.

DFID Global Partnerships team in India have designed three instruments to meet these objectives:

- A. **Grand Challenges:** Crowd sourcing Indian innovative ideas to solve persistent global challenges in the health and the agri-food sectors. Implementation of calls through Grand Challenges (Figure 1: Output 1a above) in the two sectors will look to crowd-source Indian innovative expertise around well-defined global questions.
- B. **Millennium Alliance¹:** Facilitating adaptation to low income countries through existing partnerships. Innovative solutions that have worked at scale in India may also be relevant for reducing the burden of poverty in other low income countries. DFID will provide technical assistance grants to test and adapt the feasibility of inclusive innovations in the health and agri/food sectors in other countries (Figure 1: Output 3).
- C. **Innovations Knowledge Exchange Facility:** These terms of reference are for setting up an innovations knowledge exchange facility. IKEF aims to build partnerships that will facilitate transfer/adaptation of Indian innovations to LICs.

3. Objectives

¹ The MA is a platform to leverage Indian creativity, expertise and resources to source and scale innovations being developed and tested in India that will benefit vulnerable populations across India and the world. The MA solicits proposals and invests in carefully vetted innovations tailored to the Indian context, measure the impact of these innovations, and scale up those which are successful. MA funds entrepreneurs, innovators, businesses, academics, NGOs, local partners and others for innovative development solutions.

The objectives of the Innovations Knowledge Exchange Facility are to:

- Build partnerships to facilitate diffusion of Indian innovations in select low-income countries (LICs) in Ethiopia, East Africa, and South Asia based on demand identified in the health and agri/food sectors for impact on those at the bottom of the pyramid in the LICs,
- Establish a baseline on the impact of such diffusion under INVENT in the two sectors and monitor and assess the performance of the IKEF over the programme period,
- Build evidence base through support to evaluation studies to be carried out separately² and case studies to demonstrate what works and under what conditions; documenting best practices from existing partnerships as well as gaps and emerging areas of demand; identifying successful business models for exchanging innovative ideas in the two sectors between India and LICs.

4. Scope

The Financial Management Unit (FMU) will be responsible for the delivery of the following four outputs:

4.1. Design technical assistance grants to develop at least 10 new inclusive innovation pilot partnerships between India and LICs in the two sectors. Expected results from such pilots include improved access to quality goods and services for the poor, lowered costs of existing products and services, creation of new markets or policy change that would have a transformational market impact. Effective delivery of this output would include:

- Design parameters with regards to the number and size of the technical assistance grants and feasibility of resource contribution from the partners, up to the level of the grant made, whether in financial and/or non-financial terms
- Design of success criteria to measure impact of the innovative pilots in LICs
- Monitoring of data on process and results from individual projects to contribute towards M & E requirements under INVENT.

4.2. Broker new partnerships by matching the right opportunities for innovative pilots in the two focus sectors between India and LICs. The FMU will:

- Identify demand in the LIC in either sector where Indian innovations expertise would provide a solution and there is conducive environment for adaptation and scale up
- Identify potential match making opportunities
- Work with selected LIC partners to evaluate risks and challenges and seek opportunities for partnership.
- Support partners in both countries to implement the innovation pilots, including improving the business plan, business model, adapting the product, service or policy as suited to the LIC context, etc.
- Help grantees to connect to new markets and stakeholders and develop plans to scale up the **pilot in the future, including cross-sector partnerships.**

4.3. Develop knowledge base (including assist in developing evidence) to increase awareness, understanding and utilisation of good practice models; to leverage existing initiatives; and to access multi-stakeholder and cross-sector partnering opportunities, markets and new funding sources on innovations exchange. The FMU will:

² There are two evaluations envisaged. One overall INVENT project evaluation which will be carried out at the end of the project and other would be an impact assessment to build evidence on what works.

- Design, manage and facilitate the uptake of relevant knowledge products within and if possible wider exchange ecosystem. For example, such products might include case studies, evidence on the different models of south-south partnerships on inclusive innovations analysis of the necessary and sufficient conditions under which different types of partnerships can be successful (through process documentation and documented case studies), identification of gaps in the market for such partnerships, and pathways for sustainable uptake from the pilot by stakeholders, etc.
- Connect with other potential sources of support for innovation transfer in India, such as Millennium Alliance, StartUp Wave and incubator networks (including those supported by DFID) ;
- Connect with relevant DFID staff in select LICs to establish demand for Indian innovations, identify opportunities, and ensure that DFID's support achieves maximum impact and value for money.

4.4. Leverage partner resources

The FMU will ensure that innovation pilot partnerships are facilitated in part by the DFID technical assistance grants provided through IKEF and in part through a mix of financial and non-financial resources from the partners in the LIC and India. Achieving this funding model is a key requirement of the FMU, to ensure sustainability and future scalability of pilot projects.

5. Approach

The IKEF will support the diffusion of the following types of Indian innovations that address specific challenges and priorities by poor people in the target areas in the agriculture/food security and healthcare:

1. **Technologies, products and services** that are relevant, appropriate and accessible for poor and marginalised people, especially in regions where such groups have been underserved by innovation diffusion to date; and
2. **Institutional** innovations and inclusive **business models**;
3. Indian **policy innovations** in the two sectors that LIC governments can adapt or use as a reference point to develop their own policy frameworks.

The IKEF project partnerships will run for 3 years from February 2015 (tentatively) to December 2017 and depending on demand for partnerships, the projects may be implemented in LICs. The basket of focus LICs will be from South Asia (Afghanistan, Bangladesh, Burma and Nepal), East Africa (Kenya, Rwanda, Tanzania and Uganda) including Ethiopia. The FMU may have to work in some of them depending on the demand identified during the inception phase or during the implementation phase for Indian innovations.

Fund Management Unit (FMU)

1. Purpose of the Fund

A Fund Management Unit (FMU) will manage the IKEF to facilitate the diffusion of inclusive innovations in selected LICs. There is already some evidence of demand for Indian inclusive innovations in the East Africa and South Asia to solve health and agri/food related challenges in these LICs.

The Fund will provide technical assistance grants to facilitate partnerships to establish scalable proofs of concepts in the agriculture/food and health sectors in LICs in East Africa and South Asia. At least 5 such proofs of concepts should be established successfully in 3 LICs over the period of the programme.

The FMU will tap into existing and new demand from the LICs in the two sectors and help match with suitable technologies, products, services, business models or policies that leverage Indian innovations expertise. Such inclusive innovations identified must have demonstrated evidence of scalability or have already achieved scale in implementation and reach in India in the two sectors.

2. Competency and expertise

Team profile: The FMU will have a lean team which would ideally consist of a team leader, health and agriculture sector leads and a programme management team. A pool of short-term experts may also be used for country-specific or sector expertise. Experience of having worked with multilateral, bilateral and other international organisations will be an added advantage. Organisations with experience in international procurement, contracting, sub-contracting will be preferred. Demonstrated experience in working in the health and Agriculture sector, and of effective partnership with relevant Ministries and other stakeholders in relevant geographies is valued.

Expertise envisaged for core team is as follows:

a. Team lead

- The team leader should have detailed working knowledge of the innovations landscape in India, including on innovation policies, stakeholders in the public, private and other sectors, funding mechanisms and the innovations ecosystems.
- Knowledge of the gap and demand for innovations in the LICs that are a priority to DFID in Ethiopia, East Africa and South Asia, including stakeholders in the public, private and other sectors, possible funding mechanisms and the innovations ecosystems.
- Technical expertise in strategy and design of support to the innovations value chain.

b. Agri-Food sector lead

- Post graduate degree in agriculture research or equivalent with relevant 5-10 years' national and international experience of working within Agricultural research and innovation programmes.
- Established networks links within the Indian and priority LICs in agri-food sector and familiarity with wider stakeholders including government, private sector, donors, etc.
- Excellent writing and analytical and communication skills and experience of monitoring and evaluation of projects.

c. Health sector lead

- Post-graduate degree in Public health with relevant 5-10 years' national and international experience of working within health and innovations programmes.
- Established networks within the Indian health sector and familiarity with wider stakeholders including government, private sector, donors, etc.
- Excellent writing and analytical and communication skills and experience on monitoring and evaluation of projects.

3. Partners

The following stakeholders may be considered for partnerships: social enterprises, NGOs, government officials/departments, innovators, and civil society organisations. Organisations may also form consortia to achieve the best blend of expertise and experience.

6. Timeframe and Requirements

The 36 month programme will begin with a 6-month inception phase which will enable the Fund managers to:

- a. Establish an initial stakeholder network
- b. Scope and generate demand for exchange in the two sectors, building on existing expressions of interest
- c. Gather baseline data for M & E
- d. Refine the expected contribution of the results from these pilots under INVENT
- e. Design process documentation framework
- f. Set up Fund Management processes in discussion with DFID
- g. Proceed to tap into existing demand potential that DFID India has been made aware of
- h. Leverage partner resources

The programme will be implemented in consultation with relevant DFID advisers in country offices, amongst other key stakeholders. Other development partners in LICs should also be consulted.

Project related outputs, including a work plan and an inception report to cover (a – h) above, regular pilot updates, reports and other products will be agreed with the DFID team at the start of the project.

7. Indicative Payment Schedule

A milestone based payment schedule is envisaged towards fund management function of the service provider. The same is detailed out below:

Milestone	Period	Payment
Upon agreement of a work plan	Within 1 month of signing the contract	7.5% of the agreed management cost (AMC)
Deliver any two outputs of the inception phase	Within 3 months of signing the contract	5% of the AMC
Deliver the other three outputs of the inception phase	Within 6 months of signing the contract	7.5% of the AMC
Upon agreement of design of the TA grants	Within 1 year of signing the contract	10% of AMC
Submission of monitoring data of processes and impact results of each projects	In June every year for the period (2015 – 2017)	2.5% of AMC/submission (=7.5%)
Scope the demand in the two sectors in focus geographies and record the same (report/analysis)	By August 2015	10% of AMC
Design of success criteria to measure impact of pilots in LICs	By December 2015	5% of AMC
Process documentation of select pilots set up and conducted	By December 2016	10% of AMC
5 scalable proof of concepts developed		15% of AMC
Upon award of 10 TA grants		15% of AMC
Successful uptake of at least 2 knowledge products		7.5% of AMC

8. DFID Coordination and Reporting

The IKEF FMU will report to DFID's Global Partnerships Team based in New Delhi. Key contacts will be the INVENT programme lead, and health and food security advisers. The Task Team Leader and Deputy Programme Manager for INVENT under the Global Partnerships Team at DFID India will provide oversight and monitor delivery and completion on outputs to ensure effective programme management.

The IKEF FMU, along with the Global Partnerships Team leads listed above will work closely with other DFID country offices to ensure feasibility, contribution towards LIC priorities in the two sectors and ensure future scalability of these pilots.

Evaluation of the IKEF will be carried out as part of the evaluation of the entire INVENT programme at the end of the implementation phase in 2018.

9. Duty of Care

DFID has recently launched the new 'Duty of Care to Suppliers' policy. This policy aims to clarify DFID's position in relation to Duty of Care (DoC) and how it will be addressed as part of our risk management and procurement processes. The policy has a particular focus on Suppliers who will be operating in dangerous environments. Further information on this policy and how it will be applied to DFID's procurement processes can be found at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/137565/DFID-duty-of-care-suppliers-note.pdf

Under the Duty of Care Policy an assessment of supplier capability will be applied to all services procured for projects / programmes that are rated as Medium or High risk. This assessment will form part of the supplier selection process. The Supplier is responsible for the safety and well-being of their Personnel (as defined in Section 2 of the Contract) and Third Parties affected by their activities under this contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.

DFID will share available information with the Supplier on security status and developments in-country where appropriate. DFID will provide the following:

- All Supplier Personnel will be offered a security briefing by the British Embassy/DFID on arrival. All such Personnel 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), which the Supplier may use to brief their Personnel on arrival.

The Supplier is responsible for ensuring appropriate safety and security briefings for all of their Personnel working under this contract and ensuring that their Personnel register and receive briefing as outlined above. Travel advice is also available on the FCO website and the Supplier must ensure they (and their Personnel) are up to date with the latest position.

Tenderers must develop their PQQ Response and Tender (if Invited to 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 prepared by DFID. They must confirm in their PQQ Response that:

- They fully accept responsibility for Security and Duty of Care.
- They understand the potential risks and have the knowledge and experience to develop an effective risk plan.
- They have the capability to manage their Duty of Care responsibilities throughout the life of the contract.

If you are unwilling or unable to accept responsibility for Security and Duty of Care as detailed above, your PQQ will be viewed as non-compliant and excluded from further evaluation.

Acceptance of responsibility must be supported with evidence of Duty of Care capability and DFID reserves the right to clarify any aspect of this evidence.

10. Constraints and Dependencies

The following constraints will apply:

- The FMU will be responsible for their logistical arrangements during the period of assignment.
- The FMU will be required to treat commercially sensitive DFID programme documents confidentially.
- The subjective risk assessment for the focus countries (as mentioned above) is perceived to be low to medium in the current context. If at a subsequent stage it becomes apparent that the programme will operate in a country that had not previously been considered – in this case, a country in South Asia and/or East Africa - then the programme team will conduct a risk assessment at that stage, share it with suppliers and satisfy themselves that the Supplier can manage the DoC.
- Slow or limited take-up of innovations in LICs: One of the primary risks is limited or slow uptake of the Indian innovation IKEF supports in the low income countries owing to delayed results. It may also happen that the innovation may not get accepted in the LIC country context owing to a number of factors. DFID will only work with credible partners who already have significant experience of transferring business models to different localities and understand what sorts of conditions need to be present to maximise success.
- Complex programme and time constraint: The programme is complex with at least 4-5 separate partnerships and projects and requires large management and technical inputs. DFID will continue to review the inputs required and will regularly monitor the progress and status of all components of the project.

11. Process for Assessing Applicants

Bidding institutions/consortia will be assessed according to a two stage process. Assessment of a Pre-Qualification Questionnaire will be used to derive a shortlist of bids. Shortlisted institutions/consortia will be invited to submit a full tender.

For the **Pre-Qualification Questionnaire (PQQ)** stage, the following information will be required:

1. Please provide details of your organisation's experience (including contract values) of administering large technical assistance grants projects in India and Low Income Countries (LICs) demonstrating similar experience sought by this ToR, preferably commissioned by an international financing institution. No more than three project examples should be given that have been implemented in the last 10 years. Write-up should not exceed 6 pages. Similar prior experience in the innovations space in the given sectors will be given preference (Evaluation weighting: 40%).
2. Provide details of your organisation's Experience (including contract values) of working with donors and programme staff with extensive experience in designing and implementation of fund management projects in India and LICs – max 3 pages (Evaluation weighting: 30%)
3. Provide details of your organisation's Experience of establishing baselines, process documentation and building evidence base – max 3 pages (Evaluation weighting 30%)

For shortlisted institutions/consortia, the following evaluation criteria will be used for evaluate bidders at the **Invitation To Tender (ITT)** stage:

Main Criteria and Weights	Sub Criteria	Sub Weights
Quality of Personnel - 25	Qualifications, skills and knowledge of Team Leader	8
	Qualifications, skills and knowledge of thematic leads	10
	Qualifications, skills, knowledge and gender mix of short-term experts	7
Methodology, including use/numbers of days input – 40	Appreciation of the project and response to the ToR	5
	Methodology including work plan, staffing schedule, reporting and management structures proposed	15
	Suggested design options for technical assistance grant project with identified risk and mitigation measures.	20
Commercial – 35	Competitive fee rates and reimbursable expenses in relation to the market detailing your financial methodology for ensuring that DFID receive the most competitive rate how fee rates are constructed, detailing the overheads, salary, profit margins and other personnel costs.	25
	Clarity and Effectiveness for Financial plan with payments clearly linked to the outputs in the work plan providing details of financial risk/contingency incorporated into costs	5
	Total Cost to deliver the assignment demonstrating how value for money will be achieved over the life of the assignment.	5