

## Terms of Reference

### Transparency, Accountability and Right to Information Fund

#### **1. Introduction**

- 1.1. Bangladesh has made impressive progress on economic growth and poverty reduction, in spite of severe challenges in governance. To sustain the achievements that have been made in the last few decades and leave nobody behind in the path out of poverty, the country will need to overcome some important barriers to progress.
- 1.2. Globally, transparency and accountability are at the centre of DFID's commitment to supporting strong and inclusive economic, social and political institutions to establish what the Prime Minister has termed the 'Golden Thread' of development ('open societies') and create a vibrant and inclusive environment for private sector investment and growth ('open economies'). DFID Bangladesh has set addressing political patronage, capability and accountability as one of its five country strategy priorities.
- 1.3. In September 2014, DFID Bangladesh launched its *Transparency and Right to Information Programme* (TRIP – up to £29m over 6 years), aimed at increasing transparency and accountability in Bangladesh. A component of the programme is the *Transparency, Accountability and Right to Information Fund* (TARIF – up to £15.5m over 5.5 years), a flexible fund, for which we are seeking a Management Agency. TARIF will be an actively managed project, not merely a funding channel. TARIF will support a coherent set of government and civil society initiatives to improve transparency and accountability in targeted thematic areas.

#### **2. Objective**

- 2.1. The objective of this contract is effective management of the *Transparency Accountability and Right to Information Fund (TARIF)*.
- 2.2. TRIP aims to support or influence changes in government policies, processes, systems and/or activities that will contribute to increasing transparency and accountability, and to reducing corruption in Bangladesh. TARIF-funded projects must support this overarching outcome by funding and supporting networks and coalitions of civil society organisations to advocate for change on issues of common interest, and by supporting initiatives to help the Government of Bangladesh improve its own transparency and accountability.

#### **3. Recipient**

- 3.1. Direct beneficiaries of this contract are Bangladeshi civil society and the Government of Bangladesh, both of which will be actively supported in their transparency and accountability initiatives. Citizens of Bangladesh will benefit indirectly from the improved transparency and accountability the project aims to generate.

## 4. Scope

- 4.1. The supplier will establish a Management Team for TARIF, which will be responsible for the set-up and day-to-day management of the Fund.
- 4.2. The supplier will be responsible for:
  - Identifying issues where the project has the greatest scope to bring about improvements in transparency and accountability, and local partners best placed to have an impact on those issues.
  - Proposing sub-projects around these issues (referred to in these ToRs as Issue-based Projects (IBPs) for DFID approval, identifying likely partners and demonstrating a link to the overall programme results framework and theory of change;
  - Managing funding civil society and private sector organisations working in coalitions and networks on agreed activities within issue-based projects.
  - Providing or Arranging Technical Support for government and non-government partners to process, publicise and make accessible official information. This may include training of government officials but will not include direct funding to the Government of Bangladesh.
  - Manage the first IBP, which has already been scoped out by DFID: a Climate Finance Transparency Mechanism (CFTM) to make information accessible on donor support to climate change under the Bangladesh Climate Change Strategy and Action Plan. This will include management of the procurement process for a dedicated CFTM team during the Inception Phase of TARIF.

## 5. Requirements

- 5.1. The supplier will deliver the following in relation to the inception phase (first 6 months of contract):

### Overall Programme Management

- Project office established in Dhaka, with full staffing complement, and finalise associated policies and procedures.
- Governance, programme and financial management and reporting arrangements finalised and agreed with DFID.
- Local project title, branding and communication policies agreed with DFID (TARIF is only a working title for the project and we do not anticipate it will be the project “brand”).
- Procurement strategy agreed with DFID Commercial Adviser, with Procurement plans for purchases above £100k to be agreed with DFID Commercial Adviser.
- Comprehensive TARIF Results Framework (RF) and monitoring and evaluation (M&E) strategy compatible with overarching TRIP RF and M&E strategy to be agreed with DFID.
- Detailed, high quality political analysis and strategic identification of target issues and projects completed (both initially and as an ongoing activity alongside the management of the fund).
- Propose and agree criteria for the selection of Issue-Based Projects and activities within them. In addition to the Climate Finance Transparency

Mechanism, DFID would also like at least one of the IBPs to focus on an aspect of business regulation. Beyond these two, criteria for selection should include relevance to the programme theory of change, the potential for or existence of effective local coalitions, and synergy with other DFID and donor-funded activities, including sector programmes in health and education and planned work on urban governance and poverty reduction.

#### Fund Management

- Key indicators and other definitions critical to fund operation and management devised and agreed with DFID.
- Firm up a strategy to identify potential partners, support development of project plans and proposals, and agree funding decisions with DFID.
- Technical assistance provision and capacity building strategies, identifying priority thematic areas, agreed with DFID.

- 5.2. The supplier will deliver the following during the full implementation phase of this contract:

#### Overall Programme Management

- Consistent, high quality evidence-based narrative and financial reporting meeting DFID requirements.
- Annual Work Plans in place and agreed by DFIDB.
- Positive and open contribution to programme-wide coordination and information sharing arrangements (across TRIP).

#### Fund Management

- Identification of Issue-Based Projects (IBPs) for DFID approval.
- Selection of partners in each IBP.
- Disbursement of TARIF funds to support Issue-Based Projects (IBPs) that meet agreed criteria that have been agreed during the inception phase.
- Grant management in full compliance with DFIDB requirements to minimise fiduciary, fraud and reputational risk, and to maximise likelihood of success and vfm.
- Targeted capacity building for partners with demonstrable impact on the quality of project implementation.
- Subject to the necessary government project approvals, training or experiential learning for government officials, selected on the basis of their commitment to implementing improvements in transparency.

#### Coordination and communications

- Joint working facilitated between local partners on IBPs; between civil society and government on transparency and accountability initiatives; and between project partners and other actors working on the same issues.
- Programme-wide coordination and information-sharing arrangements in place and effective support for local partners to disseminate the results of their work and stimulate wider and more informed debate on issues addressed by TARIF.

- 5.3. *The supplier should specify in its tender how it will ensure that the following characteristics of TARIF are accommodated in its project management strategy:*

- Management of a flexible and adaptive fund that will identify and fund issue-based initiatives as they emerge and in line with agreed criteria.

- Identification of partners in ways that create incentives for partners to work collaboratively on common issues, particularly partners that do not normally associate.
- Inclusion not only of established non-governmental organisations but also of ad hoc coalitions and single-issue campaigns, as well as broader civil society representation including (but not limited to) community-based organisations and informal civil society, faith-based and identity-based groups, business forums and media.
- Encouragement for active participation of women, disabled people and other disadvantaged and marginalised groups wherever possible. TARIF should also reach beyond Dhaka and should incorporate both urban and rural perspectives.
- Active encouragement of more diverse approaches, and approaches that tackle problems from new angles and from different angles at the same time.
- Encouragement of fledgling and innovative initiatives and support for emerging local leadership.

## **6. Constraints and Dependencies**

- 6.1. TARIF Management Team will be expected to plan with sufficient flexibility to accommodate unexpected changes resulting from persistent political instability in Bangladesh, as well as holiday periods.
- 6.2. DFIDB programmatic security restrictions are currently limited to the Chittagong Hill Tracts, for which additional permissions are required.
- 6.3. The supplier should also be aware of restrictions on provision of foreign funding in the Foreign Donations regulations, and the project approval process required for technical support to government ministries and officials.
- 6.4. The supplier must be self-supporting and responsible for its own activities. It should not rely on DFIDB transport, offices, facilities or logistical or administrative support, although DFIDB can provide visa letters for visiting staff if required. Potential suppliers must include all such costs in their bids.

## **7. Implementation Requirements**

### Team Structure

- 7.1. *The supplier should propose in its tender a TARIF Management Team structure including roles and responsibilities, and expertise required for each post. The supplier should specify the individuals who will take up key positions.* Personnel arrangements should be finalised during the project inception phase. The supplier is encouraged to consider partnerships with local and/or international organisations as needed to ensure coverage of the full range of skills and experience required to implement this project.
- 7.2. Climate Finance and Private Sector Regulation have been identified as thematic areas of interest and the supplier should therefore demonstrate they are able to access sufficient expertise in these two areas. Other areas of focus will be defined during the course of the project.

- 7.3. Climate Finance Transparency IBP: Within the overall budget for TARIF, International Climate Fund (ICF) resources (up to £5 million of which up to £3.75m is available in the first 3 years, including associated TARIF administrative costs) has been earmarked for a Climate Finance Transparency Mechanism (CFTM). A report was prepared in 2013, which lays out a draft design for the IBP (see Additional Documents for details). The supplier is expected to integrate the CFTM IBP fully into TARIF. Given the scale and specialist nature of the component, options may include (but are not limited to) direct management of the IBP by the supplier, subcontracting of management of the IBP to a partner specified in the bid or a procurement process to establish a team to manage the IBP. As with all IBPs, the supplier will retain responsibility for oversight and ultimate responsibility for delivery. The supplier should specify the approach it will take for set-up and implementation of CFTM as part of its bid.

### Budgeting

- 7.4. Currently up to £15.5m has been allocated to TARIF (for all costs including management/administration and the CFTM), of which up to £9m will be available during the first 3 years and up to £6.5m more available for the remaining 2.5 years if the contract is extended. The supplier should prepare a bid based on a 3 year contract, as the contract will be awarded for this financial limit and term initially, but must also demonstrate the capacity and flexibility to scale up to the full term and value.
- 7.5. The supplier should propose and clearly identify a percentage-based allocation of available funds across the following categories of expenditure:
- Management/administrative costs or a specified fund management rate.
  - Lessons learning, advocacy and communications.
  - Capacity building for TARIF partners and potential partners.
  - Direct implementation of activities to support government initiatives.
  - Grants to non-government partners.
- 7.6. The supplier is required to maximise the value and impact of the fund. The supplier should propose a system for payment against outcome and/or output level results for the first three years, should specify how it will maximise value for money, and should clearly identify management rates in the proposal. The final payment arrangements will be agreed and finalised during contract negotiations.

### Identification and Selection of Issues

- 7.7. The TARIF Management Team should work with Foreign and Commonwealth (FCO), DFID and other TRIP partners, local civil society partners and other contacts to analyse the political economy and identify issues where there are prospects for effective collaborative working by a range of civil society organisations. The TARIF Management Team should also engage government in targeted departments and ministries to encourage initiatives that would improve transparency, and identify where the project can provide training and mentoring to officials that enable them to drive those initiatives. TRIP has a small-scale research facility that may be used, with DFIDB approval, for targeted research to back up this process.

- 7.8. The supplier should clarify how it will identify and coordinate engagement for each issue or group of issues selected for Issue Based Projects (IBPs) as part of its bid including: how it will tap into local knowledge and networks; how it will identify potential partners and build linkages between partner organisations and other important stakeholders working on an issue; how it will ensure sufficient trust and respect from decision-makers and others working on the issue; and how it will ensure that there is no potential conflict of interest in decisions about funding allocations. Selection of partners for funding *may* be done through competitive calls for proposals, but may be done in other ways that better facilitate and incentivise the emergence of effective local coalitions.
- 7.9. During the Inception phase, the TARIF Management Team is expected to build on the outline criteria in the TRIP Business Case to establish comprehensive criteria for selection of initiatives and accompanying approval process (see **11. Background**).

#### Facilitate and support local coalitions

- 7.10. The TARIF Management Team is expected to be primarily a facilitator not a direct implementer. Its role is to promote coalition working, and build vertical and horizontal linkages between civil society groups and individuals, as well as between civil society and government. The success of the programme will be measured by the extent to which Bangladeshi organisations (partners and non-partners) are working effectively together, as a result of the programme, to influence policy and other changes to improve transparency and accountability, and how effectively this work has been integrated with government-led initiatives supported by the Fund, rather than by outputs “delivered” by the supplier.
- 7.11. Coalitions may be formally constituted networks (which may or may not be registered) but they may also be informal groups of individuals and organisations who share a common interest (political, technical or economic) in an issue but have no intention of making a more formal association. For each coalition, the TARIF Management Team is expected to achieve a balance between building trust amongst a core group that will organise the work of the coalition and drive the agenda, and demonstrating credibility to the outside world, to build a wider support base.
- 7.12. One of the aims of the programme is to build bridges across different identity groups and between groups that would not naturally associate. The TARIF Management Team is expected to use a range of contacts to identify opportunities to build bridges across ethnic, religious and social divides. The Team is also expected to encourage coordination between TARIF partners. *The supplier should outline its approach to coalition building as part of its bid.*

#### Grant Management

- 7.13. *The supplier should outline in its tender the arrangements it will put in place to contract and manage grants/contracts to local partners, including how it will respond to the specific legal and procedural requirements of Bangladesh.* The supplier will present a final proposal for its grant management procedures as part of the inception phase, which will require approval by DFID. DFIDB approval will be required for all grants/contracts valued above £500,000.

- 7.14. Before funding any new partner, the TARIF Management Team will be required to complete due diligence and risk assessments in accordance with DFID guidance or agreed alternative formats. *The supplier should specify in its tender the procedures it will use to update these assessments regularly, and to respond to any changes in findings.*
- 7.15. For contracts over an agreed minimum threshold (to be reviewed annually by DFID), the TARIF Management Team should arrange independent financial audits for a sample of funded partners. These will be undertaken by independent auditors against clear terms of reference, reporting to the Team and to DFID.
- 7.16. The supplier should keep detailed records on each contract, which will be available for inspection or auditing by DFID on request.
- 7.17. The TARIF Management Team should also put in place systems to assess partners' internal processes and to work with partners on their own transparency and accountability systems – targeting their local constituents and stakeholders as well as donors.

#### Working with Government

- 7.18. While government officials may be engaged through civil-society led initiatives, TARIF may also work directly with government on targeted transparency and accountability initiatives such as providing support to make a specific change to processes or policies within a targeted department. Any training offered to government should be closely tied to –and in support of– already-identified initiatives. *The supplier should propose in its tender an approach for identifying and managing engagement and initiatives with government officials.* It is expected that final agreement on approach will be reached in conjunction with DFID and Government of Bangladesh.

#### Monitoring and Evaluation

- 7.19. TARIF Management Team will develop its Monitoring & Evaluation strategy and a comprehensive Results Framework during the Inception phase. The RF should include logical framework indicators compliant with DFID requirements but we also encourage use of alternative approaches to capture a) the qualitative changes the programme is working towards, b) TARIF's secondary contributions to targeted sectors/programmes and c) TARIF's responsiveness on cross-cutting issues such as gender equity, social inclusion and conflict mitigation. The results framework must also address the formal reporting requirements associated with funding received from the International Climate Fund.
- 7.20. Monitoring for TARIF needs to incorporate both partners' performance and compliance and the processes of change the project seeks to generate. It should also aim to capture not only the contributions and achievements of individual initiatives but also the collective outputs and outcomes that TARIF as a whole is able to generate. Most importantly, it should also facilitate reflection on the TARIF issue-based coalitions approach, and enable the project manager and partners to recognise what is not working and make course corrections during implementation. DFID does not expect that every Issue-Based Project will succeed, so the monitoring system needs to enable the project manager to recognise and manage failure effectively.

- 7.21. TARIF is housed within TRIP, which will have its own overarching RF and M&E frameworks. TARIF Management Team is expected to contribute to discussions on the development of the TRIP RF and M&E strategy and to agree on a methodology that allows TARIF to make appropriate contributions to the TRIP results framework.
- 7.22. The supplier should provide a summary in its tender of how it will monitor for compliance and project performance purposes. It should also provide an overview of how it will approach M&E of the changes the fund seeks to generate performance but will have the opportunity to finalise plans during the inception phase.

### Capacity Building

- 7.23. Success of TARIF will depend on the capacity of the TARIF Management Team to offer targeted capacity building for its partners – both civil society and government department or ministries. Capacity building should incorporate both core programme/project management skills and specialist skills needed for implementation of issue-based projects, and to better understand and tackle transparency and accountability issues. It may also provide exposure to examples of good practice in Bangladesh or similar countries, to inform and build consensus around proposed changes. *The supplier should outline in its tender areas in which it proposes to provide capacity building for partners*, and is expected to finalise its capacity building proposal during the inception phase.

### Dissemination and Communications

- 7.24. TARIF Management Team should support local partners to disseminate the results of project activities and stimulate wider discussion of the issues it is working on. *The supplier should specify in its tender the approach it proposes for this role.*
- 7.25. The Team will be expected to produce communication materials summarising some of the stories of change in the programme for a wider audience inside and outside Bangladesh. The supplier may, from time to time, need to produce briefings for DFID, FCO and other representatives of the international community.
- 7.26. The Team should also support local partners to monitor local media coverage of issues dealt with in the programme, and, where relevant, lobby and engage with parliamentarians for parliamentary debates. Summaries of this monitoring should be submitted to DFID with quarterly reporting and whenever major relevant events or significant achievements are documented.

## **8. Reporting**

- 8.1. The TARIF Management Team will submit an Inception Report for approval by DFID Bangladesh (DFIDB) within 90 days of signing of the contract (half way through the Inception Period) including the following:
- Organogram plus ToRs and staff biographies for all key positions.
  - Clearly defined criteria for selection and approval of projects, a proposed methodology for identifying suitable projects and an agreed approvals process.



- A comprehensive TARIF Monitoring & Evaluation (M&E) Plan including specification of how TARIF will fit within the overarching TRIP framework and baseline scores and narratives, or plans for establishing baselines as required. TARIF Management Team will be expected to work with the consultants responsible for designing TRIP overarching M&E strategy and results framework to establish these arrangements.
- Recommendations for the composition of, and ToRs for, a TARIF Project Advisory Group (PAG) to feed into decision-making on TARIF project portfolio and to encourage coordination among TARIF partners.
- A detailed work plan for the next 12 months, and an outline workplan for years 2 and 3 of the project, including plans for monitoring progress on each IBP, a capacity building strategy targeting TARIF partners and potential partners, a first round of recommendations for initiatives to be funded – the first two sub-projects should be initiated within 5 months of the start of the contract, and anticipated flow of funds.

*The supplier should submit with its bid a detailed workplan for the inception phase and proposed workplan for the remainder of the first year. Bidders must also represent anticipated flow of funds for the next two years in a high level, indicative workplan.*

- 8.2. Once the parameters of the project are established, unless otherwise agreed during the Inception phase, the following documentation will be required as standard:
- Quarterly narrative reporting due within 1 month of the end of the reporting period, including a report on progress against results and recommendations for adjustments to the approach. Reporting should be focused primarily on processes of change.
  - Annual Work Plans to be prepared within 30 days of the start of each project year and agreed by DFIDB.
  - Additional contributions as required to TRIP annual reviews, ad hoc reviews and research, and mid-term and final evaluations.
  - Quarterly financial reporting or reporting against agreed milestones. Early notification and request for approval for any deviation from agreed budget distribution greater than 10%.
  - Annual Audit reports for the project from an audit firm approved by DFID Bangladesh plus independent audit reports from a sample of partners receiving funding from the project.

## 9. Timeframe

- 9.1. The supplier is expected to start work by **13 April 2015** or sooner if feasible. The initial contract will be for a period of 3 years, up to **12 April 2018**, with an option to extend for a further 2.5 years, up to **12 October 2020**, subject to satisfactory performance of both the programme and the supplier, and the continued demonstration of both aspects delivering value for money. An independent evaluation, planned for 2017, will inform decisions on contract extensions.

By **13 August 2015**, the supplier is expected to deliver an Inception Report Plan.

By **13 October 2015**, the supplier is expected to have established at least two projects, and programme work to have begun.

- 9.2. The timeframe for subsequent phases will be established during inception phase and as part of annual planning.

## **10. Co-ordination**

- 10.1. The TARIF Management Team will report to the designated DFID Bangladesh Governance Adviser, and Programme Manager. The Governance Adviser will be responsible for oversight of all programmatic aspects of TARIF on behalf of DFIDB. Contract administration and payments will be managed by the Programme Manager on behalf of DFIDB.
- 10.2. The TARIF Management Team is expected to coordinate with a broad range of stakeholders as described under Implementation Requirements. The Team is also expected to communicate regularly with DFID –and with any other donors that may subsequently decide to add funding to TARIF– including regular verbal updates.
- 10.3. In addition to this core programmatic work, TARIF will also coordinate with:
- Other projects within TRIP. These are expected to include Transparency International Bangladesh's BIBEC Project and the World Bank's ongoing Right to Information initiatives. DFIDB encourages collaborative work within TRIP wherever feasible.
  - Other DFID Bangladesh Teams. In addition to its direct links with the DFIDB Governance Team, TARIF will need to engage with other DFIDB programme teams including the Climate Change and Disaster Management Team, the Private Sector and Growth Team, and the Human Development Team (Health). Effective communication will ensure that TARIF programming complements and reinforces other DFID programmes and development initiatives.
  - Other DFIDB civil society initiatives. It will also be essential for TARIF Management Team to coordinate with other DFID programmes with a substantial civil society component including:
    - *Creating Opportunities for Poor and Excluded People (COPE)*, run by the Manusher Jonno Foundation (MJF);
    - *Community Legal Services (CLS)*, and the *Chars Livelihoods Project (CLP)* both run by Maxwell Stamp; and
    - *Economic Empowerment of the Poorest (SHIREE)*.*(Information on all these initiatives is available on the DFID website)*

## **11. Background**

### **11.1. Transparency and Right to Information Programme (TRIP – see also the TRIP Business Case)**

#### **What support will the UK provide?**

The UK will provide £29 million over 6 years to improve systems for transparency and the right to information, and support demand for greater accountability in Bangladesh.

#### **What are the main programme activities?**

We will build on existing partnerships with civil society, including support to the work of Transparency International Bangladesh (TIB). UK aid, provided in partnership with

Sweden, Switzerland and Denmark, will support TIB to carry out research and advocacy, and support local citizens' action to demand accountability in health, education and other services, land administration and the use of climate finance.

We will support improvements to government systems, including strategy and training, for more effective implementation of the Right to Information (RTI) Act, building on existing work with the World Bank.

We will establish an innovative fund to support complementary action by state reformers, businesses and social activists to bring about specific improvements in transparency and accountability. The fund will initially support two areas of work: a transparency mechanism for climate finance, and an aspect of business regulation. A small number of other issues will be identified as the project progresses. The fund will be a catalyst for local initiatives, supporting local partners with mentoring and leadership skills, research, relevant experience from other countries, or activities to promote an informed local debate.

### **Why is UK support required?**

Bangladesh has made impressive progress on economic growth and poverty reduction, in spite of severe challenges in governance. To sustain the achievements that have been made in the last few decades, and leave nobody behind in the path out of poverty, the country will need to address some important barriers to progress.

One of these is a lack of accountability. Weak transparency and accountability have denied many Bangladeshis, particularly women and girls, the economic opportunities and basic services that should be theirs by right. It has also undermined (though not prevented) economic development, by constraining markets (through red tape and high transaction costs), making the state incapable of correcting market failures through effective regulation, and at worst, diverting resources from productive investment to fund confrontational, personalised politics.

Recent developments provide opportunities to tackle these constraints. The RTI Act, passed in 2009, offers the opportunity to open up more government and NGO activities to public scrutiny. Despite pressure on their space to operate, a vibrant media and an active civil society has successfully exposed some examples of patronage, regulatory failures and shortcomings in service provision, and brought effective pressure to bear for changes in legislation and its implementation. A diverse private sector has the potential to have a growing influence on the future shape of Bangladesh's development.

The UK is one of few donors with experience in both types of support needed to tackle some of the systemic challenges to greater accountability: improving the systems of government to make them more transparent, and enabling civil society to demand rights and accountability. This, and a growing focus on economic development that recognises the private sector as an increasingly important driver of change in Bangladesh, puts the UK in a unique position to support Bangladesh to tackle this barrier to its future progress.

### **What are the expected results?**

The overall **impact** of DFID funding will be increased transparency and accountability in Bangladesh. At **outcome** level the programme aims to generate changes (in government policies, processes, systems and/or activities) that will contribute to increasing transparency and accountability, and to reduce corruption in Bangladesh.

Improvements in *transparency* will be measured in terms of management and proactive publication of information that is relevant and accessible, timely and accurate. Improved *accountability* will be measured in terms of examples of officials and decision makers being answerable for their actions, or in terms of redress or more effective sanctions for failure to respond (which may be legal, administrative or driven by social norms).

Monitoring of these outputs and outcomes will be supported by work to track and report on *processes* of change, which are critical to the programme's success. The programme's monitoring, evaluation and research component will strengthen the evidence base for transparency and accountability work, with an emphasis on RTI.

**How does the project fit with the country programme or department's strategic objectives set out in the Operational Plan?**

The programme will directly address one of five priorities identified in DFID Bangladesh's Country Strategy - action to address the interrelated challenges of political patronage, capability and accountability. Since transparency and accountability are obstacles to faster progress against other objectives, progress in these areas will support progress against other Country Strategy priorities as well. The programme has been designed to complement other work in the DFID Bangladesh portfolio, including a growing investment in economic development.

Globally, transparency and accountability are at the centre of DFID's commitment to supporting strong and inclusive economic, social and political institutions to establish what the Prime Minister has termed the 'Golden Thread' of development. They help enable states to function for their citizens and citizens to lead their own development ('open societies') and create a vibrant and inclusive environment for private sector investment and growth ('open economies').

**What are the key risks to the success of the programme?**

Where similar initiatives have failed in the past, it has either been because they supported non-government demand for accountability that the state lacked the capacity to respond to, or because they supported state capacity (e.g. systems for transparency) which did not lead to changes in practice because there was insufficient external pressure to do so. The strategy taken by this programme – building alliances across state/society and public/private boundaries– is designed to address both risks.

The approach is innovative in Bangladesh, which brings its own risks. To be successful, it will need sophisticated monitoring and evaluation systems to track qualitative changes and adjust project activities accordingly. It will also need the flexibility to navigate Bangladesh's challenging political environment to minimise the potential backlash against project partners or wider UK interests. Both have been built into the design, and strategies to manage risk will be developed further in the Delivery Plan, and when implementation gets under way.

**11.2. Description of Transparency, Accountability and Right to Information Fund (TARIF) drawn from the TRIP Business Case**

We propose a Transparency, Accountability and Right to Information Fund (TARIF), designed to support government and civil society initiatives to improve transparency and accountability in a few targeted thematic areas. TARIF will be a flexible and adaptive fund that will identify and fund issue-based initiatives as they emerge and in line with agreed criteria rather than through formal mechanisms such as calls for proposals.

The major advantages of this format are:

- Active encouragement of more diverse approaches and approaches that tackle problems from new angles and from different angles at the same time can increase the likelihood of making progress;
- Issue-based approaches can bring in stakeholders who would not otherwise be engaged – in particular non-traditional partners in the private sector, media or informal civil society. The initiative will seek ways to work with community-based organisations, faith based groups and business forums as well as traditional registered NGOs. It will also encourage active participation of women, disabled people and other disadvantaged and marginalised groups wherever possible. And it will reach beyond Dhaka and should incorporate both urban and rural perspectives. By expanding the range of actors, the initiative can help raise the profile of transparency and accountability issues; and
- It offers resources for fledgling initiatives, particularly with non-traditional civil society, and to develop local leadership.

Initiatives to be supported will fall broadly into the following categories:

Transparency:

- Initiatives that increase capacity to respond to RTI requests;
- Initiatives that promote and/or facilitate proactive dissemination of information;

Accountability:

- Initiatives that help citizens and/or CSOs access and use information, and mobilise to hold decision makers to account on targeted issues;
- Initiatives that track implementation of responsibilities by officials;
- Initiatives that encourage/require officials to explain their actions;
- Initiatives that target specific aspects of poor performance or corruption in targeted government departments or sectors.

To provide an initial focus for the fund, we have identified two areas: Climate Finance Governance and Private Sector Regulation. We also plan to open up opportunities for initiatives with a social networking focus. Not all of the issues to be addressed through TARIF will be identified at the outset. Experience of this approach suggests that it is most effective where there is flexibility to integrate new issues as the programme progresses.

Criteria we will use for identifying issues to engage on include:

- Significant transparency, accountability and/or corruption implications in Bangladesh;
- Existence of one or more broad coalitions with interest in the issue;
- Possible to work on the issue without generating a damaging backlash; and
- Clear and feasible set of outputs associated with the issue.

Climate Finance Governance sub-component: The ICF has approved a concept for a Climate Finance Transparency Mechanism. The mechanism was designed through two consultation processes in response to the 2011 ICAI report on DFID's Climate Change Programme in Bangladesh<sup>1</sup> and will complement TIB's Climate Finance accountability work. The initiative will start by making information accessible on donor support to climate change under the Bangladesh Climate Change Strategy and Action Plan (BCCSAP), demonstrating its usability (and usefulness) and building government trust in such a mechanism, with a view to incorporating all information

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<sup>1</sup> <http://icai.independent.gov.uk/wp-content/uploads/2010/11/ICAI-Report-DFID-Climate-Change-Programme-in-Bangladesh-FINAL.pdf>

from donors and government in the future. By housing this initiative in a governance programme we can ensure that transparency and governance thinking are fully embedded throughout procurement and implementation – including taking a slower approach to selecting the right ‘home’ for the mechanism to avoid capture by powerful groups and to enable a trust-building process to take place.

Private Sector sub-component: We anticipate TARIF funding for private sector regulation working with a mix of NGOs and business associations that could identify and target key regulations in the lifecycle of a business (e.g. set-up, operation, close) to push for information to be made available, possibly through supporting business associations to gather and make information available for their members. We are also considering options for supporting businesses to comply with transparency requirements.

## **12. Competition Criteria**

- 12.1. The supplier must be able to demonstrate capacity to implement TARIF according to the ToRs outlined above and in particular to:
- Operate in Bangladesh from the outset of the programme;
  - Build links and discuss selected themes with a diverse range of local people and organisations;
  - Build synergies with other DFID and donor programmes in similar areas;
  - Channel funding to local organisations to support activities; and
  - Demonstrate technical and commercial capability (see required expertise below).
- 12.2. In order to do so effectively, the supplier must be able to demonstrate the following core expertise:
- Expertise in transparency, accountability and Right to Information programming;
  - Expertise in civil society strengthening and with coalition building;
  - Expertise in issue-based advocacy and campaigning, and with state-government engagement;
  - Access to expertise in Climate Finance, Private Sector Regulation and Accountability in the Health Sector;
  - Expertise in large-scale programme management;
  - Grant and/or contract management for a range of grant/contract sizes including for civil society partners;
  - Expertise in due diligence in a context similar to Bangladesh; and
  - Expertise in Monitoring and Evaluation including for umbrella projects in a context similar to Bangladesh.
- 12.3. Criteria for assessment will be as follows:
- Proposed Structure and Team Composition (7.1. - 15%)
  - Methodology including proposed approaches to: (35%)
    - Fostering inclusion, diversity and innovation (5.3)
    - Identification of partners and initiatives (7.8)
    - Analysis and coalition building (7.12)
    - Approval, contracting and management of funds (7.13)
    - Working with Government (7.18)
    - Compliance, monitoring and evaluation (7.22)
    - Capacity building for partners (7.23)
    - Communications and advocacy (7.24)

- Approach to Climate Finance Transparency IBP (7.3)
  - Workplan (8.1)
- Commercial Proposal (30%)
  - Payment by Results. (7.6)
  - Fund Management Rates (7.6)
- Value Added (20%)
  - VfM approach (7.6), in particular the quality and relevance of results proposed by the bidder to be linked to payments.

### **13. Other Requirements – Security**

The supplier must be self-supporting and responsible for their own activities. They should not rely on DFIDB transport, offices, facilities, logistical or administrative support. Potential suppliers must include all such costs in their bids. DFIDB can provide letters to support visa applications on request.