

**Section 3  
(Revised March 2018)**

**TERMS OF REFERENCE**

**Terms of Reference for the Knowledge Manager and  
Fund Managers of the Building Resilience and Adapting to  
Climate Extremes and Disasters Programme (BRACED)**

**This Volume comprises of six parts:**

- A. Background to the BRACED programme:**
  - Section I: Climate change and disasters
  - Section II: Building resilience to climate extremes
  - Section III: Overview of the BRACED programme
- B. Approach and options to tender for Knowledge Manager and Fund Manager**
- C. Terms of Reference for Knowledge Manager (Information only)**
- D. Terms of Reference for Fund Manager**
- E. BRACED Logframe**

**ANNEXES**

- 1 DFID'S CURRENT ASSESSMENT OF RISK IN THESE COUNTRIES**
- 2 BRACED Contingency Funding**
- 3 Terms of Reference Annex Component D Scoping (February 2016)**
- 4 BRACED X –Addendum to Terms of Reference (March 2018)** (Applicable to the extension period from 1 April 2018 to 30 September 2019).

# **PART A: BACKGROUND TO THE BUILDING RESILIENCE AND ADAPTING TO CLIMATE EXTREMES AND DISASTERS (BRACED) PROGRAMME.**

## **SECTION I. CLIMATE CHANGE AND DISASTERS**

### **Loss of lives**

1. BRACED is expected to directly benefit up to 5 million vulnerable people, especially women and children, in developing countries by helping them become more resilient to climate extremes. In addition, through improved policies and institutions at the national level and better integration of DRR, climate adaptation and development programmes, the programme is expected to reach and help many millions more.
2. The consequences of climate change can be summarised as higher temperatures, changing rainfall patterns and rising sea levels which in turn result in climate extremes such as droughts, floods, cyclones and landslides. The 2012 IPCC “Special Report on Managing the Risks of Extreme Events (SREX) and Disasters to Advance Climate Change Adaptation”<sup>1</sup> provides evidence that climate change has already affected the magnitude and frequency of some climate extremes including floods, landslides, droughts and saline intrusion from sea level rise.
3. As populations increase more people are living in locations vulnerable to climate extremes (see definition in Box 1) and at risk of disasters. There have been 3.3 million deaths from natural hazards in the 40 years to 2010 (82,500 per annum) with 95% in developing countries<sup>2</sup>. Droughts are the worst with almost 1 million people dying in Africa’s droughts alone<sup>3</sup>. Since 2000 there have been over 400,000 deaths from climate extremes with 79% of those occurring in developing countries<sup>4</sup>. The UK’s Humanitarian and Emergency Response Review (HERR)<sup>5</sup> predicted that 375 million people a year will be affected by climate-related disasters by 2015.

### **Economic losses**

4. There is strong evidence of increasing risks to national economies and to the livelihoods of poor people from current climate and weather conditions – both from sudden events and from gradual change. Fatality rates and economic losses as a percentage of GDP are the highest in developing countries<sup>6</sup>; whilst total economic disaster losses are higher in developed countries.
5. The IPCC SREX report provides evidence that economic losses from climate-related disasters is increasing<sup>7</sup> but with a large year on year variation. Estimates of economic impact in developing countries often only take account of tangible impacts and ignore the wider impact on livelihoods at the household level; an impact which is difficult to measure and aggregate. In fact it is the poorest that are most vulnerable to disasters. Many of the

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<sup>1</sup> 2012 IPCC “Special Report on Managing the Risks of Extreme Events (SREX) and Disasters to Advance Climate Change Adaptation

<sup>2</sup> Natural Hazards, UnNatural Disasters, The Economics of Effective Prevention, (summary booklet) 2010, World Bank

<sup>3</sup> Ibid

<sup>4</sup> Defined as non-OECD countries. Source: EMDAT EM-DAT: The OFDA/CRED International Disaster Database

<sup>5</sup> Humanitarian Emergency Response Review; DFID website; March 2011

<sup>6</sup> IPCC SREX Extreme Events Report (2011) Summary for Policymakers page 6

<sup>7</sup> See UN-ISDR (2009) and Peduzzi et al (2011).

poorest will not recover from the forced selling, and/or loss, of their assets. They may become destitute and their children malnourished, often dropping out of school. Disasters destroy livelihoods and aspirations, as well as lives.

### Box 1: Definition of climate and weather extreme events

The term '**Climate extreme**' is used in this note to collectively refer to extreme weather and extreme climate events following the terminology used by the Intergovernmental Panel on Climate Change (IPCC). The distinction between extreme weather events and extreme climate events is not precise and is related to their time scales. The terms are often used interchangeably.

- An **extreme weather event** is typically associated with changing weather patterns, that is, within time frames of less than a day to a few weeks.
- An **extreme climate event** happens on longer time scales. It can be the accumulation of several (extreme or non-extreme) weather events (e.g., the accumulation of below average rainy days over a season leading to substantially below average cumulated rainfall and drought conditions).

What is called an extreme weather or climate event will vary from place to place (e.g., a hot day in the tropics will be a different temperature than a hot day in the mid-latitudes), and in time period.

Some climate extremes (e.g., droughts, floods) may be the result of an accumulation of moderate weather or climate events (this accumulation being itself extreme). Compound events, that is, two or more events occurring simultaneously, can lead to high impacts, even if the two single events are not extreme per se (only their combination). Not all extreme weather and climate events have extreme impacts.

In this note we refer to **climate extremes** based on the above definitions taken from the 2012 IPCC "Special Report on Managing the Risks of Extreme Events (SREX) and Disasters to Advance Climate Change Adaptation.

6. The Human Development Report from 2007/8 and the 2012 Foresight report on Reducing Risks of Future Disasters<sup>8</sup> both emphasise the long term and indirect impacts of disasters. This is because the strategies used to manage increased risks often reinforce deprivation. The poor may be forced to sell productive assets to protect consumption, with implications for longer term recovery. When asset sales are not enough households resort to cutting meals, taking children out of school and reducing spending on health. If households do not have access to safe assets then an increase in risk may lead to lower levels of saving, in this way adverse shocks can have long-lasting negative effects. In addition the 2011 Foresight Report on Migration and Global Environmental Change<sup>9</sup> found that when the impacts of disasters are not reversible and land becomes unviable, migration becomes the most viable coping strategy. In these circumstances the poorest communities are at risk of becoming 'trapped populations' unable to obtain a livelihood where they are and too poor to be able to afford to move.

## Impacts on nutrition

<sup>8</sup> Foresight: Reducing Risks of Future Disasters (2012). Final Project Report. The Government for Science, London

<sup>9</sup> Foresight: Migration and Global Environmental Change (2011). Final Project Report. The Government Office for Science, London

7. Evidence from regions affected by climate extremes demonstrates the impacts on nutrition and long term resilience. Studies from the Gambia reveal that women who are pregnant during a hunger gap give birth to smaller babies<sup>10</sup>. Longitudinal studies from Malawi have shown a seasonal variation, linked to the annual hunger season, in height gain among young children<sup>11</sup>. In Ethiopia and Niger, children born during a drought are more likely to be chronically malnourished later in childhood than those who are not<sup>12</sup>. The prevalence of chronic undernutrition has been found to increase among Bangladeshi children following flooding<sup>13</sup>. It is estimated that more than 20% of adult height variation in developing countries (the sign of chronic undernutrition in childhood) is determined by environmental factors, in particular drought<sup>14</sup>.
8. Ensuring that development and adaptation investments support improvements in the nutritional status of communities will help to build their resilience<sup>15</sup>. However, these investments might not go far enough to protect nutrition outcomes when shocks arise. It is already recognised that nutrition-sensitive interventions crucial for ensuring optimal nutrition outcomes are not currently sufficiently disaster proofed to maintain effectiveness in the face of crisis<sup>16</sup>.

## Women and disasters

9. Women are more vulnerable to the effects of natural disasters than men. For example a study of 141 natural disasters from 1981 to 2002 found that when economic and social rights are equal for both sexes, death rates from diastases do not differ significantly for men and women. But when women's rights and socio- economic status are not equal, more women than men die in disasters<sup>17</sup>. In Bangladesh, for example, of the 140,000 people who died from the flood-related effects of Cyclone Gorky in 1991, women outnumbered men by 14:1. Contributory factors limiting women's mobility and use of cyclone shelters were social norms and roles for women including primary responsibility for the care of children, the sick and elderly; social norms preventing women from leaving their homes or staying in cyclone shelters without a male relative; traditional dress codes such as the wearing of *sarees* that can easily become entangled; and concerns around privacy and safety in shelters. Women also represented an estimated 61% of fatalities in Myanmar after Cyclone Nargis in 2008, and 70% of those dying during the 2004 Indian Ocean tsunami in Banda Aceh, Indonesia<sup>18</sup>.
10. Empowerment of women is an important ingredient in building climate resilience. There are now a wide range of studies on how empowering women in communities contributes to climate resilience<sup>19</sup>. There is also strong and mounting evidence at the country level that improving gender equality contributes to policy choices that lead to better environmental governance, whether through increased representation and voice of women within their communities, in society at large, and at the political level, or through

<sup>10</sup> Rayco-Solon, P. et al. (2002) Differential effects of seasonality on preterm birth and intrauterine growth restriction in rural Africans. *Am J Clin Nutr.*, 81(1) 134-139.

<sup>11</sup> Maleta, K. et al. (2003) Seasonality of growth and the relationship between weight and height gain in children under three years of age in rural Malawi. *Acta Paediatr* 92: 491-497.

<sup>12</sup> Fuentes, R. and Seck, P. 2007. The Short-Term and Long-Term Human Development Effects of Climate-Related Shocks: some Empirical Evidence. New York, UNDP

<sup>13</sup> Del Ninno, C., Dorosh, P.A. and Smith, L.C. (2003) 'Public policy, markets and household coping strategies in Bangladesh: Avoiding a food security crisis following the 1998 floods'. *World Development* 31(7): 1221–1238.

<sup>14</sup> Silventoinen, K. 2003. Determinants of variation in adult body height. *Journal of Biosocial Sciences*, 35:263–285.

<sup>15</sup> UN Standing Committee on Nutrition (2010) *Climate Change and Nutrition Security: Message to the UNFCCC negotiators*.

<sup>16</sup> One example is the Ethiopian Productive Safety Net Programme which now incorporates a risk financing mechanism to provide additional support during bad years.

<sup>17</sup> Neumayer, Eric, and Thomas Plümper (2007). The gendered nature of natural disasters: the impact of catastrophic events on the gender gap in life expectancy, 1981–2002. *Annals of the Association of American Geographers* 97(3): 551–66.

<sup>18</sup> World Bank (2011b). *Making Women's Voices Count: Integrating Gender Issues in Disaster Risk Management*. Operational Guidance Notes. Washington, DC: The World Bank, East Asia and Pacific Region.

<sup>19</sup> World Bank. 2011. *Gender and Climate Change: Three Things You Should Know*.

increased labour force participation. In Nepal and India women's participation in forest committees beyond a critical minimum threshold (around a third) has been seen to have a positive impact on forest regeneration and a reduction in illegal extraction of forest products<sup>20</sup>.

11. There is evidence that where women are empowered to expand their own, their families' and their communities' endowments, agency and opportunities, this can also serve as a powerful springboard for building climate resilience. Good examples of how this can be done are seen in programs that seek to build climate resilience through gender sensitive approaches to supporting rural livelihoods. In pastoral communities in Kenya and Ethiopia building resilience to drought, with a particular emphasis on empowering women to become agents of change, helped communities better manage the risks associated with the 2005–08 drought cycle by generating income, preserving assets and enhancing food security.<sup>21</sup>

## **Impacts on developing countries**

12. As well as suffering the overwhelming majority of deaths, developing countries are highly vulnerable to the impact of extreme climate events because:
  - They have less resilient economies and depend more on climate sensitive activities;
  - They are often poorly prepared to deal with climate variability;
  - They are at risk from mal-adaption due to lack of finance, information and techniques in risk management, plus poor governance;
  - There has been little consideration of climate proof investment in areas of growing population; and,
  - They are already at an 'adaptation deficit' from low levels of economic development.
13. A region that has seen repeated climate related disasters is the Sahel. The root causes of vulnerability in the Sahel are the lack of resilience to shocks and stresses caused by drought, floods and conflict. Building resilience is vital to break the cycle of recurrent humanitarian crises in the region. The 2012 food and nutrition crisis, and its after effects, are still being felt by millions of people across the Sahel. The crisis disproportionately hit the poorest in society. Many reverted to adverse coping mechanisms such as distress sales of livestock and buying food on credit.
14. In the Sahel both climate change and population growth will lead to increased competition for scarce resources with the real risk that this could fuel further conflict in a region that is already deeply affected by conflict and insecurity. With a reliance on rain-fed agriculture, a lack of infrastructure and few diversification options, the region will be hit disproportionately hard by climate variability and is expected to be one of the worst affected regions globally by climate change. These stresses will be exacerbated by population growth. Annual population growth in Niger for example is over 3.5%, and the population of the Sahel is expected to double by 2050.
15. Severe and persistent poverty means that people in the Sahel are extremely vulnerable to shocks and stresses. Sahelian countries are collectively among the poorest and least developed countries in the world. According to UNDP's Human Development Index for 2011, Niger was ranked 186 out of 187 countries; Chad 183, Burkina Faso 181 and Mali 175. Indicators such as infant mortality, maternal mortality, nutritional levels and health

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<sup>20</sup> Agarwal, Bina (2010). *Gender and Green Governance: The Political Economy of Women's Presence Within and Beyond Community Forestry*. Oxford: Oxford University Press.

<sup>21</sup> D. Layne Coppock, Solomon Desta, Seyoum Tezera, Getachew Gebru 2011. *Capacity Building Helps Pastoral Women Transform Impoverished Communities in Ethiopia*. Science. DOI: 10.1126/science.1211232

coverage are amongst the worst in the world. Gender inequalities are also some of the highest in the world; in the 2011 Gender Inequality Index Chad ranked 145 out of 146, Niger 144 and Mali 143. Women are key actors in agricultural production, marketing food commodities, family food preparation and consumption, dietary habits, family and community health, and educating children. Yet, they often face persistent obstacles and economic and social constraints limiting their inclusion in decision-making in the field of agriculture and business.

16. There is a very high prevalence of malnutrition in the Sahel. An estimated 645,000 children die in the Sahel every year, with an estimated 226,000 of these deaths being directly linked to malnutrition. Sahelian countries suffer from low levels of education, lack of access to basic services, poor governance and weak markets. High food prices and price volatility have been a major contributing factor to recent food crises in the Sahel, meaning that poor people are unable to purchase food even when it is available, affecting both rural and urban households.
17. Conflict, civil war, military coups d'état, corruption, weak governance and poor human rights records have characterised the region for decades. Niger and Chad have experienced major conflicts in recent years and the recent conflict in Mali, resulted in over 430,000 displaced people<sup>22</sup>. There is a need for significant, long-term efforts to strengthen governance and political leadership, particularly in fragile states.
18. The early years of the 21<sup>st</sup> century have seen an increase in the commitment of the international community to reducing disaster losses globally. The International Strategy for Disaster Reduction (UNISDR) is a strategic framework adopted by the United Nations Member States in 2000, to guide and coordinate the efforts of a wide range of partners to achieve a substantive reduction in disaster losses.
19. In 2005, the international community approved the Hyogo Framework for Action; a 10-year plan to make the world safer from natural hazards. In response to the Hyogo Framework, in 2006 the Global Facility for Disaster Risk Reduction and Recovery (GFDRR) was established with a Secretariat in the World Bank. The mandate of the GFDRR is to mainstream disaster risk reduction and climate change adaptation into country development strategies, especially those focussed on poverty reduction, and into the operational strategies of the World Bank in order to support them. It works in partnership with UNISDR.
20. Disaster risk reduction (DRR) and climate resilience now have a higher profile and this is leading to increased support from multilateral and bilateral donors. In providing this it is important to recognise and address the institutional challenges. Building climate resilience can involve global, regional, national, and community financiers and stakeholders but the outcomes of specific interventions are geographically, community or sector specific. Building climate resilience requires that the priorities of the climate vulnerable, who are often the poor and politically excluded, are fully understood and taken into account. An understanding of the institutional complexity is crucial and the participation of local councils, civil society, the private sector and communities will be crucial to the success of any interventions.
21. In summary the climate is changing and is likely to continue to change, although there is uncertainty about precisely how it will change. For the next 20 years or more the main impact of these changes is likely to be an increase in the number and intensity of climate extremes. The potentially devastating impacts of the gradual rise in global temperatures

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<sup>22</sup> IOM Survey quoted in IDMC: 20/02/13: Mali: A Cautious Return: Malian IDPs Prepare to Go Home.

and sea levels are not likely to be felt fully until the middle of the 21st century and beyond. Vulnerability to climate change is, therefore, closely linked to climate-related disasters. Climate is only one factor that will affect vulnerability – some studies suggest that the patterns of socio-economic development may also increase the vulnerability of poor people. Failure to correct ‘mal-adaptive’ patterns of socio-economic development will increase the risks and damage and loss from climate change.

## **SECTION II: BUILDING RESILIENCE TO CLIMATE EXTREMES**

### **What is climate resilience?**

22. The response to the challenges discussed above should be to improve the resilience of people and communities to climate extremes. Resilience can be defined as “the long-term capacity of a system or process to deal with change and continue to develop”. Building climate resilience (Box 2) requires strengthening the ability of households, communities and countries to anticipate, absorb, accommodate or recover from climate extremes. This means where possible preventing a climate event becoming a disaster by avoiding or mitigating the impacts, and enabling countries and communities to recover quickly.

#### **Box 2: What is Climate Resilience?**

Resilience is<sup>23</sup> the ability of a system to bounce back from stresses and shocks. Climate resilience can be defined as “the long-term capacity of a system or process to deal with extreme weather events and changes in climate and continue to develop”.

The concept of resilience, including climate resilience, adds an additional dimension to development thinking. It builds on other approaches such as disaster risk reduction and, livelihoods. It emphasises uncertainty and estimating the level of future risks in complex processes<sup>24</sup> beset by uncertainty. Hence, by definition, building climate resilience is not an exact science<sup>25</sup>.

Climate resilience can be viewed as a set of principles; and a developmental outcome. There is no template for building resilience. So it is essential to define who or what needs to be made resilient and against what kind of future change or shock. The indicators of climate resilience are, therefore, specific to the situation, rather than generic.

### **Responses**

23. The response to the risks posed by climate extremes may take the form of moving people out of harm's way (early warning systems and evacuation plans), shelter/physical protection (sea walls community infrastructure, environmental protection, building regulations), ensuring that essential services, food and water remain available during and after a crisis so that the poor don't have to sell their assets (social protection, insurance, food stocks), promoting resilient livelihoods (livelihood diversification, drought resistant crops), ensuring that information knowledge is available to plan for these actions (climate and weather forecasting and the capacity to assess the risks systematically) and helping communities to recover as quickly and effectively as possible. BRACED is responding to both slow onset disasters (mainly droughts in areas suffering from chronic food insecurity) and rapid onset disasters (e.g. cyclones and floods) it will support a wide range of interventions.
24. Strengthening existing production systems that already successfully operate under conditions of environmental variability and unpredictability is important. This will need to build on existing strategies which combine production systems currently being pursued

<sup>23</sup> Jamais Cascio; Foreign Policy Magazine; The Next Big Thing; Resilience; April 15, 2009

<sup>24</sup> Mechler, R. and The Risk to Resilience Study Team, (2008): The Cost-Benefit Analysis Methodology, From Risk to Resilience Working Paper No. 1, eds. Moench, M., Caspari, E. & A. Pokhrel, ISET, ISET-Nepal and ProVention, Kathmandu, Nepal

<sup>25</sup> Protecting Gains, Minimising Losses: Putting Resilience at the Heart of DFID's Development Work. Policy Division Draft Discussion Paper. (2012)



by some households, and addressing the factors that undermine their ability to help build climate resilient development.

## **Combining DRR and adaptation approaches to build resilience**

25. Disaster Risk Reduction (DRR) is an approach that has evolved from humanitarian relief, to go beyond emergency responses to a planning approach to reduce the risk of disasters occurring and the impact when they do occur. DRR provides a framework to build resilience to climate extremes, through measures including; identifying the risk, transferring the risk (for example re-insurance), avoiding the risk (for example early warnings), and reducing the risk (for example preparedness of infrastructure).<sup>26</sup> Disaster risk reduction shares some key characteristics with approaches to building resilience: (1) it is a holistic framework for assessing national systems, communities and individuals, (2) it places an emphasis on capacities to manage hazards or disturbances, (3) it incorporates options for dealing with uncertainty, surprises and changes and (4) it is proactive. A system that is effective in managing risk is likely to become more resilient to shocks and stresses.
26. A study<sup>27</sup> on the economics of resilience in Ethiopia and Kenya clearly demonstrated the need to combine DRR and development together. In Kenya the study found that early response to drought could save between \$107m and \$167m for a population of 367,000 in a single event alone. In southern Ethiopia, with a population of 2.8m, household level data suggest that early response could save between \$662m and \$1.3billion in a single event.
27. The HERR identified that more investment is needed to reduce the risks of a climate extreme becoming a disaster and to protect the poorest and least able to cope from the worst impacts. A key recommendation of the HERR is that DFID should ensure that building resilience is a core part of its programmes by integrating the threat from climate change with other hazards into a DRR approach. BRACED is one of the first DFID programmes to take this approach at scale.
28. Climate extremes differ from the traditional hazards that DRR addresses in in some important aspects. Unlike some other hazards (e.g. earthquakes) we know the risks posed by climate extremes are going to increase over the longer term, on the other hand there is considerable uncertainty as to exactly how these changes will manifest and managing climate risks requires being prepared for surprises – for example the one in a hundred year flood happening every ten years. Therefore a flexible approach that can incorporate new information as it is generated is important as well as investment in improved forecasting and knowledge of what works, to reduce uncertainty and enable choice and capacity to respond. There is a need for coherence with climate change adaptation interventions, such as resilient agricultural development, that seek to keep development on track in the face of climate change, and for a joined up approach and understanding between communities of practice on DRR and climate change resilience.
29. The most effective DRR and climate adaptation actions are those that deliver development benefits in the short-term and reduce vulnerability in the long-term<sup>28</sup>. They combine efforts to tackle the causes of poverty and vulnerability, integrate knowledge of changing risks and build adaptive capacity. The BRACED programme will seek to build coherence across this spectrum, from immediate humanitarian response, to traditional DRR, to longer term adaptation to climate change and resilient growth. It will support two

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<sup>26</sup> Foresight: Reducing Risks of Future Disasters (2012). Final Project Report. The Government for Science, London

<sup>27</sup> DFID. 2012. The Economics of Early Response and Disaster Resilience: Lessons from Kenya and Ethiopia.

<sup>28</sup> IPCC SREX Report; Summary for Policy makers(2011) p15

main areas of action are need. First actions to prevent a climate extreme becoming a disaster, and second actions to take when disasters occur to minimise their impacts and enable communities and countries to recover.

30. BRACED will address the HERR recommendation to integrate the threat from climate change into DRR by expanding this approach to explicitly accept the levels of uncertainty around climate events and respond accordingly. It will work across the DRR, social protection and climate adaptation disciplines, and across 'top-down' institutional and 'bottom-up' community approaches, whilst building evidence on what works and why. Only by embedding efforts to build climate resilience within permanent institutional processes will it be possible to achieve the strategic, coordinated and long-term perspective that an effective response to climate change requires.

### **What policies and institutional changes are needed?**

31. Governments can also influence the broad patterns of macroeconomic development that can build resilience to climate extremes and disasters. We know for example, that macroeconomic stability can help countries recover from extreme events<sup>29</sup>. We have less evidence on what types of policy work well at building resilience across communities within a country. There are strong positive externalities associated with the knowledge of what works well and less well in economy-wide resilience building.
32. There is also a need for better connections between local and national approaches. For example investment in national early warning systems will have limited impact on the lives of millions of poor people without local investment in, say, cyclone shelters and livelihoods support (safety nets and insurance) so that people can act effectively on the warnings. At the national level and in the context of policy formulation, it is necessary to consider the vulnerability to climate extremes from a sector perspective. For example the water, tourism, health, urban, agriculture, and housing and transport infrastructure sectors are all clear priorities.
33. On the other hand, at the community and household level, planning purely from a sector perspective is less helpful. Poor people have complex livelihoods and it is more appropriate to identify the specific risks communities may face (such as drought, floods, saline intrusion) and build resilience from the perspective of their livelihoods. For example recent climate resilience assessments in the drylands of Kenya have shown that it is better, from poor people's perspective, to focus on measures to make local economies and natural resource governance systems resilient.<sup>30</sup>
34. Securing land rights is also part of building resilience. There is a need for interventions that support the implementation of new, land tenure legislation, including supporting the development of practical tools that local land institutions can use in their work, and for support to efforts that deal with the social issues.

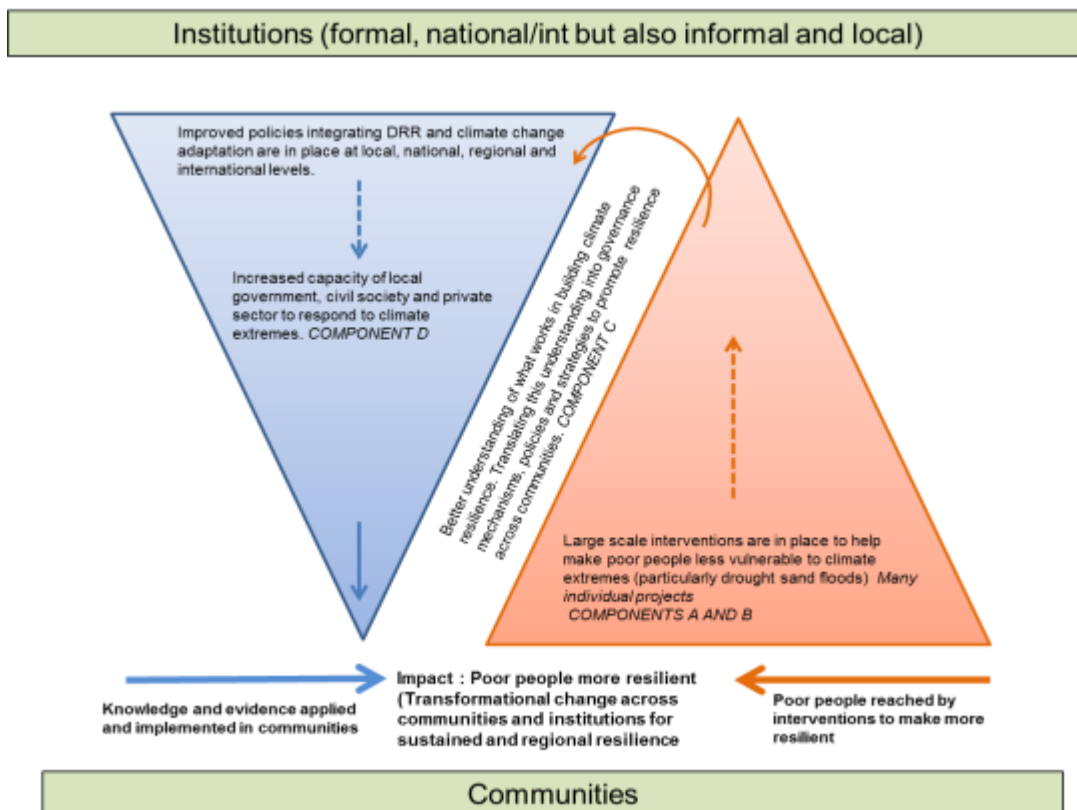
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<sup>29</sup> DFID (2010) Promoting Economic Growth When the Economy is Changing VIVID Economics. DFID

<sup>30</sup> Ward level climate resilience assessments will be available on the website of the National Drought Management Authority of the Government of Kenya.

### **SECTION III: OVERVIEW OF THE BRACED PROGRAMME**

35. BRACED is expected to directly benefit up to 5 million vulnerable people, especially women and children, in developing countries by helping them become more resilient to climate extremes. In addition, through improved policies and institutions at the national level and better integration of DRR, climate adaptation and development programmes, the programme is expected to reach and help many millions more.
36. BRACED is designed as a two phase programme. In its first four year phase from August 2013 DFID will provide up to £140 million from the UK's International Climate Fund (ICF). This will be used to scale interventions in up to 15 countries and to build the evidence on how to do this at scale to influence policy and institutional changes, and to build regional and national capacity to respond to climate related disasters.
37. This will be achieved through: grants to NGOs and their partners (local government, research organisations, UN agencies and private sector) to scale up proven technologies and practices in the Sahel and DFID focal countries at most risk; research and evaluation to build the evidence on what works on adaptation and DRR; and, building national and international capacity to respond to climate related disasters.
38. Subject to satisfactory service and availability of funds DFID may at its sole discretion extend the duration of the Contract. DFID shall give notice to the Supplier not less than four weeks prior to the end of the initial contract period of its intentions whether to extend the contract period or periods up to a maximum of three (3) years. Any reference in the Contract to contract period shall from the date of such notice be taken to be reference to the revised contract period.
39. Figure 1 provides the theory of change for BRACED and how it will seek to achieve its stated impact to make poor people more resilient to climate extremes by two main pathways leading to two outcomes:
- In the short term by the direct impact of funded projects on the improved resilience of men women and children in the communities targeted.
  - In the longer term it will aim to achieve a transformational impact on the resilience of poor people in vulnerable communities over time (sustained) and across regions (geographic). It will learn lessons from projects of what approaches work and in what context, and use these to influence policy making and development planning in national and local governments, regional and international initiatives.
40. Figure 1 BRACED Theory of Change



41. To deliver these outcomes BRACED has four Components:

- **Component A:** Grants to consortia, alliances or partnerships of NGOs, local government, private sector and research organisations to scale up actions on the ground to build the resilience of people to cope with climate extremes in the Sahel.
- **Component B:** Grants to consortia, alliances or partnerships of NGOs, local government, private sector and research organisations to scale up actions on the ground to build the resilience of people to cope with climate extremes in DFID focal countries at risk of climate extremes.
- **Component C:** Support to build and share evidence on adaptation and DRR and identifying what policy and institutional changes are needed to build the resilience of people in developing countries to climate extremes.
- **Component D:** Support to build the capability and capacity of developing countries and regional organisations to prepare and plan for the expected increases in the frequency and severity of climate extremes.

42. Together these four components will directly benefit people at risk from climate extremes, and provide evidence on the importance of, and how to, integrate climate change, disaster risk reduction and development programmes.

43. One of the challenges to BRACED is to avoid “just” funding good adaptation projects that build resilience to climate extremes without considering long term sustainability, and policy and institutional change. There are likely to be limits to

the extent to which poor communities can develop resilience on their own. Economic diversification may entail better links to markets or seeking jobs elsewhere for parts of the year. Other forms of local support from outside the community may also help break or reduce the efficacy of mechanisms by which communities are indirectly adversely affected by weather and climatic shocks. Most successful interventions for resilience have therefore also aimed to influence policy and help reform local to national governance systems<sup>31</sup>.

44. BRACED will therefore also support a broader set of interventions that improve policies and promote empowerment and accountability. For example, promoting greater transparency in the use of adaptation and resilience funding through participatory monitoring processes.
45. DFID has commissioned a short study to identify available methodologies for measuring resilience, and test their appliance on a number of programmes including BRACED. The results of this study are expected by February 2014 and will then be published on [www.evidenceondemand](http://www.evidenceondemand).
46. The third component of BRACED will help to build and share knowledge and evidence on adaptation and DRR. It will help BRACED deliver a sustained and transformational impact on people's resilience to climate extremes, beyond the communities directly supported by funded projects. It will do this by learning lessons and building evidence on what works in different contexts. In doing so it responds to the Foresight report on 'Reducing the Risks of Future Disasters'<sup>32</sup> call for the development of reliable measures of resilience combined with an evidence base on the cost and benefits of different interventions to support decisions on DRR investments.
47. A two stage process is being undertaken in the selection of grants under Components (A) and (B). There is an initial call for concepts. The best of these will be selected and proponents asked to develop full proposals. To enable them to do this grant proponents can apply for a project preparation grant.
48. DFID is managing this initial call for concepts. Details of this call are provided in guidance on <https://www.gov.uk/building-resilience-and-adaptation-to-climate-extremes-and-disasters-programme-braced>. A Fund Manager is to be appointed to support the selection of full proposals and then the management of the BRACED full grants and the implementation of these projects. It is expected that details of the successful concept proposals will be available by 1<sup>st</sup> February on <https://www.gov.uk/building-resilience-and-adaptation-to-climate-extremes-and-disasters-programme-braced>.
49. It is expected there will be up to 22 grants with an average grant size for full projects will be £6 million over three years with a maximum of £10 million.. The minimum grant is expected to be £3million.

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<sup>31</sup> See the paper by James Pattison et al "Local to national: putting local voices and priorities at the heart of national policy making." Presented at the "Hunger, Nutrition, Climate Justice" Dublin Castle, April 2013. Available at: [http://eu2013.ie/media/eupresidency/content/documents/HNCJ-conference-papers\\_final\\_small.pdf](http://eu2013.ie/media/eupresidency/content/documents/HNCJ-conference-papers_final_small.pdf)

<sup>32</sup> Foresight: Reducing Risks of Future Disasters (2012). Final Project Report. The Government for Science, London.

50. The programme as a whole will be monitored against its logframe (see website for BRACED logframe). Reporting will be on a six monthly basis. Programmes will aim to collect monitoring data against the key objectives of this work and relevant indicators from both the ICF and DFID results frameworks.
51. A key part of monitoring and evaluation for BRACED will be the measurement of the impact of projects under BRACED on the resilience of the beneficiaries and communities targeted. A methodology for resilience assessment will be developed (based on existing approaches) and projects will be expected to use this methodology to annually report on this outcome. Projects will also be expected where possible to identify 'control' groups to compare these measures to. The Knowledge Manager is expected to provide technical advice to grantees on this resilience monitoring.
52. BRACED has been designed alongside a sister programme focused on building national systems in the Sahel to deliver Adaptive Social Protection programme (ASP) for households vulnerable to climate extremes.
53. ASP is a four year programme that will be implemented by the World Bank through a Trust Fund. The evaluation of this World Bank Trust Fund will provide the basis for justification of a second phase to ensure sustainability in the long term. The Theory of Change outlines that achieving resilience through adaptive social protection make take 10-15 years and so the intention is that the Trust Fund would be extended and open to other donors for a further 6 year phase should the evidence from this phase justify it.
54. ASP will be assessed at two levels: 1) impact evaluations of the project pilots conducted by the World Bank, and 2) an overarching evaluation at the level of the trust fund as a whole. The pilot level impact evaluations will feed into, and provide evidence for the programme level assessment. Therefore the overarching evaluation questions will dictate some of the information needs to be captured through the project impact evaluations.

## **PART B: APPROACH AND OPTIONS TO TENDER FOR KNOWLEDGE MANAGER AND FUND MANAGER**

55. DFID now requires service providers to support the implementation of the BRACED Programme over the next four years in two areas:

- a. Lot 1 -The **BRACED Knowledge Manager** to support the implementation of the programme focused on Component (C) to help BRACED deliver a sustained and transformational impact on people's resilience to climate extremes, beyond the communities directly supported by funded projects
- b. Lot 2- The **BRACED Fund Manager** who will focus on Components (A) and (B) and manage the selection of full proposals, and the management of successful projects to directly benefit 5 million vulnerable people, especially women and children, in developing countries by helping them become more resilient to climate extremes;
- c. Lot 3 – Combination of Lot 1 and Lot 2

56. Separate terms of reference for Fund Manager and Knowledge Manager have been prepared. Organisations can decide to bid for one or both contracts separately, or to bid for a single combined contract, or for a combination of options (e.g. bid for Lot 3 and submit a separate bid for Lot 1 and/or Lot 2). The options are:

- a. Lot 1 Bid for Knowledge Manager.
- b. Lot 2 Bid for Fund Manager
- c. Lot 3 Bid for combined fund and knowledge manager

57. The technical appraisal for the Knowledge Manager and Fund Manager for all Lots will be undertaken at the same time together with the commercial appraisal. Volume 2 provides more detail and the evaluation criteria that will be used.

58. Should an organisation decide to bid for both the Fund Manager and Knowledge Manager then they:

- a. Should demonstrate how they will separate the different functions to maintain their independence especially in relation to ensure the integrity of research and independence of the evaluations.
- b. Set out how any potential conflict of interest will be avoided.
- c. Set out any cost savings that would be achieved by the same organisation holding both contracts.

59. Details on evaluation criteria are given in Volume 2.

## **PART C – LOT 1 - TERMS OF REFERENCE FOR THE KNOWLEDGE MANAGER OF THE BUILDING RESILIENCE AND ADAPTING TO CLIMATE EXTREMES AND DISASTERS (BRACED) PROGRAMME**

60. These terms of reference are for a service provider to act as Knowledge Manager to support the implementation of the BRACED Programme over the next four years and help to build and share knowledge and evidence on adaptation and disaster risk reduction (DRR).

### **Objective**

61. DFID is seeking a service provider to act as Knowledge Manager to support the implementation of the BRACED Programme, particularly Component (C) for which up to £10 million has been allocated. The objective of this support will be to help BRACED deliver a sustained and transformational impact on people's resilience to climate extremes, beyond the communities directly supported by funded projects through building and sharing evidence. It will also support work on BRACED's sister programme: Adaptation for Social Protection programme.

### **Recipient**

62. The recipient of this service will be DFID through the Climate and Environment Department and Africa Regional Department. This will also benefit the population and vulnerable groups and Governments in the countries where BRACED will support activities.

### **Scope of Work**

63. The Knowledge Manager will help BRACED deliver a sustained and transformational impact on people's resilience to climate extremes, beyond the communities directly supported by funded projects. It will do this by learning lessons, undertaking policy research and evaluations, building and sharing evidence on what works in different contexts and ensuring this knowledge is integrated into improved policies and practices at local, national and international level, so that best practice is applied across countries and communities.

64. The Knowledge Manager will be expected to work closely with all consortia awarded grants under BRACED, as knowledge from these will be a crucial source of evidence for this component. It will also work with BRACED's sister programme in the Sahel, the Adaptation for Social Protection programme.

65. The geographic focus of BRACED is the Sahel and selected DFID focal countries that are at risk from extreme climate events. In the Sahel these countries are Burkina Faso, Chad, Mali, Mauritania, Niger, and Senegal. DFID focal countries are Burma, Nepal, Ethiopia, Kenya, Pakistan, South Sudan, Sudan, Uganda, and Mozambique. The Knowledge Manager will support BRACED work in these countries, but in addition it will have a global focus on the sharing of knowledge on building resilience to climate extremes.



66. An important aspect of Component C for BRACED will be the measurement of the impact of projects under BRACED on the resilience of the beneficiaries and communities targeted. To help achieve this a methodology for resilience assessment will need to be developed (based on existing approaches) and tested. BRACED projects will be expected to use this methodology to annually report on this outcome.
67. The evaluation of the ASP programme has three parts to it: (i) to measure results and assess value for money, (ii) to provide evidence of what works for future programming, and (iii) to guide any intermediate adjustment to the programme. At the pilot project level, the programme will be monitored and evaluated to track results and increase the evidence base on what works by comparing different approaches and outcomes. This includes comparing different approaches to providing technical assistance and capacity building, different methods of beneficiary targeting, different levels of persistence and frequency of transfers, and different forms of social protection (e.g. conditional and unconditional cash transfers, public work programmes).
68. The ASP theory of change outlines some of the broader changes that might be expected based on evidence from social protection programmes in similar contexts, and the programme level evaluation/review would be used to look for evidence of these changes. This evaluation would enable us to make a better judgement of the outcomes and impact of adaptive social protection programmes in the Sahel context, and how far lessons from similar contexts can be applied to the Sahel. It will also generate evidence on the likely sustainability of the benefits delivered by the programme.

## **Expected Outputs**

69. The Knowledge Manager is expected to help deliver the BRACED outcome *“Knowledge and evidence for building resilience to climate extremes is built and is used at all levels (local, national, regional, international and within DFID)”* by delivering the outputs given below.
70. For each of these outputs targets and milestones will be agreed with the preferred bidder, and details of these will be expected to be provided by organisations invited to submit full tenders:

### *1. Building knowledge and evidence on what interventions work to build resilience to climate extreme events*

- A. BRACED policy research and evaluation plan, including set of research and evaluation questions to be answered across the BRACED grant portfolio.
- B. Establish ASP research and evaluation plan in close collaboration with the World Bank's Independent evaluation group (IEG).
- C. Quality knowledge and evidence produced in range of formats (including but not restricted to briefs, technical reports, peer reviewed papers, evaluation reports)

and reviews) on what interventions work in which contexts to achieve climate resilience.

- D. Case studies on the economic analysis of interventions to determine quantitative data on costs and benefits that build resilience to climate extremes.
- E. Synthesis of results from evaluation and research and dissemination to a wide audience, particularly tailored to institutions responsible for implementation of policies to build climate resilience at local, national and international levels.

## II. Evaluations of BRACED portfolio to help determine what works to build resilience to climate extremes.

- F. Research/project experimental evaluations on selected BRACED projects to determine the impact of BRACED projects on community resilience.
- G. Strategic evaluations to test the BRACED and ASP theory of change assumptions.
- H. Synthesis review and meta evaluations undertaken on resilience as part of BRACED and ASP.

## III. Strengthening monitoring and reporting by BRACED grantees and Fund Manager

- I. Development of overall monitoring and evaluation framework for the BRACED programme and ensuring this is regularly updated.
- J. Consistent and common measurement on resilience to climate extremes used across BRACED portfolio.
- K. BRACED grantees provided with methods and indicators to test and use to assess the effectiveness of the approaches and practice they are implementing on building resilience to climate extremes.
- L. Support grantees and Fund Manager to establish baselines within 6 months of project start date, and all successful proposals have written and financed M&E plans designed to collect systematic baseline data. (NB The BRACED grantees will be responsible for data collection, and the Fund Manager will collate and report this data for the BRACED programme).

## IV. Getting knowledge and evidence on building resilience into use

- M. A knowledge management and communication plan for the BRACED programme and ensuring this is regularly updated.
- N. Strengthened and increased links between BRACED grantees and relevant research programmes, private sector, and humanitarian and development stakeholders.

- O. Peer to peer lesson learning between BRACED grantees established and knowledge on building resilience to climate extremes built.
- P. DRR and adaptation mainstreamed into other knowledge platforms (e.g. on social protection, working in fragile states, achieving sustainable economic growth).
- Q. Strengthened existing knowledge platforms (including CDKN) on DRR and adaptation, and support to wider learning under the International Climate Fund on climate change adaptation.
- R. Development of new programmes and projects by DFID country offices and national partners using knowledge and evidence from BRACED.
- S. Design of the second phase of *BRACED*.
- T. DFID website has quality evidence from BRACED.
- U. *Development of a public-facing website for BRACED, its design demonstrably founded on the needs of the grantees as the representative user group. This will allow us to further awareness of BRACED activities and issues, share research products and monitor the impact of BRACED materials.*

#### V. Financial and management

- V. Inception report after six months of start of contract providing a detailed plan on how the Knowledge Manager will deliver expected outputs to contribute to BRACED objectives.
- W. Due diligence reports on any organisations that the Knowledge Manager commissions or sub-contracts work to implement work under Component C before any grants or contracts are awarded.
- X. Monthly, quarterly and annual reports on progress of knowledge management work of BRACED programme.
- Y. Effective working strong relationship with the BRACED Fund Manager to support the implementation of projects under Components (A) and (B).

#### **Implementation requirements**

71. The implementation of the BRACED programme has three guiding principles:

- Delivery of results: to ensure that DFID's investment is helping people at risk of climate extremes;
- Sustainability: to ensure DFID's investments represent good value for money by achieving impacts beyond the lifetime of the projects; and,
- Innovation: so that new ways of doing things and new partnerships to build resilience to climate extremes are explored and tested.

72. These should be reflected in the actions developed by the Knowledge Manager, and in how it operates so that Component C of the BRACED programme is:

- Competitive, to drive high performance and to ensure only quality research and evaluation, dissemination and knowledge actions that are undertaken and sub-contracted by the Knowledge Manager that deliver results;
- Responsive, so that BRACED provides emerging evidence to inform policy and the development of new programmes and investments to deliver more results, as well as peer to peer lesson learning between grantees;
- Structured and Straightforward, with clear criteria and rationale for the knowledge management approach proposed with complexity kept to a minimum so that evidence and knowledge is used.

73. The Knowledge Manager is expected to build evidence on building resilience to climate extremes and getting this knowledge into use. This will require the use of a range of methodologies and processes, and a good appreciation of the existing evidence base.

74. The Knowledge Manager will be responsible for identifying and developing the most appropriate tasks and actions to deliver the expected outputs expected.

75. The Knowledge Manager will be expected to finalise a set of key research and evaluation questions that it will answer either undertaking directly or subcontracting to others. These questions should also test the result chains and assumptions set out in the BRACED Theory of Change (Figure 1), and contribute to the thematic evaluation of the International Climate Fund. Potential questions could include:

- How does combining climate change adaptation and DRR help build resilience to climate change?
- What types of interventions are most successful and able to have a sustained impact on the resilience of climate vulnerable people?
- Who are the best agents to work through to deliver climate change adaptation and risk reduction and what policy and institutional frameworks are need to sustain this?
- What are the best DRR and adaptations that build women's resilience to climate extreme events?
- What has been the impact of BRACED projects on community resilience?
- What role(s) does the private sector have to play in helping build resilience to climate extreme events?
- What policy and institutional changes are needed to transform how we build resilience of people to climate extremes, including in Fragile States?
- How does adaptive social protection contribute to increasing resilience to climate change?
- How does climate change impact on social protection?

76. It will be important for the Knowledge Manager to ensure the integrity of research and independence of the evaluations undertaken under the BRACED programme. Proposals will need to demonstrate how this will be achieved.

77. BRACED is funded under the UK's International Climate Fund (ICF) and it is expected to contribute to the ICF's key performance indicators. The Knowledge Manager will also be expected to feed into learning, through the ICF, on how best to monitor climate change adaptation programming and to measure resilience to climate change.
78. All evaluations undertaken under BRACED will need to follow DFID policies (see [www.gov.uk/government/publications/dfid-evaluation-policy-2013](http://www.gov.uk/government/publications/dfid-evaluation-policy-2013)). All terms of reference developed by the Knowledge Manager will need to be submitted to DFID for quality assurance through DFID's Specialist Evaluation and Quality Assurance Services (SEQAS).
79. An independent programme evaluation of BRACED will be contracted separately and will assess the performance and success of the overall BRACED programme and its four components and whether BRACED has had a transformational impact beyond the communities and governance structures directly supported.
80. The Knowledge Manager is expected to support the Fund Manager to establish a monitoring and evaluation framework to assess the effectiveness and impacts of individual projects and BRACED as a whole. It will be essential in doing this the Knowledge Manager works closely with the Fund Manager. The Fund Manager will be responsible for the monitoring of all BRACED projects and aggregating project data to report to DFID and not the Knowledge Manager.
81. Achieving an impact beyond the beneficiaries of BRACED projects will depend up how knowledge and evidence is used by others to inform policies, investments and programme design. This is a significant output expected of the Knowledge Manager that will contribute to BRACED delivering wider transformation change and results over its two phases.
82. There will be a six month inception phase at the end of which the Knowledge Manager will submit an inception report. DFID will review this report and if it is satisfactory will confirm the full contract. In addition a mid-term review will be undertaken at the end of the second year to determine if progress has been satisfactory and what changes, if any, are required.

### **Bank accounts and advance payments**

83. Due to the nature of the services being provided under the BRACED programme a client bank account must be opened and used for BRACED project fund disbursements by the Knowledge Manager. The name and purpose of the account must be communicated to the banking provider and the DFID funds must be segregated from other funds and cannot be considered as resources at the disposal of the supplier organisation. The client account must be held with a regulated UK bank or building society to ensure DFID funds are safeguarded. As the DFID funds do not belong to the supplier organisation they should not be reported within their accounts.

84. DFID's preferred method is to link payment to milestones ("payment by results") – these are expected to be closely aligned to the outputs specified in these terms of reference.
85. There may be legitimate circumstances for payments to be made in advance to not-for-profit organisations where the Knowledge Manager is contracting or commissioning research, evaluation or outreach actions. Where this is necessary the Knowledge Manager will be expected to assess applications for advance payments from BRACED grantees, and agree these with DFID before any payments are made. The Knowledge Manager will be expected to keep any advance funding to an absolute minimum.
86. Any interest accrued by the Knowledge Manager stemming from balances held through advance payments of grant funds can be used to offset any bank charges incurred through the normal operations of the account. Any interest over and above such bank charges will remain the property of DFID.
87. Payments for the Knowledge Manager's fees and expenses will be made in arrears. Payments to commercial organisations will be through contracts. DFID reserves the right to reallocate evaluation plan costs to other BRACED activities if methodologies prove not viable or below an acceptable standard (equivalent of a Red or Red/Amber SEQAS review rating) as determined by SEQAS or equivalent.

## **Constraints and Dependencies**

88. BRACED will support projects to be implemented up to ten of the 27 countries in which DFID operates and up to six countries in the Sahel region. The Knowledge Manager will be expected to provide their own overseas duty of care and logistical arrangements. If deemed necessary DFID may need to be convinced that systems and procedures that they have in place are adequate if traveling to conflict affected countries.
89. An organisation that has a grant as part of a consortium funded under the BRACED programme is eligible to be the Knowledge Manager, or part of a consortium applying for that role. However, DFID will determine if there are any potential conflicts of interest and determine what action is needed to ensure there are no conflicts in roles. This could potentially mean the organisation is asked to withdraw from a consortium in receipt of a BRACED grant or change its role within the consortium.
90. Organisations can bid for the role of BRACED Knowledge Manager and Fund Manager. Where organisations are the Fund Manager they will not be able to BRACED grants due to conflicts of interest and would have to withdraw from any consortia they are part of.

## **Duty of care**

91. The Knowledge Manager will be responsible for the safety and well-being of their Personnel and Third Parties affected by their activities in support of the BRACED programme, including appropriate security arrangements. They will also be

responsible for the provision of suitable security arrangements for their domestic and business property.

92. DFID will share available information with grantees on security status and developments in-country where appropriate. Annex I provides DFID's current assessment of risk in these countries. DFID will provide the following: All Knowledge Manager staff will be offered a security briefing by the British Embassy/DFID on arrival where there is a British Embassy. All such Personnel must register with their respective Embassies to ensure that they are included in any emergency procedures.
93. The Knowledge Manager will be responsible for ensuring appropriate safety and security briefings for all of their Personnel working under the BRACED programme and ensuring that their Personnel register and receive briefing as outlined above. Travel advice is also available on the FCO website and the grantee must ensure they (and their Personnel) are up to date with the latest position.

## **Reporting**

94. Key Performance Indicators (KPIs) and milestones against them will be agreed between DFID and the successful bidder during the post-tender clarification stage and before formal contracting. These will ensure that the management of the contract is undertaken as transparently as possible and to ensure that there is clarity of roles and responsibilities between the DFID BRACED Team, the Fund Manager and the Knowledge Manager.
95. The Knowledge Manager will need to demonstrate to DFID, at intervals which will be agreed with DFID within 2 months of contract award, its performance against these KPIs and milestones. If the Knowledge Manager is successful in its performance against the delivery of these milestones payments will be made.
96. The Knowledge Manager will be required to produce an inception report which should be finalized within the first 6 months. The inception report should outline details of timelines and milestones. Final contents of inception report will be agreed during the post tender stage.
97. After the first three months after the full proposals have been commissioned there will be a formal point of review led by DFID with the Fund Manager and the Knowledge Manager to ensure satisfactory progress and on proposed ways of working.
98. The Knowledge Manager will be responsible for reporting progress and finances to DFID on a monthly, quarterly and annual basis. These will include: the Knowledge Manager contribution to the BRACED Annual Report produced by DFID; and, as required orally presenting and producing written reports for DFID on work of Knowledge Manager.
99. It is expected that the Knowledge Manager will conduct and make available to DFID a statutory external audit of the BRACED bank account for each of the

financial years in which funds are paid to the Knowledge Manager through BRACED. In addition the Knowledge Manager is expected to ensure that all activities commissioned under BRACED contract submit annual audited accounts for each of the financial years covered by BRACED financing. The Knowledge Manager must make these audits available to DFID on request.

## **Timeframe**

100. The contract for the Knowledge Manager will be awarded from 2014 for four years. The contract is designed to end one year after financing is dispersed to BRACED projects to support the final evaluation of projects, answering of research and evaluation questions, and getting evidence from these into use.

101. The tasks of the Knowledge Manager can be divided into four phases. The indicative timeframe for these phases is given below.

- Phase 1 (start to 3 months): Start up: Knowledge platform arrangements designed, research and evaluation questions finalised, research and evaluation plans outlined, designed, design of portfolio logframe indicators.
- Phase 2 (3 – 6 months) Technical assistance to BRACED grantees for project preparation - design of project evaluations and monitoring arrangements, and launch of knowledge platform, commissioning of priority research and evaluation actions.
- Phase 1 and 2 will comprise the inception phase at the end of which an inception report should be submitted to DFID. Subject to this being satisfactory then the Fund Manager will undertake subsequent phases.
- Phase 3 (6 months – 4 years – BRACED project implementation) assistance and quality assurance of project logframes, support to Fund Manager on portfolio logframe, undertaking of research and evaluations, operation of knowledge platform activities, synthesis, dissemination and communication of results, technical assistance to get knowledge into use.
- Phase 4 (3.5 – 4 years – ex post) complete research and evaluations, synthesise, disseminate and communicate results.

## **DFID coordination and management**

102. The Knowledge Manager will report directly to DFID BRACED team. The DFID BRACED team, led by the Climate and Environment Department consists of the advisors and programme managers from Climate and Environment Department, Africa Regional Department, Asia Regional Team and the Evaluation Department.

103. The DFID BRACED team will work alongside the Knowledge Manager in the contract negotiation stage to finalise what input is required, by whom and at what times to ensure technical advice is on hand at the right time during the bid approval process. This will also include how DFID expect the Knowledge Manager will work its country offices where there are BRACED projects, and where there are none.



104. The DFID BRACED team will monitor operational and financial progress and raise any issue that requires the attention to DFID senior management and Ministers as necessary.
105. It is expected that a representative from the Knowledge Manager will be physically based in either DFID's London or East Kilbride office for two to three days a week during the first six months of the project. There will be regular weekly meetings between the BRACED team and the Knowledge Manager during the first six months. The frequency of meetings and co-location of Knowledge Manager staff will then be reviewed.
106. The BRACED Fund Manager will be working closely with all NGOs awarded grants under BRACED and will have overall responsibility to ensure these are delivered. The Fund Manager will report to the BRACED team. Effective coordination between the Fund Manager and the Knowledge Manager will be essential. To help ensure this coordination the Fund Manager and the Knowledge Manager will be expected to jointly attend weekly virtual/physical meetings with the BRACED team for the first three months. The frequency of meetings will then be reviewed.

## **PART C: LOT 2 - TERMS OF REFERENCE FOR THE FUND MANAGER OF THE BUILDING RESILIENCE AND ADAPTING TO CLIMATE EXTREMES AND DISASTERS PROGRAMME (BRACED)**

### **Introduction**

107. These terms of reference are for a service provider to act as Fund Manager to support the implementation of the BRACED Programme through the management of the fund and projects under Components (A) and (B).

### **Objective**

108. DFID now requires a service provider to be the BRACED Fund Manager who will manage the appraisal and selection of full proposals, and the management of successful projects to directly benefit vulnerable people, especially women and children, in developing countries by helping them become more resilient to climate extremes.

### **Recipient**

109. The recipient of this service will be DFID through the Climate and Environment Department and Africa Regional Department. This will also benefit the population and vulnerable groups and Governments in the countries where BRACED will support activities.

### **Scope of Work**

110. The Fund Manager will be responsible for the management and appraisal of the full project grants awarded under the BRACED programme. The number of grants is expected to be 22 with a value of up to £120 million and an average grant size of about £6 million. The Fund Manager will then be responsible for the financial management of all the grants awarded, monitoring the delivery of the projects by grantees, and reporting on the grants and projects to DFID. Contracts are expected to be between the Fund Manager and grantee.

111. The geographic focus of BRACED is the Sahel and selected DFID focal countries that are at risk from extreme climate events. In the Sahel these countries are Burkina Faso, Chad, Mali, Mauritania, Niger, and Senegal. DFID focal countries are Burma, Nepal, Ethiopia, Kenya, South Sudan, Sudan, and Uganda. The Fund Manager focus will be on the delivery of BRACED projects in these countries.

112. The fund Manager will be responsible for the management and appraisal of the Sahel Contingency Fund, as outlined at Annex 2. A Review Point will be held after the first 12 Grants are funded or after the first 24 proposals have been reviewed, whether funded or not, whichever is the soonest. Consideration will be given at this review as to the management of the Sahel Contingency Fund going forward.

## **Expected Outputs**

113. The Fund Manager is expected to deliver the following outputs:

- A. Inception report after six months the start of the contract providing a detailed plan on how the Fund Manager will deliver expected outputs to contribute to BRACED objectives.
- B. Strategic plan and annual work plans for BRACED.
- C. Successful appraisal, selection, due diligence and contracting of about 22 projects in total between Components (A) and (B) by September 2014 that meet BRACED objectives.
- D. Establishment of BRACED fund management procedures for implementation of the full grants including a process and guidelines for payment by results.
- E. Due diligence assessments, with risk mitigation strategies where necessary, to demonstrate that the risk of financing the grantee is sufficiently low or manageable prior to the award of a grant.
- F. Signed contracts between Fund Manager and NGO led consortia to ensure BRACED funds are adequately protected, whilst ensuring the contracting process is proportionate and efficient for grant recipients.
- G. All successful proposals have concrete M&E plans designed to collect systematic baseline data; consistently monitor progress against milestones and targets in the BRACED logframe. The Knowledge Manager will be expected to support the Fund Manager on developing M&E frameworks and delivering this output.
- H. BRACED risk matrix including how risks will be managed.
- I. Assessment of fiduciary risks and action to manage risks, and reporting to DFID immediately on any significant risk or evidence of corruption.
- J. Projects funded under BRACED are monitored and deliver expected project objectives and results.
- K. Programme level logframe, and refresh on an annual basis to ensure BRACED is on track. This will output will need to be delivered with support of the Knowledge Manager.
- L. Payments are made on time and on achievement of results agreed with grantees.
- M. Register of any assets procured under BRACED and its projects.
- N. Financial and management reports are provided as agreed and when requested by DFID including quarterly and annual reports/reviews on progress of BRACED projects including where problems have arisen actions taken, country visits, audits and transparency reports.

- O. Independent annual audits of the Fund Managers sole BRACED bank account and selected projects as needed.
- P. Establishment of a strong working relationship with the BRACED Knowledge Manager to help build knowledge and evidence on building resilience to climate extremes.

### **Implementation requirements**

114. The implementation of the BRACED programmes and projects funded under it has three guiding principles:

- Delivery of results: to ensure that DFID's investment is helping people at risk of climate extremes;
- Sustainability: to ensure DFID's investments represent good value for money by achieving impacts beyond the lifetime of the projects; and,
- Innovation: so that new ways of doing things and new partnerships to build resilience to climate extremes are explored and tested.

115. These principles should be reflected in the success and appraisal criteria developed by the Fund Manager, and in how it operates so that BRACED programme is:

- Competitive, to drive high performance and to ensure only the best projects are funded;
- Responsive, so that BRACED can adapt to emerging evidence and fund a variety of projects to deliver the results we need;
- Structured and Straightforward, with clear criteria and guidance for BRACED grantees with complexity kept to a minimum so that BRACED funded projects deliver expected results

116. The Fund Manager is expected to support the development and management of projects. In undertaking this function the Fund Manager will need to use a range of methodologies and processes such as project management, risk management, financial reporting, and monitoring and evaluation of projects to achieve the outputs specified in these terms of reference. The Fund Manager is expected to work with the Knowledge Manager on development of M&E frameworks and related activities.

117. The Fund Manager is responsible for identifying and developing the most appropriate methods and processes to deliver the outputs set out in these terms of reference. DFID expect that this will cover three phases, identified below:

- Establishing the BRACED fund and its procedures (May 2014 – July 2014)
- Appraising and commission of full projects (July 2014 – Sept 2014)
- Implementation of BRACED grants (Sept 2014 to Dec 2017)

118. The supplier will be responsible for what tasks are included under these phases to deliver the expected outputs.

119. There will be a six month inception phase at the end of which the Knowledge Manager will submit an inception report. DFID will review this report and if it is satisfactory will confirm the full contract. In addition a mid-term review will be undertaken at the end of the second year to determine if progress has been satisfactory and what changes, if any, are required.

### **Bank accounts and advance payments**

120. Due to the nature of the services being provided under the BRACED programme a client bank account must be opened and used for BRACED project fund disbursements. The name and purpose of the account must be communicated to the banking provider and the DFID funds must be segregated from other funds and cannot be considered as resources at the disposal of the supplier organisation. The client account must be held with a regulated UK bank or building society to ensure DFID funds are safeguarded. As the DFID funds do not belong to the supplier organisation they should not be reported within their accounts.
121. DFID's preferred method is to link payment to milestones ("payment by results"). There may be legitimate circumstances for payments to be made in advance to not-for-profit organisations. The Fund Manager will assess applications for advance payments from BRACED grantees, and agree these with DFID before any payments are made. The Fund Manager will be expected to keep advance funding to an absolute minimum.
122. The Fund Manager with DFID agreement can make advance payments for grant claims from not-for-profit organizations. On a monthly basis the Fund Manager will provide DFID with a breakdown of claims received from fund recipients and a total figure for payment along with an assurance statement that all amounts claimed have been checked and verified. DFID will issue payment to the Fund Manager for onward payment subject to cross-checking and receipt of all necessary assurances.
123. Any interest accrued by the Fund Manager stemming from balances held through advance payments of grant funds can be used to offset any bank charges incurred through the normal operations of the account. Any interest over and above such bank charges will remain the property of DFID.
124. Payments for the Fund Manager's fees and expenses will be made in arrears. Payments to commercial organizations will be through contracts.

### **Constraints and Dependencies**

125. The Fund Manager will be expected to provide its own overseas duty of care in relation to its employees and other personnel it retains and logistical arrangements. If necessary DFID may need to be convinced that systems and procedures that it has in place are adequate if traveling to conflict affected countries and fragile states.

126. Due to potential conflicts of interest any organisation that has a grant under the BRACED programme is not eligible to be the Fund Manager or part of a consortium applying for that role. Organisations can bid for the role of BRACED Knowledge Manager and Fund Manager.

### **Duty of care**

127. The Fund Manager will be responsible for the safety and well-being of their Personnel and Third Parties affected by their activities in support of the BRACED programme, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.
128. DFID will share available information with grantees on security status and developments in-country where appropriate. Annex I provides DFID's current assessment of risk in these countries. DFID will provide the following: All Fund Manager staff will be offered a security briefing by the British Embassy/DFID on arrival where there is a British Embassy. All such Personnel must register with their respective Embassies to ensure that they are included in any emergency procedures.
129. The Fund Manager will be responsible for ensuring appropriate safety and security briefings for all of their Personnel working under the BRACED programme and ensuring that their Personnel register and receive briefing as outlined above. Travel advice is also available on the FCO website and the grantee must ensure they (and their Personnel) are up to date with the latest position.

### **Reporting**

130. Key Performance Indicators (KPIs) will be agreed between the Fund Manager and Knowledge Managers and DFID within 2 months from contract award based on: engagement, efficiency, timeliness, quality, innovation and Value-for-Money. These will ensure that the management of the contract is undertaken as transparently as possible and to ensure that there is clarity of roles and responsibilities between the DFID BRACED Team, the Fund Manager and the Knowledge and Evidence Manager.
131. The Fund Manager will need to demonstrate to DFID, at intervals which will be agreed with DFID within 2 months of contract award, its performance against these KPIs. If the Fund Manager is successful in its performance against the KPIs it will be paid the final 5% of the fee owed, known as Performance Fee, which has been withheld.
132. After the first three months after the full proposals have been commissioned there will be a formal point of review led by DFID with the Fund Manager and the Knowledge and Evidence Manager to ensure satisfactory progress and proposed ways of working.

133. The Fund Manager will be responsible for reporting progress and finances to DFID on a monthly, quarterly and annual basis. These will include:

- Developing and agreeing with DFID on a reporting format for BRACED including the establishment of necessary systems required to generate reliable information;
- Submitting progress financial and narrative reports to DFID on a monthly, quarterly and annual basis detailing:
  - Status of BRACED projects.
  - Budget (actual spend linked to BRACED outcomes and 2 monthly forecast).
  - Risk Matrix and actions taken to manage risks
  - Progress against KPIs linked to performance fee.
  - Progress against project work plans.
  - Progress on work with BRACED Knowledge Manager
  - Any issues for consideration by DFID.
  - The Fund Managers contribution to the BRACED Annual Report produced by DFID.
- As required orally presenting and producing written reports for DFID on work of Fund Manager.

134. It is expected that the Fund Manager will conduct and make available to DFID a statutory external audit of the BRACED bank account for each of the financial years in which funds are paid to the Fund Manager through BRACED. In addition the Fund Manager is expected to ensure that all projects financed through BRACED submit annual audited accounts for each of the financial years covered by any part of the DFID grant showing the DFID grant as a separate item of income and associate expenditure. The Fund Manager must make these audits available to DFID on request.

## **Timeframe**

135. The BRACED Programme will run for 4 years initially (2013 to 2016) and subject to performance and availability of funds DFID may continue support under a second three-year phase. Although no financing is committed beyond March 2016 the Fund Manager should consider proposals in terms of their long-term sustainable benefits beyond the life of the programme in supporting BRACED in DFID partner countries.

136. DFID will evaluate the performance of the Fund Manager throughout the life of the intervention and at least twice yearly one of which will be as part of DFID standard Annual Review of the programme. The Fund Manager will be expected to submit monthly progress and financial reports to DFID.

## **DFID coordination and management**

137. The Fund Manager will report directly to DFID BRACED team. The DFID BRACED team, led by the Climate and Environment Department, consists of the advisors and programme managers from Climate and Environment Department, Africa Regional Department, Asia Regional Team and the Evaluation Department.

138. The DFID BRACED team will work alongside the Fund Manager in the contract negotiation stage to finalise what input is required, by whom and at what times to ensure technical advice is on hand at the right time during the bid approval process. This will also include how DFID expects the Fund Manager to work with its country offices where there are BRACED projects.
139. The DFID BRACED team will monitor operational and financial progress and raise any issue that require attention to DFID senior management and Ministers as necessary.
140. It is expected that a representative from the Fund Manager will be physically based in either DFID's London or East Kilbride office for two to three days a week during the first six months of the project. There will be regular weekly meetings between the BRACED team and the Fund Manager during the first six months. The frequency of meetings and co-location of Fund Manager staff will then be reviewed.
141. The Knowledge Manager will also be expected to work closely with all NGOs awarded grants under BRACED. The Knowledge Manager will report to the BRACED team. Effective coordination between the Fund Manager and the Knowledge Manager will be essential. To help ensure this coordination the Fund Manager and the Knowledge Manager will be expected to jointly attend weekly virtual/physical meetings with the BRACED team for the first three months. The frequency of meetings will then be reviewed.



## PART E: BRACED LOGFRAME

The Fund Manager is expected to directly help deliver output 1: Large scale interventions are in place to help make poor people less vulnerable to climate extremes (particularly droughts and floods) and through this to help deliver output 2: Increased capacity of local government, civil society and private sector to respond to climate extremes.

The Knowledge Manager is expected to directly help deliver output 3: Better understanding of what works in building climate resilience from DRR and climate change adaptation approaches and through this help deliver output 2: Increased capacity of local government, civil society and private sector to respond to climate extremes.



BRACED logframe

## ANNEX 1: DFID'S CURRENT ASSESSMENT OF RISK IN THESE COUNTRIES - DRAFT

### BRACED Extension – SUMMARY DUTY OF CARE RISK ASSESSMENT

The BRACED extension will operate in Mauritania, Senegal, Mali, Burkina Faso, Niger, Nepal, Ethiopia, Uganda and Kenya. DFID contracts are with ODI and KPMG who provide services through consortia and implementing partners. The table below provides an extract of FCO's travel advice as at 6 April 2018, along with the BRACED team's assessment of risk in each country.

Country	FCO Map Rating	Details	DFID Risk Rating
Mauritania	Amber/Red	<p>The FCO advise against all travel to:the province of Tiris Zemmour (except the town of Zouérat), the province of Adrar (east of Atar), the provinces of Tagant, Hodh el Chargui, Hodh El Gharbi, Assaba and Guidimaka, within 25km of the Western Sahara border (except the Noukchott - Nouadhibou corridor)</p> <p>The FCO advise against all but essential travel to the rest of the country, including the Nouakchott - Nouadhibou corridor.</p> <p>Terrorists are likely to try to carry out attacks in Mauritania, including kidnapping.</p>	4
Senegal	Green	<p>Terrorists are likely to try to carry out attacks in Senegal. Attacks could be indiscriminate, including in places visited by foreigners. See Terrorism</p> <p>Avoid any demonstrations or large gatherings of people.</p>	3
Mali	Amber/Red	<p>The FCO advise against all travel to:the provinces of Tombouctou, Kidal, Gao and Mopti, parts of the provinces of Kayes, Koulikoro and Segou, as shown on the map</p> <p>The FCO advise against all but essential travel to the rest of Mali.</p>	4
Burkina Faso	Amber/Red	<p>The FCO advise against all travel to the following parts of Burkina Faso: all areas of the country north of the town of Boulssa; areas within 40km of the western border with Mali; the W National Park in the south-east bordering Niger and Benin.</p> <p>The FCO advise against all but essential travel to the rest of Burkina Faso, including the capital Ouagadougou.</p>	4

		Terrorists are very likely to try to carry out attacks in Burkina Faso, including kidnaps.	
Niger	Amber/Red	<p>The Foreign and Commonwealth Office (FCO) advise against all travel to the following parts of Niger: all areas of the country north of the city of Abalak, including the Aïr Massif region;</p> <p>the province of Agadez (including the road linking Assamakato Agadez and the city of Agadez); areas of Tahoua province north of the city of Tahoua, including the city itself; the area of Tillabéri province north of Niamey, including the road from Niamey to Gao and the road from Niamey to Menaka; areas within 40km of the border with Nigeria in Diffa, Zinder and Maradi provinces.</p> <p>The FCO advise against all but essential travel to the rest of Niger, including the capital city Niamey.</p> <p>Terrorists are very likely to try to carry out attacks in Niger, including kidnapping.</p>	4
Nepal	Green	<p>There are reports that a local group has made threats of violence against businesses, and local and international schools in the Kathmandu Valley, you're encouraged to exercise caution and remain vigilant if travelling in the area.</p> <p>Nepal is in a major earthquake zone and remains at risk from further earthquakes and aftershocks. You should familiarise yourself with safety procedures in the event of an earthquake. See Natural disasters</p> <p>The monsoon season normally runs from June to September. Flooding and landslides often occur during this time. Road travel anywhere can be hazardous, particularly in rural areas.</p>	3
Ethiopia	Green/Amber	<p>The Foreign and Commonwealth Office (FCO) advise against all travel to:</p> <ul style="list-style-type: none"> <li>•within 10 km of the border with Eritrea, with the exception of the main road through Axum and Adigrat, and tourist sites close to the road (e.g. Debre Damo and Yeha)</li> <li>•areas off the principal roads/towns within 10 km of the borders with Sudan and Kenya</li> <li>•within 10 km of the border with South Sudan</li> <li>•the Nogob (previously Fik), Jarar (previously Degehabur), Shabelle (previously Gode), Korahe and Dollo (previously</li> </ul>	3

		<p>Warder) zones of the Somali region. •within 100 km of the Ethiopian border with Somalia and Kenya in the Afder and Liben zones of Ethiopia's Somali region •the four woredas (districts) (Akobo, Wantawo, Jikawo and Lare) of the Nuer zone and the Jore woreda of the Agnuak zone of the Gambella region</p> <p>The FCO advise against all but essential travel to:</p> <ul style="list-style-type: none"> <li>•the woredas (districts) of Tsegede, Mirab Armacho and Tach Armacho in North Gonder</li> <li>•three woredas (districts) of the Agnuak zone of the Gambella region that border on South Sudan (Dima, Goge and Etang) and the Gambella wildlife reserve</li> </ul> <p>On 16 February 2018, Ethiopia declared a State of Emergency.</p>	
Uganda	Green	<p>There are regular demonstrations and rallies across Uganda which can turn violent. You should remain vigilant, avoid large crowds and public demonstrations and follow local media for updates. See Political situation</p> <p>UK health authorities have classified Uganda as having a risk of Zika virus transmission. Petty and violent crime occurs. Take sensible precautions to protect yourself and your belongings. See Safety and Security.</p> <p>Terrorists are likely to try to carry out attacks in Uganda. You should be vigilant at all times.</p>	3
Kenya	Green/Amber	<p>The Foreign and Commonwealth Office (FCO) advise against all but essential travel to •areas within 60km of the Kenya-Somali border •Garissa County •Lamu County (excluding Lamu Island and Manda Island) •areas of Tana River County north of the Tana river itself •within 15km of the coast from the Tana river down to the Galana (Athi-Galana-Sabaki) river</p> <p>The area to which the FCO advise against all but essential travel doesn't include Kenya's safari destinations in the national parks, reserves and wildlife conservancies; including the Aberdare National Park, Amboseli, Laikipia, Lake Nakuru, Masai Mara, Meru, Mount Kenya, Samburu, Shimba Hills, Tsavo, nor does it include the beach resorts of Mombasa, Malindi, Kilifi, Watamu, Diani, Lamu Island and Manda Island.</p>	3

		<p>Mombasa airport (Moi International Airport), Malindi airport and Manda airport aren't included in the area to which the FCO advise against all but essential travel. If you travel to Lamu Island or Manda Island, you should do so by air to Manda airport and not by road.</p> <p>Terrorists are very likely to try to carry out attacks in Kenya.</p>	
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#### Summary

The BRACED programme operates in medium and high risk countries, some of which are conflict affected areas where the security situation is volatile. For example: In the Sahel both climate change and population growth will lead to increased competition for scarce resources with the real risk that this could fuel further conflict in a region that is already deeply affected by conflict and insecurity. In other countries, such as Nepal there is the risk of natural disasters such as earthquakes.

The primary responsibility for ensuring safety and security of the supplier's staff, consortia partners and implementing partners rests with ODI and KPMG. DFID will also monitor the security situation in countries BRACED is working in with relevant country offices, and if it deteriorates will meet with ODI and KPMG to assess what actions are needed to maintain operation.

#### Risk Rating

1 – very low risk	2 – low risk	3 – medium risk	4 – high risk	5 – very high
LOW		MEDIUM	HIGH	

## **ANNEX 2 – BRACED Contingency Funding**

(these ToRs were applicable to the BCF managed by the FM until 31 March 2018. Revised ToRs will be developed for any BCF from 1 April 2018)

### **ToRs for the assessment of concept notes and reporting on projects to be funded from the Providing Humanitarian Assistance for Sahel Emergencies (PHASE) contingency fund as part of the BRACED programme.**

#### **Steps to approve a concept note**

1. The implementing partner shares the concept note with BRACED Fund Manager (FM) (KPMG) using the pre-agreed format;
2. BRACED FM does an initial assessment of the concept note (*criteria/content tbc*), and shares this assessment with DFID;
3. A DSFID/FM panel assess the concept note, taking into account information received from FM and reaches a decision on funding. DFID will be responsible for the final decision on who should be funded;
4. If the concept note qualifies for humanitarian funding FM will be responsible for liaising with the partner and disbursing funds;
5. If the concept note does not qualify for humanitarian funding FM will consider if it is appropriate for alternative BRACED funding.

#### **Composition of the DFID/KPMG panel**

- Head of Africa Humanitarian Unit (Chair)
  - Sahel humanitarian adviser
  - Sahel humanitarian programme manager
  - BRACED SRO
  - Fund Manager representatives
- Optional observers:  
BRACED Knowledge Manager representative

Decisions on funding will be made by consensus. In the event that it is not possible to reach a consensus the chair of the panel will make the final decision.

#### **Criteria to be used when assessing the concept note**

1. Does the level of need justify an intervention?
2. Will the proposed intervention protect the performance of the existing BRACED project?
3. Is the cost of the proposed intervention proportionate to the results it will deliver?
4. What is the partner's financial, management and operational capacity to deliver the proposed intervention?
5. How well is the existing BRACED project being delivered?

6. Is there funding available to support the proposed intervention?

Criteria are not weighted currently, but the DFID/FM may adjust the assessment process at a later date when there is a greater understanding of the type of interventions being proposed and the demands on the contingency fund. Final decision on weighting will remain with DFID.

Reporting of projects funded from the contingency mechanism

For BRACED-related funding, recipients must:

- Report # people reached. Where possible this should indicate the extent to which the people assisted are already included in BRACED funding and be disaggregated by gender and child/adult.
- Report time taken to respond from disbursement up to reaching beneficiaries
- Report against a few simple key performance indicators set out in their concept note in order to ensure that the project has achieved its objectives

Recipients should also provide commentary on

- 1) How additional contingency activities have affected the existing BRACED programme, with supporting evidence as appropriate.
- 2) Any other expected effects on BRACED objectives that could be tracked.

Recipients should also engage with the Knowledge Manager and agree on any additional reporting to support the Knowledge manager's activities.

Results should be reported under the BRACED programme and integrated into the BRACED reporting cycle and expected on a quarterly basis for a maximum 3-month response. Contingency activities may also be included in FM/KM monitoring as part of the BRACED programme. They should be reported to DFID in line with regular BRACED reporting timelines.

### **Annex 3 - Terms of Reference Annex Component D Scoping (February 2016)**

(These ToRs have been completed and do not apply to the extension period from 1 April 2018)

#### Component D Scoping: Fund Manager

##### ***A. Outline of Component D***

BRACED has four main outputs:

- Component A: Large scale interventions to make poor people less vulnerable to climate extremes in the Sahel (Burkina Faso, Chad, Mali, Mauritania, Niger and Senegal)
- Component B: Increased capacity to respond to climate extremes (in Ethiopia, South Sudan, Sudan, Uganda, Kenya, Nepal, and Burma<sup>33</sup>)
- Component C: Support to build and share evidence on adaptation and DRR and identifying what policy and institutional changes are needed to build the resilience of people in developing countries to climate extremes.
- Component D: Build national, regional and international capacity to prepare and plan for the expected increases in the frequency and severity of climate extremes

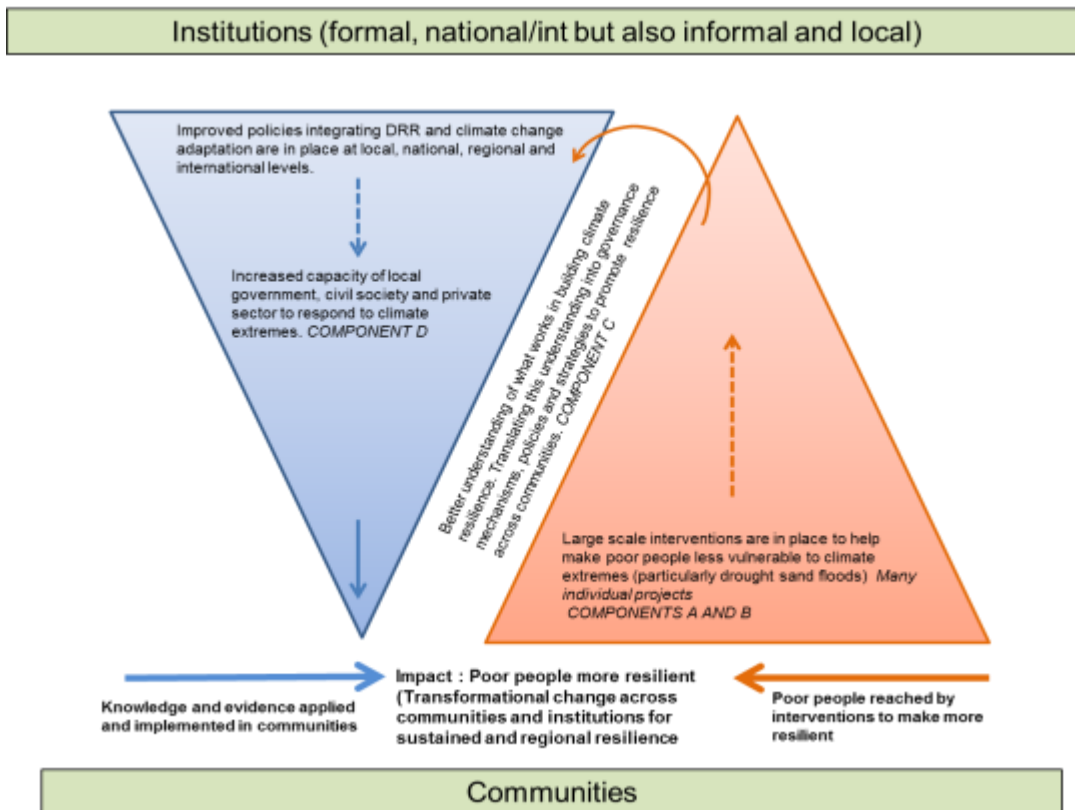
Component D aims to have a transformational, long-term impact on the climate resilience of poor and vulnerable people, through strengthened integration of disaster risk management (DRM) and climate change adaptation (CCA) into national and local policy and development programmes. As such, Component D will use knowledge gained from BRACED projects and elsewhere to encourage the application of proven approaches, and provide technical support to enable the scaling up of what works.

Together these four components are intended to directly benefit people at risk from climate extremes, and provide evidence on the importance of, and how to, integrate climate change, disaster risk reduction and development programmes – as illustrated by the BRACED Theory of Change (below).

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<sup>33</sup> Burma, also referred to as Myanmar, is used throughout the document





The original TORs for the BRACED FM and KM set out a vision for what policies and institutional changes are needed for improved climate resilience (see contract part 2 'Section 3: TORs' page 12 'what policies and institutional changes are needed?')

In addition, DFID recognises that there is a need for a particular focus on mainstreaming climate resilience into economic development programmes and plans. Developing countries need to build their national level resilience by promoting growth and diversification of their economies to better manage risks. In the delivery of development objectives on climate change and economic development, **three gaps** have been identified that restrict DFID, and DFID's partners, abilities to deliver successful programmes and generate required results with value for money. These are:

- A **knowledge gap** with limited evidence and understanding on how to mainstream climate change (adaptation) into economic development interventions, the identification of any trade-offs between development and climate change objectives, and how to increase private sector investment that delivers resilient and inclusive growth.
- A **tools gap**, the key functions of the project cycle that are well-developed in other areas of development programming, such as M&E and economic appraisal, and options development have not been extensively applied, or

adapted, to mainstreaming climate change into economic development programming.

- A **coherence gap** in how the international development is addressing economic development and climate change. These are often addressed separately, and in different fora, and there is no clear understanding on how best to bring economic development, climate change mitigation and adaptation actions together at country or local levels, and to involve both public and private sectors.

BRACED has recently completed its second year of implementation, and scored an 'A' in the last Annual Review (see dev tracker link:

[http://iati.dfid.gov.uk/iati\\_documents/5108976.odt](http://iati.dfid.gov.uk/iati_documents/5108976.odt)). One of the recommendations was to make progress with Component D design to ensure the programme is able to fully implement and test its original theory of change for system-wide resilience.

The aspiration for component D activities is that they will improve policy and practice resulting in improved resilience of individuals, communities and countries to extreme weather and disasters. It should offer lessons and influence government, donor, civil society and private sector policy and practice.

Component D should enhance the quality of economic development plans by;

- a. Commissioning of knowledge products to help DFID country offices and our multilateral and national partners to mainstream climate resilience to economic development programming.
- b. Developing new project management and value for money tools to support the mainstreaming of climate resilience into economic development programmes.
- c. Supporting actions of multilateral and national partners on integrating climate resilience and economic development objectives and the implementation of the SDGs.

There are two possible approaches to BRACED component D work;

- Geographical – focus on some countries where there is a need for capacity building and evidence of some receptiveness to an offer to provide it (likely 2 – 3 BRACED countries).
- On demand - a broader approach that involves BRACED matching lessons learnt with demand for policy assistance (not limited to BRACED countries).

An advantage of a geographical approach is that it enables activity to be focussed. The review of CDKN noted that its impact had been greatest in countries where it had deep engagement - taking the time to develop the relationships required to deliver influence. A disadvantage of this is that it would require BRACED to decide where to work before it is known what lessons will be

on offer, whether the lessons are appropriate for the country chosen and, even if they are, whether policy makers will listen.

An advantage of taking an 'on demand' approach is that it does not pre-judge where it will be most productive to work, allowing the programme to respond to emerging lessons and apply them in areas where they are most suited, targeting policy action targeted to areas of most needed change, and where there is appetite to listen from policy makers. A disadvantage is that it risks spreading the effort too thinly, and possibly not making the most of opportunities to support system wide resilience in BRACED countries as set out in the original theory of change. A broader approach, responding and acting on a case by case basis across a number of countries may also struggle to cement the essential relationships that are useful in delivering influence.

A third route may be to begin with a broad approach that assesses demand and opportunity but then increasingly concentrates effort where there is most interest and the possibility of greatest impact.

### ***B. Fund Manager outputs***

DFID's terms of reference for this work has been separated into three broad phases:

- Part 1 – Scoping: To explore the arguments for the best approach to support and encourage policy change using the best evidence available. Assess demand, refine objectives and appraise different options for delivery
- Part 2 – Design: Propose a mechanism for delivery and a full programme plan
- Part 3 – Implementation

In this section we set out the activities, roles and responsibilities for the Fund manager's input into both part 1 (Scoping) and Part 2 (Design) of Component D.

#### **1.1. Fund Manager inputs into Part 1 – Scoping Study**

**The KM will lead the Scoping Study**, with significant inputs from the FM in Phase 3 of the Part 1 Scoping Study.

The FM inputs into the Part 1 Scoping Study will be as follows:

- Participation in Phase 2 at the joint consolidation workshop in Week 7 to investigate options for ensuring effective delivery of component D building on evidence from the KM-led desk and country assessments as well as experiences from the wider BRACED network. Insights from the consolidation workshop will feed into the final Part 1 report to be prepared with inputs from both KM and FM.

- The Part 1 Scoping Study report will be prepared by the KM and will be signed off jointly by FM and KM members of the oversight committee before submission to DFID.
- The FM will be available for consultation with the KM throughout Part 1.
- The FM as members of the Oversight Committee will be involved in all key meetings and decision points in Part 1; Scoping Study to ensure a seamless transition from Part 1 to Part 2.

## 1.2 Part 2 - Design

**The Fund Manager will lead on the Design Phase** with significant contributions from the Knowledge Manager.

Agreement to proceed to Part 2 and produce design options will depend on DFID accepting the final report of the Part 1, Scoping Study. DFID will then refine the terms of reference for Part 2 and make a judgement as to the level of inputs required to produce the implementation plan. The level of detail requested will influence the resources required to produce the design options and, hence, the budget for Part 2 Design. It is estimated that the review by DFID will take a week and that, notionally, Part 2 (Design) will start in week 10 and last for 4 weeks, to week 13.

The major deliverable for the design team is to produce an implementation plan and design options for Component D that DFID can use to draft a Business Case.

**Appraisal:** the strategic and delivery options will be refined during the joint consolidation workshop in Phase 3 of the scoping study. The output of the workshop will be to propose a limited number of feasible options. Over the first two weeks of Part 2, the design team will work with the DFID Economic Advisor rigorously to appraise the options set out in the final report of the Scoping Study, including against the counterfactual “do nothing” option. A mix of technical experts within the FM team will carry out the appraisal, working with representatives of the KM involved in scoping. The appraisal will be largely desk based. However, we will see further inputs from key informants as required, to clarify or refine the recommendations. The appraisal will encompass geographical coverage, types of intervention and means of delivery. Our existing work with the BRACED programme has given us a practical insight into challenges for assessing the strength of evidence. We will assess the potential costs and benefits, both qualitative and quantitative, including the use of benchmarking. Potential risks for each option will be identified. We will identify Value for Money (VfM) consideration for the alternative options using DFID’s standard framework for VfM assessment. Standard VfM methods are not always straightforward to apply especially to adaptation/resilience programmes and reference will be made to the growing body of work in adaption VfM. The

appraisal will also review the sustainability of the options and continuation beyond the programme period, especially from a VfM perspective.

The FM and KM will jointly present the conclusion of the appraisal, including preferred options, at a workshop in week 3 of the design part of the study.

This will allow representatives of the FM, KM and DFID (including the Oversight Committee), to discuss and approve the conclusions reached by the design team.

Following agreement on the preferred option, the FM led Design Team will concentrate on delivering inputs for the Commercial, Financial and Management aspects of an implementation plan for Component D and provide design options to DFID to prepare a Business Case.

**Commercial, Financial and Management;** The Design Team Leader will lead on this, supported by the Financial Management team member. We will help identify practical contract breakpoints and payment milestones that maximise results and benefit both parties. We will ensure that the financial management information component follows recognised professional standards. We will define and develop detailed financial forecasts for the life of the programme; clear funding arrangements; processes for monitoring expenditure; procedures for safeguarding assets, and external audits. Fiduciary risk management processes will be clearly set out. The Management aspects will be clear on the governance and management expectations as well as performance management framework.

**Draft Risk Management Plan:** The identification and management of risk will be a key component of the analysis. The Risk Management Plan will bring these various elements together in a systematic, holistic way, along with BRACED's broader risk profile. An integrated approach will be adopted to risk and risk management across the programme.

The FM will submit the implementation plan and design options to DFID within four weeks of formal DFID agreement being given to proceed to Part 2.

### ***C. Deliverables***

The deliverable of Part 1 Scoping phase will be inputs to the process (led by the Knowledge Manager) and will include participation in Phase 3 at the joint consolidation workshop in Week 7 and inputs into the Part 1 Scoping Study report, signed off jointly by FM and KM members of the oversight committee before submission to DFID.

The deliverables of Part 2 Design Phase will be Design Options for Component D and will be submitted to DFID within one month of receiving the go-ahead to proceed to Part 2 (Design).

#### ***D. Risks and assumptions***

The eight-week timetable for Part 1 - the Scoping Study- presents potential difficulties and delays in engaging with all the main interlocutors during country visits, thus limiting the evidence-base on which the options will be identified. Advance planning and support from DFID in engaging with DFID country offices will help to mitigate this risk.

Part 2 (design) is dependent, to a significant extent, on the quality of the analysis in Part 1. If Part 1 identifies a limited number of clearly defined options, the risks to Part 2 are limited.

The major risks are not associated with the scoping of Component D but with implementation. There is a significant risk that the security situation in selected countries, particularly in the Sahel, will deteriorate and make incountry engagement difficult if not impossible. In addition, lack of institutional capacity may inhibit scaling up and “mainstreaming” of policies. These risks will be considered in the scoping phase and integrated into the overall BRACED risk register.

## **ANNEX 4 - BRACED X –Addendum to Terms of Reference (March 2018)**

Applicable to the extension period from 1 April 2018 to 30 September 2019

### **Background**

The Building Resilience and Adaptation to Climate Extremes and Disasters (BRACED) Programme is an initiative supporting the scale up of activities that build resilience to weather extremes and reduce the risk of disasters at the grassroots level. It is also building evidence on what works to inform improved policies at the national, regional and international level.

The original programme was valued at £110m. An extension of £30m has been approved by the Secretary of State, taking the programme up to £140m with an end date of up to 30 September 2019.

The expectation is that the original contract terms of reference and conditions will apply except where noted below:

### **Scope**

In line with the theory of change developed by the Knowledge Manager, the expected outcome is that “poor people in developing countries have improved resilience to climate shocks and stresses”. A key aspect of this is to gain a better understanding of what works in building resilience to climate extremes and disasters. As well as building on the most effective project work completed to date, the additional funding will focus on influencing broader resilience policy processes, and on applying the learning gathered from BRACED so far. The Fund Manager will collaborate closely with the Knowledge Manager to meet these objectives.

Extension work is expected to fall under the following categories:

- 1) Grants for NGO-led projects that build on existing BRACED work under components A and B ('BRACED X'). These will build on implementation work or aim to build resilience policy, and are expected to have a value of up to £18m excluding Fund Manager and Knowledge Manager costs. The FM will provide project management and grant-making services for this work, while the KM will provide knowledge management services.
- 2) **Component D1:** Grants for exploratory work in key BRACED countries to unearth and pursue further opportunities to influence resilience policy in these countries. These grants will be delivered by BRACED project partners. This could have a value of up to £2.5m excluding Fund Manager and Knowledge Manager costs, and will be managed by the Fund

Manager who will provide project management and grant-making services.  
The Knowledge Manager will provide knowledge management services

- 3) **Component D2.** The FM will support policy dialogues in BRACED countries. These dialogues will look to build on existing processes and ensure that the lessons learnt from BRACED projects is being shared with decision-makers. The FM will provide technical, coordination and facilitation support to each dialogue. Where appropriate the FM will channel resources to support the dialogue. The mechanism and scale of resources provided will vary between dialogues and will be subject to ongoing calibration. This calibration will recognise the fact that there are limits to the FM's capacity to manage contracts and any programme of support will need to be within these limits. This could have a value of up to £2m.
- 4) Investigative and analytical work at the international level to explore and analyse options for potential investment ('Component D'). The Knowledge Manager will lead this work.

### **Expected Outputs**

The Fund Manager will deliver the professional services to support the areas outlined above. This will include:

- Managing the transition from BRACED to BRACED X by ensuring effective closedown on existing projects and start-up of new projects.
- Core fund management of the BRACED projects
- Reviewing and updating due diligence reports on direct contractors by June 2018.
- Co-ordination and collaborating with DFID and the KM on Component D activities.
- Leading on oversight of Component D1 projects.
- Delivering the conceptual framework for component D2, including exploring opportunities for policy dialogue.

The Fund Manager will report on a quarterly basis to DFID, highlighting progress with projects, risks and financial management issues.

### **Contract Timeframe**

The contract will be extended for 18 months until 30 September 2019.

- Stage 1 - will be finalising the existing BRACED projects and finalising the proposals for the extension period.
- Stage 2 - Implementation will take place up to June 2019, including any period required to close down projects.



- Stage 3 - from July 2019 to September 2019 the Knowledge Manager and Fund Manager will have up to 3 months during this period to undertake close-out activities and finalise reporting.

### **Reporting**

Milestones will be updated and agreed between the Fund Manager and DFID by March 2018.