

## Terms of Reference and Instructions for Tenderers:

### Crisis Protection Gap- Bottom Up Costing Analysis

#### 1. Introduction

The Centre for Disaster Protection ('the Centre') was launched by the UK Prime Minister in July 2017 to strengthen resilience in developing countries through better preparedness and planning backed by risk-based financing arrangements. The Centre is funded with UK aid from the UK government.

The Centre works to change how the world prepares and pays for disasters. Identifying, planning for and financing disasters before they strike saves lives, reduces suffering and protects livelihoods and economies, especially for the poorest and most vulnerable communities. The Centre brings countries together with international development, humanitarian and private sector organisations to find solutions and advocate for change. We find ways to stop disasters devastating lives by supporting countries and the international system to better manage risks. To do this, the Centre provides technical assistance, builds knowledge, catalyses innovation and creates partnerships across the development, humanitarian and financial sectors.

DAI Global UK has been awarded a contract by the UK's Foreign Commonwealth and Development Office (FCDO) as managing agent for the next phase of the Centre for Disaster Protection ('the Centre') project, which runs from July 2021 to July 2025 with potential for further extension. Under this contract, DAI is providing core operational and administrative support to the Centre, as well as managing a responsive Technical Assistance Facility that will provide flexible programme support through expertise and capability sourced through contracts and grants.

This piece of work is being commissioned through the Technical Assistance Facility in support of the Centre's Crisis Protection Gap research workstream.

#### 2. Objective of this work

What crises could emerge over the coming years? How will they impact on the lives of poor and vulnerable people? And how should funds be pre-positioned to mitigate and manage the impacts of these shocks?

These are the questions that country governments, the international system, and donors will need to ask if pre-arranged financing is to become the default way to pay for managing the costs of disasters.

It is increasingly possible to estimate crisis related costs ahead of time. Combining information about crises-related expenditures with risk modelling approaches can provide realistic

estimates of the likelihood and magnitude of crisis costs over the coming years. This type of probabilistic crisis risk information<sup>1</sup> is critical to inform how funds should be pre-positioned to meet the costs of tomorrow's crises. However, while data, modelling methods, and metrics for quantifying and communicating risk do exist, as yet there is no single source of trusted and easily interpreted predictive crisis risk information that is directly relevant for longer term financial planning of governments and the international system.

This is the basis for the first of three critical, practical solutions identified by the Crisis Lookout Campaign<sup>2</sup> as key recommendations for the G7:

*“Predict crises better by creating a Crisis Lookout function to increase engagement with risk information and support the prioritisation of crises globally, regionally, and nationally.”*

In consultations for the solutions paper of the Crisis Lookout, questions were raised about what an approach to measuring the crisis protection gap could look like in practice. These questions broadly related to:

- (1) the **function** of a mechanism to measure the crisis protection gap in relation to existing crisis risk information initiatives, what role it serves and for who, and;
- (2) the technical **feasibility** of producing trusted and accessible multi-hazard risk assessments at a global scale, for crisis spanning climate events, conflicts, and disease outbreaks.

The Centre for Disaster Protection is commencing a research project to explore these issues in more detail. This work aims to explore questions around who the key users of the information are, what are their use cases, and questions regarding technical and practical feasibility.

The work will follow:

- **a policy engagement track:** to identify how a mechanism to assess the crisis protection gap best works with and within the current architecture
- **a technical track:** to explore the feasible technical approaches for producing this type of multi-hazard risk information at a global scale.

## 1. Recipient

The recipient of this service will be Centre for Disaster Protection ('the Centre').

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<sup>1</sup> <https://www.preventionweb.net/understanding-disaster-risk/key-concepts/deterministic-probablistic-risk>

<sup>2</sup> Predict & Protect: G7 solutions for a new approach to risk financing.

[https://static1.squarespace.com/static/5c9d3c35ab1a62515124d7e9/t/607856e19abc3368d276132e/1618499302881/Crisis\\_lookout\\_14Aprilv4.pdf](https://static1.squarespace.com/static/5c9d3c35ab1a62515124d7e9/t/607856e19abc3368d276132e/1618499302881/Crisis_lookout_14Aprilv4.pdf)

## 2. Scope of Work

This scope of work relates to the technical track of the Crisis Protection Gap project.

The objective of the work is provide a review of the current evidence base on the response activities associated with responding to crises and assess what evidence is available on the costs of these activities. This work should be undertaken for three crises: i) droughts, ii) conflict-induced international displacement, and iii) cyclones.

The contractor is expected to answer the following questions for each of the three crisis types.

### **1. What are the response activities that typically need to be provided for each crisis type?**

The contractor should identify the (i) types of emergency responses that are typically required and (ii) the phasing of these responses in relation to when the crisis event commences. For example:

- In relation to drought, the main responses are expected to relate to the provision of food, nutrition, cash and health assistance, as well as fodder and medicines to keep livestock healthy.
- In relation to cyclones, the key activities are expected to include the provision of shelter and non food items (and/or cash)
- In relation to conflict-induced displacement, a multi-sectoral response will typically be required

The list of response activities should be those associated with a new crisis event that drives a significant increase in needs compared to the baseline. It should include anticipatory actions where appropriate. The duration from the crisis event for which responses need to be provided will be determined in consultation with the Centre, but, indicatively, it is expected to cover a period of approximately 100 days from the start of the crisis.

### **2. Who is typically responsible for undertaking each of these response activities?**

In relation to each response activity, the contractor should identify who is most likely to be responsible for providing the response i.e. the national or local government, international humanitarian actors, international or national civil society organisations. When different actors may be responsible for the response depending on context, the factors that make it more likely that one or other actor will lead should be described.

### **3. What are the factors that determine which responses are required?**

In any one crisis event, as noted above, different combinations of response activities may be required. The Centre would like to understand the systematic factors that lead to different

combinations of response activities being required. For example, different combinations of response measures may be required for drought crises depending on the livelihood zone in which the drought occurs.

#### **4. What factors determine the scale of the responses undertaken?**

Some crises require a larger scale of humanitarian response than others. For each response activity associated with each crisis type, the Centre would like to understand what leads to a larger response. This can be broken down into two elements:

- The 'breadth' of the response. It is expected that, in many cases, the more people/households that have been affected by a crisis, the larger the response will need to be. However, there may be some response activities undertaken that are independent of the number of people affected. In other cases, the number of people affected may be less important than the geographic spread of the people affected. The contractor should identify what is the most important factor(s) that determine the breadth of each response activity.
- The 'depth' of the response. A given response activity may be undertaken to differing extents depending on the intensity of the humanitarian need. For example, the intensity of the drought may affect the size of the cash transfer (e.g. potentially larger for intense drought and lower if drought is less intense). The contractor should identify what is/are the most important factor(s) that determine the 'depth' of each response activity (or note when there is no difference in the depth of the response that is provided).

#### **5. How do costs of undertaking response activities change with the scale of the response?**

Where quantitative evidence is available on how the scale (breadth and depth) of the response leads to different costs being incurred, this should be provided. If this information is not available then the contractor should identify what are the barriers that make it difficult to identify these costs at present, and how these barriers could be overcome.

#### **6. What other factors determine the cost of different response measures?**

For a given scale (breadth and depth) of response, a range of further contextual factors may influence the costs of response. For example, costs may be higher in rural locations, where underlying coping capacity is lower or in countries that experience more macroeconomic instability. The contractor should identify which of these factors are most important and any quantitative evidence on how these factors influence the costs of undertaking response activities.

Notes on the scope of work:

To keep the analysis tractable, the contractor can assume that it is only necessary to provide a response to one crisis event at a time. The impact of compounding events/crises on costs may be discussed qualitatively.

The methodology for the work is expected to include:

- reviewing of existing literature and data sources on what humanitarian response activities are required at what point in time before, during and after a crisis event and what the costs of these activities might be
- analysing existing costing databases and methodologies that inform agencies when planning and costing humanitarian response activities, undertaking interviews with key stakeholders involved in the costing and delivery of humanitarian response such as OCHA and other UN agencies, international NGOs

### 3. Engagement with the Centre

The contractor will work in close collaboration with the Technical Lead and Principal Economist to agree the details in relation to each of the six questions set out above. They are invited to make their own suggestions as to how the work can be best undertaken to realise the objectives of the Centre.

The contractor should anticipate fortnightly catch up calls to discuss on the tasks and agree any adjustments to the methodology as the work progresses. They may also be required to attend project workshops with a wider selection of team members to discuss the findings of their work. The Centre is also commissioning a related piece of work that seeks to understand the trends in historic costs of disaster events and the factors that help explain these costs (a 'top down' costing analysis). The contractor should anticipate engaging with this contractor in order to share methodological approaches and sources as well as to understand similarities and differences in the results.

### 4. Deliverables

For each of the six crisis types, the contractor is expected to provide:

- A series of three summary tables – one for each crisis type - that provides the key answers to each of the six questions in the Terms of Reference. This summary table is crucial to effectively distilling the work and facilitating the planned modelling that the Centre plans to undertake once this study is complete.
- A draft report providing more detail surrounding the answers to each of the six questions for each of the three crisis types, including a discussion of the evidence base on which the answers draw and any necessary discussion on the quality/robustness of the evidence base.
- A final report which responds to any comments from the Centre, and also provides brief recommendations on future research priorities.

As noted above, regular update calls should be expected with the Centre's technical Project Lead and Principal Economist for the Crisis Protection Gap and the consultant should anticipate presenting their results, either in person or online, to a wider Centre group in at least [1] workshop.

## 5. Competencies of Team and Experts

Applications are welcome from individuals or organisations for this work.

The expert/team should have at least [5] years experience in researching and analysing humanitarian response activities. They should have strong quantitative skills and with an ability to read and interpret financial information.

The Centre's preference would be to hire one service provider who could demonstrate knowledge of the response activities associated with all 3 of the crisis types identified in the ToR. As such, where a single organisation does not bring knowledge of all 3 crisis types, potential contractor organisations are invited to form or propose teams (consisting of partners and/or subcontractors) who can collectively demonstrate this experience. In this instance all partners should be named and their contributions clarified, and a lead supplier – with which the Centre/DAI will contract - should be nominated.

At the same time, the Centre is also interested in hearing from potential contractors who only have expertise in relation to some of the crisis events specified, but who would be open to working with other like-minded experts who provide complementary experience in relation to other crisis events.

All work should be conducted in a way that upholds the Centre's values (see final page) and contribute to a positive organisational culture, that builds the Centre's external reputation through professional stakeholder management and collaborative working with key partners, and that contributes to effective partnerships and relationships in the development, humanitarian and financial sectors

## 6. Intellectual Property

Any foreground Intellectual Property Rights (IPR) arising out of the performance of project will belong to the Managing Agent of the Centre for the purposes of awarding to the Centre perpetual, irrevocable licence to use, sub-licence or commercially exploit such IPRs in the delivery of its mission and likewise to the Centre's funder, the UK FCDO.

The Management Agent, on behalf of the Centre, will provide the Service Provider right to use such IPRs and other Centre IPRs to the extent needed to perform their obligations under this project. IPRs relating to any background intellectual property drawn upon by the Service Provider in delivery of the assignment shall remain with the Service Provider, who will provide the Centre (through its Managing Agent) and FCDO rights to use such intellectual property to the extent it is integrally required to enjoy their rights to use the results of the Project and the foreground IPRs.

## 7. Timing

The duration of the contract is expected to be from July 2022 to 31<sup>st</sup> October 2022 it is anticipated the assignment would require up to 40 input days across the team. (Bids

proposing a lower level of effort will be welcomed and/or combining senior and junior expertise to deliver the work to a high standard within a value for money cost envelope. Bids proposing a slightly higher level of effort may still be considered, on their merits).

## 8. Budget, costs, and payment

### **Expert Band/Daily rate caps**

Please find below the *maximum* daily fee rate per category of expert- to consider when generating the budget.

- Principal (must have 15+ years' relevant experience)-£750.00
- Senior Expert (10-15 years' relevant experience)- £612.00
- Expert (5-10 years' relevant experience)- £404.00
- Assistant Expert (minimum of 2 years' and up to 5 years' relevant experience)- £170.00

\*These figures are exclusive of any UK VAT that may be applicable, which may be charged on top of the indicated rate.

Please note: the above rates are ceiling figures not fixed rates, and bids should not automatically default to the ceiling but instead seek to offer the best value fee rate within the indicated cap.

### **Payment**

Fees will be payable monthly on an input basis, against invoice, subject to satisfactory performance and with a percentage of the fee value retained and payable on completion and approval of final deliverables.

Any expenses will be paid on actual costs (against receipts)

Invoicing will be based on an agreed invoice and timesheet template. Correctly submitted invoices will be paid within 30 days of receipt of invoice and/or approval of relevant work (whichever is the later).

### **Negotiation and finalisation of commercial terms**

DAI on behalf of the Centre reserves the right to negotiate on any aspects of the proposed costs and payment and is not bound to accept any offer. All proposed services and costs must also receive approval from the FCDO, and DAI Global UK will not proceed to contract where such approval is withheld.

## 9. Tender process and deadline

### **Submission mechanism and deadline**

Your tender must be submitted

- By email to [jobs\\_CDP@disasterprotection.org](mailto:jobs_CDP@disasterprotection.org),



- with copy to [Niamh.Cahill-Billings@dai.com](mailto:Niamh.Cahill-Billings@dai.com),
- with the subject line: 'CPG- Bottom up costing analysis\_Application'.

Information and documents to be submitted:

- CV(s) (max. 3 pages) of proposed expert(s).
- Covering letter (max 2 pages) indicating how your experience and interest aligns with this work, a brief description of the approach and data sources you would anticipate using, and discussion of the roles and responsibilities in the case of team or organisational submissions.
- Note on earliest date of availability and an indicative workplan, showing organisation of tasks across the team, over time.
- Commercial offer including: Proposed gross daily fee rate(s) (subject to caps referenced at point 11) and proposed number of days per team member, and any proposed expenses budget.

All suppliers must mark their tenders as Commercially Confidential. DAI and CDP will treat all tender submission in confidentiality.

The tender must be received by **midday on Friday, 15<sup>th</sup> July 2022, UK time (BST/GMT+1)**. Any tenders received after this date will be subject to disqualification.

All communications and submissions should be in the English language.

## 10. Registering interest, and process for clarifications during Tender (including clarification meeting)

### Registration of intention/interest to bid

Interested bidders are requested to inform the Centre of their intention or interest to submit a response. We request your registration of intention/interest to bid no **later than Thursday June 30<sup>th</sup>, midday**, to be sent by email to [jobs\\_CDP@disasterprotection.org](mailto:jobs_CDP@disasterprotection.org) and [Niamh.Cahill-Billings@dai.com](mailto:Niamh.Cahill-Billings@dai.com), with Subject line: 'CPG- Bottom-up costing analysis\_Intention to bid'.

All registered interested bidders will be invited to join the clarification meeting, detailed below, should they wish. For the avoidance of doubt, bidders who have not registered will remain eligible to bid, but registration is strongly encouraged, to improve access to relevant clarifications and updates.

### Clarification questions and responses/meeting

We are accepting written questions (to be directed to the above e-mail addresses with Subject line: 'CPG- Bottom-up costing analysis\_Query') until **midday Wednesday 6<sup>th</sup> July 2022**.



Responses will be provided where possible as follows:

- **In writing on the Centre website in our ‘Work with us’ page:** [Work with us – Centre for Disaster Protection](#):
  - **by 5pm Monday 4<sup>th</sup> July 2022** (for questions received prior to or at the Clarification Meeting – see below)
  - **by 5pm Monday 11<sup>th</sup> July 2022** (for all remaining questions)

**We will also hold an online clarification meeting**, for interested bidders. These will be held on a Teams call **at 3pm on Thursday 30<sup>th</sup> June 2022**.

**If you are interested in participating in the clarification meeting, please register your interest in this opportunity by the required deadline (see above).** Access details will be shared with all registered bidders ahead of the Meeting

The meeting will provide a brief overview of the assignment and its background, and a response to questions received to date where possible. We will also offer a mechanism to share questions on the day, with responses provided where possible immediately, and shared in writing subsequently on the Centre’s website by 5pm Monday 4<sup>th</sup> July. be collated

## 11. Overview of timeline

The table below provides a summary of the timeline and deadlines set out above.

Activity	Deadline
Issue of tender	22 <sup>nd</sup> June 2022
Deadline for registering interest	Midday, Thursday 30 <sup>th</sup> June 2022
Deadline for requesting access details for online Clarification Meeting	Midday, Thursday 30 <sup>th</sup> June 2022
Online Clarification meeting (Teams dial-in details will be circulated to bidders who have registered interest)	3-4pm, Friday 1 <sup>st</sup> July 2022
Deadline for written clarification questions	Midday, Wednesday 6 <sup>th</sup> July 2022.
Publication of responses to clarification questions	5pm, Monday 4 <sup>th</sup> July 2022 (for questions received prior to or at the Clarification Meeting)

	5pm Monday 11th July 2022 (for all remaining questions)
<b>Deadline for receipt of proposals</b>	<b>Midday on Friday, 15th July 2022</b>

All times are UK time (BST/GMT+1)).

All submissions should be made by email to [jobs\\_centre@disasterprotection.org](mailto:jobs_centre@disasterprotection.org) and [Niamh\\_Cahill-Billings@dai.com](mailto:Niamh_Cahill-Billings@dai.com), with the relevant subject line as per the guidance in sections 9 and 10 above.

## 12. Assessment criteria

The tender process will be conducted in line with principles of fair treatment, transparency and with the aim of identifying the proposal that offers the best solution and value from a point of view of the purchasing authority, DAI Global UK. Selection criteria are outlined below for reference. These instructions are designed to ensure all tenders are given equal and fair consideration. It is important you provide all information requested in the submitted proposal.

Assessment criterion	% of Marks
<b>Experience of expert(s)</b>	50%
<b>Understanding of task and proposed approach and workplan</b>	30%
<b>Total proposed cost, excluding VAT</b>	20%

### Right to discontinue tender, issue changes and clarification, and not to award

DAI Global UK reserves the right to curtail this tender process, and/or issue any changes or clarifications it deems necessary, and/or not to make any award as a result of this tender process.

### DAI Eligibility Criteria

This opportunity is open to both individuals and organisations. Any preferred individual candidate will be subject to standard vetting process in line with UK Aid and DAI policy.

All organisation(s) shortlisted will undergo an initial eligibility check. This includes vetting of the organisations in line with terrorism checks, company history of improper conduct, any legal acts against the organisation(s) and initial vetting of proposed personnel. Any



organisation(s) discovered of disqualification factors relating to the eligibility criteria will result in rejected without notification.

Successful organisation(s) will be subject to detailed vetting analysis through DAI's Management Capacity Assessment Tool (MCAT). This will include an assessment on successful organisation(s):

- Organisational details
- Safeguarding policies, procedures and systems
- Financial management policies, procedures, practises and systems
- Duty of care
- Modern Slavery policies and procedures.

If a successful organisation(s) is subject for grounds for exclusion based on an MCAT assessment, the organisation will be notified.



## Centre for Disaster Protection – Our Values

### IMPARTIALITY

We are impartial and offer fair opinions that are based on objective criteria, unbiased by personal or organisational interests or advantage.

### QUALITY

We strive for quality and operate to high standards and aim to become a recognised, reliable, trusted, and authoritative voice in disaster risk financing.

### CREATIVITY

We are creative and aim to bypass the boundaries of traditional thinking and practice in order to challenge the status quo.

### EMPOWERMENT

We aim to empower, supporting others as they shift from reaction to readiness.

