

## Section 3 – Terms of Reference

### **“Land: Enhancing Governance for Economic Development” (LEGEND) - Central Land Support Team**

#### **1. BACKGROUND**

Land governance is often weak in developing countries. Weak land governance threatens a key asset of the poor and especially women. The problem is exacerbated by increasing pressure on land. Weak land governance also impedes private sector activity, job creation and economic development. By helping to address this, DFID will contribute to the UK’s aim of increasing access to secure land and property rights, thereby facilitating inclusive economic growth.

DFID is already active in land, implementing a number of land-related programmes, both with a country-specific and a global focus. Given the importance of the agenda, DFID is seeking to expand further its activity in this area. A new programme, managed from DFID’s Head Quarters – “Land: Enhancing Governance for Economic Development” (LEGEND)<sup>1</sup> - aims to support:

- Improved land rights protection
- Improved information and knowledge
- Improved private sector investment

It will do so both through facilitating the creation of new country office programmes, and supporting a range of other global actions. Activities to be undertaken through this contract will contribute to LEGEND’s objectives by creating a “Central Land Support Team”. Fuller details on the LEGEND programme can be found in the Business Case document, in which the activities of this Supplier are referred to as “bundle 2”.

#### **2. TASK**

##### **Assignment Purpose, Activity and Outputs**

The Supplier responsible for implementation of this bundle of activities will be required to deliver the key outputs below. Where indicated, timings are measured from the point of contract commencement. In summary, the outputs are:

- Knowledge Management
  - Knowledge Gathering and Sharing
  - DFID Global Policy Engagement and Strategy Development Support
  - Programme scoping, design and implementation support
  - UK Policy Forum – secretariat function
- Challenge Fund Management
- Partner and Own-programme Management

The detail of these outputs is below. Note that the activities and outputs associated with each area reflect the broad approach envisaged currently. Flexibility to reallocate resources within the overall CLST will need to be built in given the

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<sup>1</sup> The programme was formerly titled “Land Governance for Economic Development” (LGED)

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potential for future developments and some aspects of uncertainty about the work involved (eg some of the CLST's activity will be in response to demand from DFID country-offices for new programmes, wherein the number and timing of requests are unknown).

It is anticipated that there will be significant synergies between activities under the different outputs, and that the intelligence gained through the knowledge management activities will be used to the benefit of challenge fund management and partner management, and vice versa.

### **A) Knowledge Management**

#### *Knowledge Gathering and Sharing*

- Purpose – To keep DFID advisors informed on land matters, including those relating to their programmes, thereby helping shape their management of those programmes; to strengthen DFID advisors' engagement with global policy debates and processes; to keep the wider land-engaged community informed of DFID land activities and wider land developments, and to influence their approach to land issues; to sustain and build long-term land capacity among those supplying these services to DFID, to the wider benefit of the land development community and agenda.
- Activity –
  - Engage with existing and emerging global evidence on land and land interventions (including that emerging from DFID's own programmes and more widely) to identify what works where and what doesn't, with a focus on poor people, in particular women, and for the purpose of inclusive growth and sustainable development.
  - Maintain awareness of other components of the LEGEND programme, and of the wider portfolio of DFID programmes which have a significant land component<sup>2</sup>.
  - Engage with global policy developments and debates to understand developments and opportunities.
  - Engage with DFID programme implementers (see action below). Develop and draw on networks to support this process.
  - Synthesise and disseminate the findings of such research and engagement.
  - Identify key research gaps (with the expectation that such research would not be funded from LEGEND)
- Outputs –
  - i. DFID portfolio overview (bilateral and global land programmes; including programmes which have land components for which land is not the main focus), reviewing and summarising coverage, approach, effectiveness and coherence within the portfolio, and fit with others' (Governments, donors, international bodies, private sector actors) actions (max 50 page document, with exec. summary; presentation of findings to DFID; separate de-sensitised, publishable version required; timing - annual);
  - ii. Land evidence update, reviewing and summarising global emerging findings and implications for DFID and its approach to programming. This will not entail new or primary research but synthesis and analysis of evidence emerging from elsewhere and assessment of what, if any, clarifications this provides of the conclusions emerging from key existing land research

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<sup>2</sup> DFID HQ land advisors will keep the Supplier aware of developments and share information available on which these programmes are.

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- products<sup>3</sup>. (max 50 page document, with exec. summary; presentation of findings to DFID; separate de-sensitised, publishable version required; timing - annual);
- iii. Land programme and policy bulletin, reviewing and summarising key developments, debates and initiatives, and identifying influencing opportunities (timing - quarterly; max 4 page document).
  - iv. Update the global land donor database on behalf of DFID (timing – twice a year)

### *DFID Global Policy Engagement and Strategy Development Support*

- Purpose – to maximise the effectiveness of DFID’s engagement in global policy debates (i.e. whichever ones are live through the duration of the contract) and support DFID in the development of its land policy and strategy (i.e. enhancing DFID staff’s capacity and informing their thinking but not supplanting their role in setting or advancing DFID’s agenda)
- Activity –
  - Undertake analysis of topical issues, drawing on evidence, to support DFID in development of its position on global policy issues, develop its strategy and improve its approach towards bilateral programming, and guide its approach to other global interventions.
  - Help identify priority areas for research to be undertaken by others, including through separate DFID funded channels.
- Outputs –
  - i. analytical / position papers, preparation and dissemination on key issues (max 30 page document, with exec. summary; presentation of findings to DFID, and potentially to wider audiences; separate de-sensitised, publishable version required; timing – 2 per year);
  - ii. attendance at global discussions (note that the CLST will not represent DFID at these, but simply attend for learning and informational purposes) (timing/volume – demand led, but c.4-8 per year, with a few days input per event; brief feedback to DFID on outcome).
  - iii. A forward plan, detailing proposed analytical work and global discussion engagement for the coming year (timing - annual; max 4 pages)
  - iv. Comment on proposed research agendas, produced by DFID and any key external partners (timing – ad hoc)

### *Programme scoping, design and implementation support*

- Purpose – to maximise the impact of DFID’s country office land programmes by ensuring they remain fully informed of and responsive to evidence of what works and aligned with a coherent approach towards programme development

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<sup>3</sup> These include especially the following reports produced for DFID: “Secure Property Rights and Development: Economic Growth and Household Welfare” and “The Impact of Land Property Rights Interventions on Investment and Agricultural Productivity in Developing Countries: a Systematic Review”

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- Activity – Engage with DFID country offices, and any contractors they assign, in the scoping and design of new programmes and implementation of existing ones, which have a significant focus on land. During the scoping and design phase of new programmes, the Supplier will have light-touch engagement both in a) initial framing discussions with DFID (and any contractors they use) on the potential design of land programmes, prior to business case drafting, and b) “peer review” of drafts of the business case, to help ensure they reflect best practice and latest evidence, they are aligned with a coherent vision of DFID land programming, and their approach to evaluation is consistent with best practice on land programmes<sup>4</sup>. During programme implementation, the Supplier will a) remain in occasional touch with those implementing DFID’s programmes to keep abreast of developments, and b) engage with annual review processes by providing DFID advisors with a third party perspective on the programmes approach, results and coherence with the wider portfolio and overarching land strategy (although it will not lead annual reviews)
- Outputs –
  - i. Pre formal programme scoping - informal discussion and initial guidance to country offices on the scope for, and potential shape of, new land programming in those countries (volume/timing – demand led, but likely to entail discussions with 2/3 offices per year over the programme’s lifetime, with a few days input per discussion);
  - ii. Formal programme scoping - participation in discussion and provision of brief written comment on scoping documents (produced by DFID staff or third party contractors) associated with new DFID land programmes (volume/timing – demand led, but likely to average about 2 offices per year over the programme’s lifetime, with a week or two of input per office);
  - iii. Programme Design - participation in discussion and provision of formal written comment on design documents, such as business cases, (produced by DFID staff or third party contractors) associated with new DFID land programmes (volume/timing – demand led, but likely to entail an average of about 1-2 offices per year over the programme’s lifetime, with around 3-4 weeks input per office);
  - iv. Programme Implementation - participation in discussion and provision of formal written comment on draft annual review documents (produced by DFID staff or third party contractors) associated with new and (some) existing DFID land programmes (volume/timing – demand led, but likely to entail an average of about 5 offices per year over the programme’s lifetime, with around 1 week of input per office at annual review time, and a few days per year in the interim keeping track of developments);

### *UK Policy Forum – secretariat function*

- Purpose – to better expose DFID to land practitioners’ thinking, thereby improving DFID’s understanding of land issues, for the benefit of its programme

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<sup>4</sup> The overall vision for DFID land programming will be developed by DFID HQ. However, DFID has a “devolved” approach to programming, whereby country-offices design programmes to meet specific local requirements. Ownership of land programmes will continue to be by the country office, but the vision will provide a loose structure to help them with this. The Supplier’s activities are not intended to alter this, but to help those country offices develop their programmes as well as possible, and with the benefit of learning from other DFID programmes.

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implementation and global policy engagement; to benefit land practitioners', by providing a forum within which they can share information, debate and exchange thinking.

- **Activity** – Support the success of a new UK land forum by identifying and involving participants, suggesting agendas, organising meetings and events (eg. promoting sound approaches towards land investment in developing countries among UK-based private sector firms/investors), contributing actively to the content of discussion, and disseminating minutes / readout
- **Outputs** –
  - i. annual forward meeting and event agenda/schedule generated and agreed (timing – annual)
  - ii. meetings take place, involving a good range of land experts and with concrete outcomes (timing- twice a year; invitations, agendas and documents circulated at least 3 weeks in advance and minutes at most 1 week after)
  - iii. wider events take place (timing - twice a year; event details circulated at least 2 months in advance).

### **B) Challenge Fund Management**

- **Purpose** – to manage provision of funding and/or technical capacity building to organisations (potentially including civil society organisations, non-Governmental Organisations, businesses, business membership organisations) to enable them to support the interests of the poor through engaging in land governance, transparency and accountability issues, or strengthening the capacity of the poor to do so themselves.
- **Activity**<sup>5</sup> –
  - i. *Finalising the approach and preparing for implementation.*  
Operationalise the broad framework defined at Annex A:
    - finalise the approach to challenge fund design, proposing any minor refinements to its coverage, targeting and selection criteria to enable it to better achieve its objectives
    - finalise development of the various management processes by tailoring the established templates and manuals from other DFID challenge funds. These processes include: marketing and awareness-raising; application; support to applicants; selection (a two step approach is envisaged) to full application); grant oversight on technical and financial issues; payment; reporting to DFID and the selection committee
    - develop a robust and systematic approach to monitoring and evaluating the outputs and impact of grantees' activities
    - Mobilise the selection committee by: identifying, agreeing with DFID and securing the participation of suitable candidates; establishing and briefing of the selection committee; and any other aspects relevant to the successful set up of the fund);
    - Identify how support can be provided effectively across a range of countries, both in terms of understanding the context sufficiently to select through to providing support there in a cost effective way.

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<sup>5</sup> Throughout, the supplier should pay attention to the conclusions of relevant recent findings including "DCED (2013b), Guidance on how to use the DCED Standard to measure results in Challenge Funds (DRAFT)" and "Meeting the challenge: How can enterprise challenge funds be made to work better"

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- ii. *Sourcing, appraising and approving of applications*
  - Market and raise awareness of the fund, generally and for particular funding rounds
  - Advise candidates on eligibility, provide guidance and application forms to eligible applicants, respond to queries and provide support and assistance to applicants in preparing applications where necessary
  - Assess the technical suitability of applications (including a light touch cost / benefit approach) and the suitability of the applicants' fiduciary standing and approach through a due diligence process (DFID's own due diligence processes should be adopted); this should entail engagement with DFID HQ or DFID country offices where applicants' activities are relevant to wider DFID work streams
  - Support selection committee decisions on shortlisted applications through written advice ahead of meetings as well as participation in those meetings. Act as secretariat for the selection committee
  - Provide feedback to unsuccessful candidates. Where necessary, support successful candidates in reflecting any conditions of support in their approach. Prepare, negotiate and issue contracts to successful applicants
- iii. *Fiduciary Management*
  - Disbursing funds to grantees in accordance with agreed contractual arrangements and following receipt of the relevant assurances
  - Ensure processes are in place which provide full transparency over LEGEND funding in grantees' projects, including into the financial and other contributions of each partner to each project
  - Undertake financial monitoring that: supports suitable accounting arrangements and ensures financial propriety; includes production of annual audited accounts for each project (which should include details of project partner contributions as well as those from LEGEND)
- iv. *Project supervision and technical support*
  - where necessary and agreed in the contract, provide further implementation support to the grantee<sup>6</sup>. Coordinate with DFID HQ and country offices on aspects of implementation relevant to DFID's wider work
  - Routine monitoring of implementation of agreed activities and their outputs and impact, including through assessment of technical and progress reports and site visits. Facilitate independent assessment of selected projects' performance by third parties at key points (expected to be annual review)
  - Synthesise and analyse results. Provide reports to DFID and the selection committee on progress; these should include identification of challenges and remedial actions. Maintain an online project information database.
- v. *Learning and dissemination*
  - Disseminate lessons learned from the programme

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<sup>6</sup> Note that this support should not be budgeted to come from the £3.65 million allocated for grant funding, but rather from administrative costs.

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- Outputs –
  - i. challenge fund design documents produced detailing the proposed approach. These should include: a detailed grant manual, defining the rules and approaches for each of the relevant points above, including the templates and guidance documents identified; a strategy document, detailing the number, focus and terms of the different funding rounds, marketing approach (timing - draft 2 months after contract signing; final version 3 months after)
  - ii. selection committee contracted and prepared for implementation (timing - 3 months from contract signing)
  - iii. agreed number and type of grants awarded, implemented, supported and assessed (timing – activity undertaken as detailed in Annex 1 (subject to finalisation in the challenge fund design documents); quality - at least 75% identified as being on-track against agreed activities (timing – as evaluated at annual review cycles)
  - iv. progress reports, detailing past and planned activities, grantees' project updates, summary technical and financial information including budgets (actual and forecast) and identifying any management issues for DFID's consideration (timing – quarterly; max 30 pages)
  - v. summary document of lessons learned produced (timing – mid-term and end of project)

### C) Partner and Own-programme Management

#### *Partner Management*

- Purpose – under the wider LEGEND programme, of which activities under this contract forms one part, DFID will provide funding to a range of additional parties. In order to reduce administrative burdens on DFID, the Supplier will manage DFID's key elements of DFID's relations with Landesa, MapMyRights, Vale and The Land Portal.
- Activity –
  - Monitoring outputs to ensure they are delivered on time and as agreed; ensuring that effective financial management processes are in place and being adhered to, in accordance with DFID requirements as set out in the respective accountable grants and Memoranda of Understanding;
  - advising DFID on whether it is appropriate to make payments to partners, based on an assessment of whether the associated outputs have been completed and any expenses appear reasonable (this will facilitate payment by DFID to the respective partner);
  - ensuring that links are being drawn between different partners' activity, to ensure duplication is avoided and opportunities taken for alignment;
  - drawing on insight obtained through oversight of various components to identify future opportunities and unmet requirements which may warrant DFID support; reporting progress to DFID;
  - leading assessment of partners' performance to input into the LGED annual review.
- Outputs –
  - i. templates developed for progress reporting on delivery and financial matters concerning those partners' work which the CLTS manages (timing – 1 month from contract signing)

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- ii. outputs agreed with CLTS-managed partners delivered as expected OR ample warning of problems provided to DFID and remedial action proposed (timing - ongoing);
- iii. production of progress report covering all CLTS-managed partners' delivery and financial issues (timing – quarterly);
- iv. advice provided to DFID on whether it is appropriate to make payments to partners, based on an assessment of whether the associated outputs have been completed and any expenses appear reasonable (timing – adhoc / primarily each quarter per partner)
- v. assessment provided of each CLTS-managed partners' performance as specified in agreements (currently being developed) with each partner and including for LEGEND's annual review (timing – TBC; content – to mirror DFID's annual review template)

### *Overall programme management*

- Purpose – to ensure effective management of the Supplier's activities and enable DFID to retain oversight of them in a way which minimises administrative burdens on DFID while nonetheless enabling it to monitor progress and steer key decisions.
- Activity – internal mechanisms put in place to ensure coordinated planning, lesson learning between different strands of Supplier activity, and careful financial management. Contribution as needed to DFID's review processes (annual, mid-term and end of programme<sup>7</sup>)
- Outputs – Timely provision of budget forecasts (timing – indicative annual forecasts; rolling monthly financial forecasts, providing accurate information for the forthcoming quarter) and invoices; maintenance of full financial records (timing – ongoing).

### **The Team**

The Supplier is afforded flexibility in the structure and composition of the team it assembles. However, it is expected that a team leader will be responsible for managing and overseeing the entire programme. Within the team, including the team leader, we will expect the following skills and knowledge to be demonstrated:

- Land-related technical knowledge, across a wide range of different aspects, such as land titling, land administration, land law, private sector interaction, investment processes and systems, innovative Information Technology based land mapping and registration processes, land related conflict prevention and mitigation, gender and social development in particular around successful approaches to women's land tenure rights etc., especially in developing-country contexts
- Political economy in particular around land governance issues
- Programme management related skills such as programme design, project coordination, networking, relationship management and influencing, accounting and financial management
- monitoring and evaluation, academically rigorous assessment methods of evidence interrogation, including statistical methods
- design, management and impact assessment of challenge funds

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<sup>7</sup> Given the relatively small scale of the programme, independent evaluation will not be undertaken.



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Additional areas of skills and knowledge may need to be drawn on from time to time to meet task-specific requirements (eg making markets work for the poor methodologies, or country-specific understanding).

It is recognised that a mix of longer and shorter term staff may be allocated to the programme, who will not necessarily be devoted solely to this project. However, at least a core of technical and administrative staff will be expected to have a long term relationship with the programme, in order to build relevant knowledge and expertise, and provide continuity.

### RECIPIENTS

The recipients of this work will be a mixture of the Governments and peoples of the developing countries supported, and the UK Government. Key stakeholders will include DFID (the LEGEND Project Management Team and Strategic Governance Group, and DFID country offices) and the wider land development community.

The manager of the Supplier will report to the DFID programme lead, the Land Private Sector Development Advisor, on all aspects of programme delivery. They will also engage with other parts of DFID, especially other members of the LEGEND Project Management Team and advisors in country offices managing land programmes. The Supplier will require DFID approval for all strategic decisions and those with the potential for perception of financial mismanagement or reputational damage.

### BUDGETS, PAYMENT AND TIMING

#### **Budget and payments**

The total budget available for the Supplier to complete all of the activities defined in this contract will be in the range of £6.5 million - £7 million over the full life of the contract (unless a costed-programme extension is agreed at the contract's end). The precise amount allocated will be subject to the outcome of competitive procurement. This budget will cover fees and all expenses associated with CLST activities but is exclusive of any relevant taxes. Recipients of grants under the challenge fund are expected to receive £3.65 million from within this budget (therefore leaving between £2.85 million to £3.35 million available for all other Supplier costs).

Where DFID must pay UK VAT or equivalent national taxes, this should be identified in all of the Supplier's budgets and forecasting.

A rough estimate of expected division of resource between programme components is as follows (this is purely indicative and suppliers will have flexibility in their allocation of resources between components so as to best meet the objectives):

- Knowledge Management: c.25%
- Challenge Fund Management (including the cost of grants distributed to recipients): c.65%
- Partner and Own-Programme Management: c.10%

The Supplier will need to demonstrate value for money at all times including through demonstrating that administrative costs are efficient, that management processes are designed to maximise value for money.

The Supplier should include a detailed draft budget with payments associated with each of the activity areas and outputs identified above. Given that some outputs are

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demand led or adhoc, and given the need to remain responsive to potentially changing requirements during the programme's lifetime, some flexibility should be built in to the budgeting / pricing approach.

Payments of fees will be made according to delivery of the outputs defined above, following completion. All outputs will be considered complete only once judged by DFID to be of high quality. A single quarterly payment will be made by DFID covering all relevant milestone/fees and expenses/actuals relating to the preceding quarterly period. This will include grant costs associated with the challenge fund which must be met by the Supplier and reimbursed as part of the quarterly payment by DFID.

### **Conflict of Interest**

Individuals connected to organisations involved in the scoping, design or implementation of particular DFID programmes will be excluded from providing an independent view on those programmes (ie carrying out those activities described under the heading above "Programme scoping, design and implementation support").

For example, if organisation X is hired under the CLST, and it is also managing a land programme for DFID in Zambia, it will not be allowed to provide the "independent" view on that programme (details of the input sought are in the business case). However, a second partner in a joint venture or consortium put together to manage the CLST, organisation y, would be allowed to provide the independent view provided the consortium can demonstrate sufficient measures to mitigate any conflict of interest. In the case of another programme, say in Pakistan, where neither organisation was involved in the implementation, both would be eligible to help provide that independent view. This implies that organisations which are currently scoping, designing or implementing DFID land programmes, or plan to in the future, should only bid as part of a joint venture or consortium. This would help provide scope for at least one party in the consortium to be able to provide an independent view on any given DFID land programme.

### **Contract Timing**

The contract will last 4.5 years, i.e. 54 months, subject to a break-clause after 3 months and after 2 years. Continuation after 3 months will be based on agreed deliverables defined during inception and after 2 years will be based on satisfactory performance (defined as achievement of Key Performance Indicators, to be agreed) and progress of the Supplier against the specified outputs. The contract may be extended by up to 2 years.

The Supplier shall commit to being fully prepared in the event any decision is made to scale up (increase) or scale down (decrease) the scope of the Programme (i.e. in relation to the Programme's inputs, outputs, deliverables and outcomes) during the course of the Programme

The partner management component will not last for the full 4.5 years. It will run for the periods of time as follows: Landesa (33 months); MapMyRights (33 months), Vale (21 months), Land Portal (33 months) (note that these durations are the periods for which the CLST will carry out its functions in respect of these organisations; the actual duration of those partners' agreements with DFID will be longer. The time frames identified assume that agreements are signed with all of the above partners by October, and that this contract starts in January 2015; therefore, actual durations may vary by a few months)

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### ADDITIONAL DOCUMENTS

- LEGEND Business Case
- DFID's internal due diligence guidance

### DUTY OF CARE

The Supplier is responsible for the safety and well-being of their Personnel (as defined in Section 2 of the Contract) and Third Parties affected by their activities under this contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.

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

- All Supplier Personnel will be offered a security briefing by the British Embassy/DFID on arrival. All such Personnel must register with their respective Embassies to ensure that they are included in emergency procedures.
- A copy of the DFID visitor notes (and a further copy each time these are updated), which the Supplier may use to brief their Personnel on arrival.

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

This Procurement may require the Supplier to operate in a seismically active zone considered at high risk of earthquakes. Earthquakes are impossible to predict and can result in major devastation and loss of life. There are several websites focusing on earthquakes, including <http://geology.about.com/library/bl/maps/blworldindex.htm>. The Supplier should be comfortable working in such an environment and should be capable of deploying to any areas required within the region in order to deliver the Contract (subject to travel clearance being granted).

This Procurement may require the Supplier to operate in conflict-affected areas and parts of it are highly insecure. Travel to many zones within such regions will be subject to travel clearance from the UK government in advance. In such situations, the security situation may be volatile and subject to change at short notice. The Supplier should be comfortable working in such an environment and should be capable of deploying to any areas required within such regions in order to deliver the Contract (subject to travel clearance being granted).

The Supplier is responsible for ensuring that appropriate arrangements, processes and procedures are in place for their Personnel, taking into account the environment they will be working in and the level of risk involved in delivery of the Contract (such as working in dangerous, fragile and hostile environments etc.). The Supplier must ensure their Personnel receive the required level of training and [where appropriate] complete a UK government approved hostile environment or safety in the field training prior to deployment.

Tenderers must develop their Tender (if Invited to Tender) on the basis of being fully responsible for Duty of Care in line with the details provided above and the initial risk assessment matrix prepared by DFID (Annex B). They must confirm in their ITT Response that:

- They fully accept responsibility for Security and Duty of Care.
- They have made a full assessment of security requirements.

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- They have the capability to provide security and Duty of Care for the duration of the contract.

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

Acceptance of responsibility must be supported with evidence of Duty of Care capability and DFID reserves the right to clarify any aspect of this evidence. In providing evidence, interested Suppliers should respond in line with the Duty of Care section in the Invitation to Tender (ITT).

Acceptance of responsibility must be supported with evidence of capability (no more than 2 A4 pages and DFID reserves the right to clarify any aspect of this evidence. In providing evidence Tenderers should consider the following questions:

- a) Have you completed an initial assessment of potential risks that demonstrates your knowledge and understanding, and are you satisfied that you understand the risk management implications (not solely relying on information provided by DFID)?
- b) Have you prepared an outline plan that you consider appropriate to manage these risks at this stage (or will you do so if you are awarded the contract) and are you confident/comfortable that you can implement this effectively?
- c) Have you ensured or will you ensure that your staff are appropriately trained (including specialist training where required) before they are deployed and will you ensure that on-going training is provided where necessary?
- d) Have you an appropriate mechanism in place to monitor risk on a live / on-going basis (or will you put one in place if you are awarded the contract)?
- e) Have you ensured or will you ensure that your staff are provided with and have access to suitable equipment and will you ensure that this is reviewed and provided on an on-going basis?
- f) Have you appropriate systems in place to manage an emergency / incident if one arises?

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### **Annex A – Draft structure of the LEGEND Challenge Fund**

The following sets out the Challenge Fund's purpose and approach. From within the broad purpose and context, the focus will be narrowed down. This process will have taken place to some extent before the CLST is in place, although it will have an opportunity to contribute in some part to the final design once appointed.

#### 1) Window Purpose

Contribute to more effective land governance in developing countries and pro-poor economic growth by encouraging increased pro-poor private sector investment, which complies with relevant guidelines (especially the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the context of national food security) and protecting poor peoples' land rights in respect of investment which does not comply with these guidelines.

Contribute to more effective land governance in developing countries and pro-poor economic growth by supporting the development of improved international and global land policy frameworks and by holding Governments to account for delivering against them.

#### 2) Current context and constraints

Private sector investors may face a range of barriers in ensuring the investments they undertake comply with relevant guidelines and are beneficial to local communities as well as themselves. These include, for example, knowing about investment opportunities, understanding the interests of the local communities, understanding how to tailor investments to meet the communities' interests. Poor people may face a range of barriers in understanding their interests or the implications of proposed investments for them, and defending or promoting those interests. These include, for example, low transparency on planned investments or the nature of those investments, weak legal understanding of rights or difficulties coordinating different communities to represent the groups' interests in respect of large investments.

At national and sub-national level, Government land policy is not always designed adequately to support pro-poor growth. Where it is appropriately designed, it is not always sufficiently implemented. At global level, land policy frameworks are also not always sufficiently well designed or comprehensive to support pro-poor growth. Where they are, they may not be adopted or implemented adequately at national level. In both instances, the interests and voice of the poor are not always sufficiently loud or well heard, reducing the prospect of positive change.

#### 3) Intended outputs

Private investors are increasingly motivated and able to take forward investments which adhere to land guidelines on good practice, particularly those facilitating pro-poor investment. The poor, or those pushing for objectives aligned with their interests, understand better where those interests lie, are more effective in encouraging suitable investment and are better able to defend their rights against inappropriate investments.

The poor, or those pushing for objectives aligned with their interests, understand better where those interests lie on land matters and represent themselves better

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and are heard more fully when pushing for improvements to policy frameworks or implementation of them.

### 4) Regions of implementation

The fund will support activity:

- within Tier 1 DFID countries (for the current list, see Annex), either at national or sub-national level, covering rural and/or urban areas
- at global level where it stands to benefit developing countries (especially Tier 1 countries)
- or activity covering a mix of different levels

### 5) Type of support available

- Match-funded grants. Applicants must contribute their own resource to the project, bearing at least [25%] of the total project cost. These contributions can be made both in cash and in-kind. Preference may be given to higher applicant contributions
  - Technical assistance (if needed) provided alongside the grant funding.
- Decisions concerning support are made on a competitive, deadline-driven basis by an independent selection committee. Only the best applications will receive support.

### 6) Level of support available

- Grant funding of between £100,000 to £500,000.
- Total funding of up to [£1,825,000] available, per round (there are expected to be two rounds)
- Technical assistance of up to [50] days of support from a technical expert across the life of the project

### 7) Timing and Implementation period

There will be two rounds. The first will open for applications in August 2015. Decisions will be made by November 2015, with the expectation of projects starting very soon thereafter. Support will be available for up to 24 months. The second will open for applications in March 2016. Decisions will be made by June 2016, with the expectation of projects starting very soon thereafter. Support will be available for up to 24 months

### 8) Projects eligible for funding

To be eligible for funding, projects must meet the criteria below. These will be used in evaluating and comparing bids for selection:

- Contribute to improved land governance outcomes for the poor, which support pro-poor economic growth, and ultimately support increased incomes of the poor, especially women
- The project will involve an approach which is innovative and has the potential to be replicated if successful
- The project is unlikely to be funded or to proceed without DFID support. This will be especially important in respect of the private sector where the project should not, and could not reasonably be perceived to be, subsidising activity that the private sector would normally be expected to carry out itself
- The project's impact is likely to be sustainable after the support has finished
- The support provided will be utilised within 24 months
- The project will not adversely affect others
- The project will not stand in the way of pro-poor economic growth

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- The project develops Specific, Measurable, Attributable, Relevant and Timed measures of output and impact, and will measure progress against these
- Support for businesses must additionally meet the following requirements:
  - DFID subsidy must minimise market distortions - Subsidies seek to temporarily incentivise certain investments to nudge markets towards more socially efficient outcomes and in some cases, crowd in private finance. Well-designed subsidies minimise market distortions and adhere to the principle of minimum subsidy.
  - DFID subsidy should make a credible contribution to achieving systemic market impact - addressing an underlying constraint to private investment is important to achieve systemic market impact, rather than enabling only a single investment to bypass the investment constraint.
  - DFID subsidy should align incentives with commercial partners – Both subsidy design and partner selection are critical in aligning the incentives of commercial and development partners.

### 9) Entities eligible for funding

Applicants (or lead applicants if in consortia or partnership) must meet the following criteria:

- Be a registered Non-Governmental Organisation, Civil Society Organisation, Business or Business Membership Organisation.
- Be in compliance with the relevant licensing, taxation, employee and other codes relevant to their country of operation
- Have a clean legal and ethical record
- Be in satisfactory financial health [and able to show at least two years of unqualified audited accounts] and have the necessary financial systems in place to reduce fiduciary risk and ensure transparent donor fund management
- Have adequate resources to implement the project within the agreed timeframes
- Be willing to participate in lesson learning and lesson sharing activities, monitoring and evaluation activities, and share project data with the Fund
- Not be part of, or in any way [beneficially] connected with, those involved in the funding, management or decision making processes connected with this Fund.

### 10) Application process

Applications for funding will be assessed through a two-stage application process.

- The first stage involves submission of a simple Concept Note which will outline the project and applicant and demonstrate that they meet the eligibility criteria.
- Concept Notes will be reviewed by the Fund Manager, and those that meet the eligibility criteria will be assessed against the Concept Note appraisal criteria.
- Applicants that have submitted a Concept Note that satisfies the eligibility criteria and the appraisal criteria will be invited in stage two to develop an Application setting out the full business case for the proposed project.
- Applications will be reviewed and successful applicants will be granted funding.

Note: Applicants can submit more than one Concept Note but applications will be limited to one per applying organisation. A successful Concept Note does not in

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any way imply that the subsequent Application will be funded. Applications will be appraised and approved or otherwise for funding by an independent assessment panel. The panel's decision is final.

### 11) Appraisal criteria for applications

Applications will be appraised by the independent selection committee on the basis of the following:

- The quality of the business case and implementation plan including the assessment of risk involved
- The existing internal capability and capacity of the applicant to implement the project in the timeframe set out in the application
- The extent to which inputs, outputs results and impacts are defined in a way that is “SMART”
- The level of expected benefits (accounting for the likelihood of them being achieved and sustained) arising from the project in relation to the costs incurred to the fund



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### Annex B – Duty of Care Assessment

#### Duty of Care Risk Assessment (October 2014)

Country	Security Category	Violent Crime and Civil Disorder	Terrorism
Afghanistan	5	4	5
Bangladesh	3	3	3
Burma	2	2	1
Cambodia	2	2	2
DR Congo	4	5	2
China	2	2	1
Egypt	4	2	4
Ethiopia	3	2	3
Ghana	3	3	1
India	2	2	3
Indonesia	4	3	4
Iraq	5	5	5
Jordan	4	2	4
Kenya	5	5	4
Lebanon	4	3	4
Lesotho	2	2	1
Liberia	4	4	2
Libya	4	3	4
Malawi	3	3	2
Morocco	3	2	3
Mozambique	3	3	3
Nepal	2	2	1
Nigeria	4	4	4
Pakistan	5	3	5
Palestine	3	3	4
Rwanda	2	2	3
Sierra Leone	3	3	2
South Sudan	4	4	4
Somalia	5	2	5
South Africa	4	4	2
Sudan	4	3	4
Syria	4	3	4
Tanzania	3	4	3
Tunisia	3	3	3
Uganda	3	3	3
Yemen	4	3	5
Zambia	2	3	2
Zimbabwe	3	3	1