

Section 4, Appendix A

**CALLDOWN CONTRACT**

**Framework Agreement with:** PricewaterhouseCoopers LLP

**Framework Agreement for:** Wealth Creation Framework Agreement

**Framework Agreement Purchase Order Number:** 5929

**Call-down Contract For:** Technical Assistance for Smart Cities (TASC)

**Contract Purchase Order Number:** 7965

I refer to the following:

1. The above mentioned Framework Agreement dated **28 January 2013**;
2. Your proposal of **10 May 2017** as amended and clarified by your subsequent e-mails dated:
  - I. **12 and 15 May 2017 (excel pro-formas),**
  - II. **13 and 14 June 2017 (tax clarification), and**
  - III. **4, 5, 18 and 21 July 2017 (post-tender clarifications and due diligence)**
  - IV. **8, 11 and 24 August 2017 (further clarifications)**

and I confirm that DFID requires you to provide the Services (Annex A), under the Terms and Conditions of the Framework Agreement which shall apply to this Call-down Contract as if expressly incorporated herein.

**1. Commencement and Duration of the Services**

- 1.1 The Supplier shall start the Services no later than **4 September 2017** ("the Start Date") and the Services shall be completed by **3 September 2019** ("the End Date") unless the Call-down Contract is terminated earlier in accordance with the Terms and Conditions of the Framework Agreement.

**2. Recipient**

- 2.1 DFID requires the Supplier to provide the Services to the **Government of India**, the **Ministry of Housing and Urban Affairs**<sup>1</sup> and the **City authorities** ("the Recipient"), alongside other urban agencies in the selected light house cities. Urban residents in the selected cities will be the ultimate beneficiaries through enhanced service delivery and job creation.

**3. Financial Limit**

- 3.1 Payments under this Call-down Contract shall not exceed **£3,140,835** ("the Financial Limit") and is inclusive of any government tax, if applicable as detailed in Annex B.

Included within this Financial Limit, the financial ceiling for expenses shall be **£218,240** [REDACTED]  
[REDACTED] Only expenditure actually incurred will be reimbursed, with receipts required before any Payment is made under the Call-down Contract.

<sup>1</sup> The Ministry of Housing and Urban Affairs (MoHUA) is the new name for the Ministry of Urban Development (MoUD).

When Payments shall be made on a 'Milestone Payment Basis' the following Clause 28.1 shall be substituted for Clause 28.1 of the Framework Agreement.

## **28. Milestone Payment Basis**

### **28.1**

Where the applicable payment mechanism is "Milestone Payment", invoice(s) shall be submitted for the amount(s) indicated in Annex B and payments will be made on satisfactory performance of the services, at the payment points defined as per schedule of payments. At each payment point set criteria will be defined as part of the payments. Payment will be made if the criteria are met to the satisfaction of DFID.

When the relevant milestone is achieved in its final form by the Supplier or following completion of the Services, as the case may be, indicating both the amount or amounts due at the time and cumulatively. Payments pursuant to clause 28.1 are subject to the satisfaction of the Project Officer in relation to the performance by the Supplier of its obligations under the Call-down Contract and to verification by the Project Officer that all prior payments made to the Supplier under this Call-down Contract were properly due.

Additional detail on the agreed Milestone Payment Basis is included in the PwC Clarification Responses (Part 2) [REDACTED]

## **4. DFID Officials**

### **4.1 The Project Officer is:**

[REDACTED]  
Department for International Development  
Telephone: [REDACTED]  
E-mail: [REDACTED]

### **4.2 The Contract Officer is:**

[REDACTED]  
Department for International Development  
Telephone: [REDACTED]  
[REDACTED]

## **5. Additional Documents to be included in this Contract**

### **5.1 The following documents are included in and form part of the Contract:**

- I. Technical Proposal - dated 10 May 2017,
- II. Commercial Proposal - dated 10 May 2017,
- III. Excel copies of the Commercial Pro Forms – e-mail dated 12 May 2017,
- IV. Commercial Pro Forma Clarification – e-mail dated 15 May 2017,
- V. Tax Clarification – e-mail dated 13 June 2017,
- VI. Tax Clarification – e-mail dated 14 June 2017,
- VII. PwC Clarification Responses (Part 1) – e-mail dated 4 July 2017,
- VIII. PwC Clarification Responses (Part 2) – e-mail dated 5 July 2017,
- IX. Due Diligence Clarification – e-mail dated 18 July 2017,
- X. PwC Final Clarifications and Commercial Pro Forms – e-mail dated 21 July 2017,
- XI. Further clarifications – e-mails dated 8, 11 and 24 August 2017.

## 6. Key Personnel

- 6.1 The following of the Supplier's Personnel cannot be substituted by the Supplier without DFID's prior written consent:

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

## 7. Sub-Contractors

- 7.1 The Supplier has DFID's consent to appoint the following sub-contractors:

- I. [REDACTED] and their sub-contractors as specified in Pro Forma 1 including [REDACTED]

## 8. DFID Statement of Priorities and Expectations for Suppliers

- 8.1 In line with the Statement of Priorities and Expectations (SOPE) [REDACTED] throughout the life of the Contract the supplier must be able to demonstrate how they are meeting these expectations.

## 9. Reports

- 9.1 The Supplier shall submit project reports in accordance with the Terms of Reference at Annex A.

## 10. Duty of Care

- 10.1 All Supplier Personnel (as defined in Section 2 of the Agreement) engaged under this Call-down Contract will come under the duty of care of the Supplier:

- I. The Supplier will be responsible for all security arrangements and Her Majesty's Government accepts no responsibility for the health, safety and security of individuals or property whilst travelling.
- II. The Supplier will be responsible for taking out insurance in respect of death or personal injury, damage to or loss of property, and will indemnify and keep indemnified DFID in respect of:
  - II.1. Any loss, damage or claim, howsoever arising out of, or relating to negligence by the Supplier, the Supplier's Personnel, or by any person employed or otherwise engaged by the Supplier, in connection with the performance of the Call-down Contract;
  - II.2. Any claim, howsoever arising, by the Supplier's Personnel or any person employed or otherwise engaged by the Supplier, in connection with their performance under this Call-down Contract.

- III. The Supplier will ensure that such insurance arrangements as are made in respect of the Supplier's Personnel, or any person employed or otherwise engaged by the Supplier are reasonable and prudent in all circumstances, including in respect of death, injury or disablement, and emergency medical expenses.
- IV. The costs of any insurance specifically taken out by the Supplier to support the performance of this Call-down Contract in relation to Duty of Care may be included as part of the management costs of the project, and must be separately identified in all financial reporting relating to the project.
- V. Where DFID is providing any specific security arrangements for Suppliers in relation to the Call-down Contract, these will be detailed in the Terms of Reference at Annex A.

## **11. Break Clause**

- 11.1 There are formal break points at the end of the Inception phase and after one year of Implementation.

## **12. Call-down Contract Signature**

- 12.1 If the original Form of Call-down Contract is not returned to the Contract Officer (as identified at clause 4 above) duly completed, signed and dated on behalf of the Supplier within 5 working days of the date of signature on behalf of DFID, DFID will be entitled, at its sole discretion, to declare this Call-down Contract void.

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

Name:

Position:

Signature:

Date:

For and on behalf of  
PricewaterhouseCoopers LLP

Name:

Position:

Signature:

Date:

**Call-down Contract**

**TERMS OF REFERENCE**

**Providing Technical Support for Implementation of DFID Technical Assistance  
for Smart Cities (TASC) programme**

**Phase 1 - Central Support**

## Technical Assistance for Smart Cities

### 1. Introduction

1.1. The Department for International Development (DFID) is part of the UK government working to deliver the next phase of the UK's development partnership with India.

1.2 The UK partnership with India focuses on five closely linked areas; ease of doing business, finance, skills, energy and urban. Reducing inequalities with particular focus on women, girls and other marginalised groups and ensuring environmental sustainability and resilience is a key priority across the areas. In the urban sector the UK will work closely with Indian cities to attract investment; improve governance; make cities more inclusive, energy efficient and climate resilient and provide smart solutions for the provision of services like transport, health, waste, water and energy. As part of this new phase of partnership with India, DFID will be working more closely with other HMG departments to deliver an integrated UK offer to develop the Smart Indian cities of the 21<sup>st</sup> century.

1.3. These Terms of Reference (ToR) seek to procure services to provide the initial tranche (Tranche 1) of technical assistance (TA) to support the implementation of the Government of India's (GoI) ambitious Smart Cities' Mission through the DFID Technical Assistance for Smart Cities (TASC) programme.

Tranche 1 sets out the central support required in the first phase

Whilst not included in the scope of this ToR, two additional tranches of support are envisaged by the end of the current calendar year:

#### Tranche 2

Technical Assistance focusing only on UK-India partnership at the cities level

#### Tranche 3

Quick deploying Technical Assistance to increase the commercial viability of specific projects that are particularly relevant to international expertise and finance.

1.4. The three tranches are designed to work in parallel and complement each other to deliver a complete set out programmes that will develop the frameworks, project development vehicles (e.g. SPVs), attract finance and develop specific projects in selected Indian smart cities. Tranche 2 will be of similar scale to Tranche 1. The Scale of Tranche 3 will be around a third of the size.

1.5. This ToR refers only to the first Tranche (TASC). DFID reserves the right to "Scale Up" to increase the scope of the contract for Tranche 1 to include the delivery of Tranche 3, depending on the agreement of DFID, the Government of India and other relevant stakeholders. Any "Scale Up" increase to scope will be dependent on performance and at the discretion of DFID.

1.6. Bidders for Tranche 1 need to be aware and be prepared and capable to expand their teams to deliver Tranche 3 (a third of the size of Tranche 1) within 6 months of being asked to develop proposals.

## Technical Assistance for Smart Cities

1.7. The maximum budget available for Tranche 1 is £4 million (inclusive of all applicable taxes). Suppliers should not craft their bids in such a way as to reach the budget ceiling, but instead construct their bid to meet the evaluation criteria and the pursuit of Value for Money.

## 2. Background

2.1. India is urbanising very fast. Much of India's urbanisation over the past decades though has been unplanned, with increasingly heavy economic and social implications. Deficiencies in urban infrastructure are estimated to shave 1-2% from India's GDP growth rate annually. Over the next two decades, most Indians – and the majority of its youth and its poor – will live in cities. India needs to create around a million new jobs per month, with 70% of new net employment coming from cities. The TASC programme is working with the Ministry of Housing and Urban Affairs (MoHUA)<sup>1</sup> to deliver demand-led, joined-up donor interventions to address these problems (referred to as Tranche 1).

2.2 Smart urbanisation is critical for India's development and as a result is a top priority for the Government of India and is well aligned with the mutual prosperity interests of India and the UK. The UK is a world leader in smart cities and the deployment of cutting edge engineering design, architecture, finance and digital systems to create modern cities that match the needs of the 21<sup>st</sup> century. UK cities are innovating in intelligent transport, energy supply, waste & water management and building urban resilience.

2.3 As a result, the Gol has specifically requested UK expertise on the development of Smart Cities. This involves UK support specifically to MoHUA and selected cities in India through MoHUA (Indore, Pune & Amaravati as initial thoughts), and will include funding of investment strategies, technical assistance to the city/state authorities, and business delegations. In addition, support will include research collaboration, technical assistance to/partnership with the Indian central government and other states, and business-to-business partnerships development.

2.4 This India-UK partnership programme will support the development of Gol's Smart City Mission - in line with the Joint statement of PM Modi and PM Cameron set out during PM Modi's visit to the UK and reiterated during PM May's visit to the India in November 2016. Smart Cities Mission is an urban renewal and retrofitting program by the Gol with a mission to develop 100 cities (the target has been revised to 109 cities) all over the country making them citizen friendly and sustainable. The Union Ministry of Housing and Urban Affairs is responsible for implementing the mission in collaboration with the state governments of the respective cities. Further details available at <http://smartcities.gov.in/writereaddata/SmartCityGuidelines.pdf>

## 3. The Objective

3.1. DFID will provide specific and focused technical assistance to MoHUA, to support implementation of the Smart Cities Mission and support identified smart cities by the Gol to develop and attract investment for projects. The TASC programme will provide strategic advisory support to the MoHUA and Indian cities to:

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<sup>1</sup> The Ministry of Housing and Urban Affairs (MoHUA) is the new name for the Ministry of Urban Development (MoUD).

## Technical Assistance for Smart Cities

- (a) create a pipeline of investable projects that leverage funding from public, donor and privates sector sources
- (b) help in making investments maximise economic and social benefits for urban poor and vulnerable households particularly women, children and people with disability.
- (c) provide the best international expertise including the UK in city design, urban rejuvenation, smart technology and build strong academic, research and business partnerships to promote innovative urban solutions.
- (d) support energy efficient and green growth in cities.

### 4. The Recipient and Beneficiaries

4.1. MoHUA, GoI and the City authorities will be the principal recipient of the proposed support, alongside other urban agencies in the selected light house cities.<sup>2</sup> Urban residents in the selected cities will be the ultimate beneficiaries through enhanced service delivery and job creation.

### 5. The Scope

Goal, Purpose and Outputs of the proposed initiative are as follows:

- 5.1 The goal of TASC is **‘accelerated urban poverty reduction in smart cities’**
- 5.2 The outcome of TASC is **“enhanced job creation and investment in supported project smart cities”**
- 5.3 The Technical Assistance (TA) will deliver the following outputs:
  - Output 1:** ensure MoHUA has access to cutting edge international experience, including that from the UK, to inform inclusive policy, regulatory and institutional framework for Smart Cities.
  - Output 2:** Build capacity and strengthen urban institutions particularly Smart Cities Special Purpose Vehicles (SPVs) to improve the investment climate, develop inclusive and climate smart investable projects and mobilise investment.
  - Output 3:** Develop knowledge and innovation partnerships with states and institutions with international centres of excellence including in the UK to share cutting edge approaches in urban development.
- 5.4. Support from TASC will be provided in two main ways:
  - a. Supporting the MoHUA and through them selected cities with strategic advice and international experience to plan, design, implement and monitor projects.
  - b. Complement multilateral and others lines of credit and investments for smart cities by:

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<sup>2</sup> Light house cities are those that made to the 1st list of smart cities from the 1st round of the Smart Cities’ Challenge Competition of the MoHUA.



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supporting project design to deliver a pipeline of bankable projects;

supporting for Special Purpose Vehicles (SPVs) to facilitate private sector/PPP projects etc.;

support to ensure transparency and accountability of transactions; and  
Improve the environmental, climate, social and inclusion aspects of project investments.

5.5 The overall objective is to help cities design and develop viable urban infrastructure projects for funding from the World Bank, Asian Development Bank (ADB), CDC, International Finance Corporation Gol' urban development funds and, private financiers.

The specific tasks under the TASC will include two main components.

### **A. TA Support Team (TAST)**

5.6 The TAST would be a small core team that will provide support to MoHUA to ensure that the Smart cities mission is delivered effectively and manage the demand responsive TA Pool (TAP).

5.7 The TAST will engage directly with the key stakeholders in the MoHUA, World Bank, ADB, State Governments, Municipal Corporations and other state/city level Urban Agencies, Indian Financial Institutions, Indian and preferably UK Think Tanks, UK Cities' Representatives, UK Business Representatives and other UK entities with specialist expertise in Smart City development. It will ensure ownership of initiatives with MoHUA and respective implementation agencies e.g. urban and municipal entities at states and cities' level.

5.8 TAST will support the MoHUA on policy and programme management, research and advocacy. Support will be focused at the national level closely linked to support at the state and cities' level. Support on reform implementation and project design, development and financing will focus on the implementation agencies at the cities' level, primarily through the TAP.

5.9 TAST is expected to draw up a monitoring mechanism and evaluation and sustainability plan for TASC during the inception phase and delineate the exact deliverables in consultation with the MoHUA, state urban departments and urban agencies at the city level including the Smart Cities' SPV. TAST will also facilitate monitoring, evaluation and reporting activities commissioned/ undertaken by DFID, as well as those working with other UK Departments especially Department of International Trade (DIT) located out of the British Deputy High Commission (BDHC) offices in Kolkata, Hyderabad, Chandigarh, Mumbai and Chennai as well as other bilateral and multilateral agencies in, targeting the smart urban development in lighthouse cities in India.

### **Management of the Technical Assistance Pool (TAP) by the TAST**

5.10 Considering the possible wide scope of the proposed support, TAST will manage a substantial TA pool to respond to the demands of the implementing

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agencies. The focus of the TA Pool will be to provide support for specific projects proposed by Smart Cities to access funding and move them into implementation. To

maximise the impact of the TA pool the TAST consultants will develop and then manage a 'challenge fund' through which Smart cities will access the TAP. The detailed design of the challenge fund will be finalised during inception. The supplier has proposed their approach to the management of this fund and has transparently set out the low management costs of this. In particular the resources for the TAP shall be maximised by minimising the TAST.

5.11 Selected cities will receive demand responsive support from the TAP based on selection criteria that will be refined during inception. These are likely to include but not limited to the following:

Quality of the smart city proposal and viability of proposed projects in terms of their ability to attract investment and be sustainable.

Quality of the request i.e. proposals that demonstrate that the TA will be effective in unblocking investment barriers and result in fundable projects.

MoHUA priorities for city support, especially for Lighthouse cities that are not supported by other development partners.

Political commitment from the city to implement reforms that will attract investment.

Willingness to co-fund TA support from the TAP with their own resources.

### **B. Support through the TA Pool (TAP)**

5.12 After selection of the priority cities for TAST support, the TAP will provide the following indicative (but not limited to) TA support:

Support for project design, development, appraisal and implementation in the redevelopment, pan-city smart urban solutions and greenfield categories of the Smart Cities' Mission.

Support to develop, appraise and access funding for projects supported under the Smart Cities' Mission from World Bank and ADB Lines of credit.

Introduction of innovative and/or smart technology in energy efficiency, smart mobility, urban basic services, resilient urban infrastructure and cities' design and development.

Preparation of pre- feasibility reports and detailed project reports for the most investable projects in all of the four categories of smart cities project-retrofit, redevelopment and greenfield development.

Design and implementation support for pan-city solution models for urban service delivery and IT enabled solutions.

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5.13 The main focus of the TA pool will be on delivery of smart city support. In addition the TAP will also be responsible for supporting the TASC to respond to:

MoHUA priorities and demand.

Sharing of International experience, including UK and expertise in city design, planning, smart technology, green growth etc.;

Facilitating international investments and investors.

Initiatives that will build UK-India partnerships in research, innovation and business.

### Requirements and Level of Effort

#### *Requirements*

6.1. An indicative list of activities expected to be undertaken by the TAST and TAP under each of the outputs is presented below.

#### **OUTPUT 1: Informing smart urban design and development in India through international experience**

Enable city level partnerships for cross- learning and knowledge sharing from international experiences, including from the UK in smart city design and infrastructure development in urban infrastructure including water, waste, energy and mobility

Facilitate high level workshops with Central and State Government senior officers and smart technology providers and city design experts including those from the UK to explore investment opportunities in the cities identified.

Facilitate partnerships through bringing in innovative smart technology and solutions in energy efficiency, renewable energy, smart mobility, urban basic services, climate resilient infrastructure and disaster management in collaboration with the various departments within the UK High commission (DFID, DIT, RCUK, SIN etc) and multilateral banks such as ADB and World Bank, to bring required international experience,

Enable cities to connect technology to area-based plan, especially, application of smart solutions in urban mobility, energy transmission and basic service delivery.

Provide advice and strategies to ensure that smart city development is inclusive, equitable and addresses gender and disability issues.

#### **OUTPUT 2: Improving the business environment of Smart Cities, and their SPVs, to deliver economically viable investment projects by;**

Supporting selected city authorities and implementing agencies in

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Identifying and implementing necessary regulatory, policy and institutional reforms to promote investments in cities especially from the private sector.

Supporting SPVs and Urban Local Bodies in developing innovative

financing instruments such as municipal bonds to raise finance for smart city projects.

Helping SPVs to develop a pipeline of viable smart urban infrastructure projects as per the priorities of the smart cities' plan, particularly focusing on those that can catalyse financing from various national and central government schemes, Multilateral Development Banks and other external sources.

Provide handholding support to implementing agencies in project design and development and establish project pre-feasibility.

Developing the bid documents for the feasible projects and providing bid process management support to implementation agencies as per the contractual modality chosen to select the preferred bidder.

Design and implementation support for pan-city solutions to the cities including energy efficient models for urban service delivery and IT solutions.

Appraise projects supported under the Smart Cities' Mission and that are partially funded out of the World Bank, ADB or other loans.

Support review and improvement of Smart City proposals of municipalities that have not succeeded in previous rounds to help them access GoI funds under the Smart Cities' Mission.

Closely monitor the performance of all aspects of Smart cities Mission implementation in close collaboration with the Ministry of Housing and Urban Affairs and state leadership.

### **OUTPUT 3: Building knowledge, research and innovation partnerships**

Regular coordination with DFID and DIT to organise business meetings with UK smart technology providers, city design and development experts, smart architects and urban rejuvenation experts.

Regular coordination with Research Council UK (RCUK) to build strong partnership between UK think tanks and Indian urban institutions of repute like the National Institute of Urban Affairs and School of Planning and Architecture.

Work closely with the Science and Innovation Network to facilitate UK innovative smart technologies in urban service delivery and help pilot some of these in partner cities.

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Support review and improvement of Smart City proposals of municipalities from the perspective of bringing in international including UK city experiences that could be contextualised in Indian scenario.

Documentation of good practices and learning for replication and dissemination through workshops /conferences

Establish links with centres of knowledge management and research for Smart cities.

- II. In addition to the above, TAST is expected to respond to a range of additional demand from the MoHUA and the UK government mission. Possible areas could include:

Work with the Future Cities' Catapult (based in Pune) in India to develop a resource/centre of excellence for smart city stakeholders - think tanks, administrators and policy makers, city designers, project financiers etc.

Support for the UK-India Smart Cities' Partnership Strategy to achieve the inclusive economic growth in India.

Review and assess best practice in smart and efficient urban mobility, energy and water and waste management infrastructure experience and develop model relevant to Indian context.

Preparation of RfPs and RfQs for various procurements undertaken/proposed to be undertaken by the Ministry, state Urban Departments and the city authorities.

Help cities and think tanks in India enter into MoUs with similar institutions in the UK to undertake activities within the scope of the smart cities' work.

Undertake energy audits and action plans for smarter municipal services and green building including preparation of detailed project reports and businesses models for securing funding and ensuring sustainability.

### ***Level of Effort***

6.2. The TAST is expected to manage a core team of **no more than 6 people**, the majority of whom are expected to be full- time. The core team of long-term experts are expected to provide up to 200 working days in a calendar year. Both technical and financial proposals clearly presented the proposed time inputs of all experts against the deliverables mentioned above and a detailed legible work-plan and a staffing schedule was included as part of the technical response (methodology section). Table 1 presents the illustrative staff requirement for TAST proposed as a part of the core team.

6.3. Whilst not included in the scope of this ToR, Tranche 2 support is expected to involve a similar level of effort as Tranche 1 but will require the ability to deploy teams at the **City level** to develop specific city based projects.

## Technical Assistance for Smart Cities

6.4. Tranche 3 support is expected to focus on quick start activities to build consortia of companies to develop and invest in specific projects.

**Table 1: Core Team Staff Requirement for TAST**

S. No	Position	Type
	<b>CORE TEAM</b>	
1.	Strategic Advisor and Team Leader	Long-term full- time
2.	Senior Urban Planner and Integrated Urban Solution Specialist	Long-term
3.	Infrastructure Finance & PPP Specialist	Long-term
4.	Smart Solution (IT) specialist	Long-term
5.	Project Development & Management	Long-term
6.	Business engagement & Commercial Adviser	Long-term

### 6.6 ILLUSTRATIVE SKILLS REQUIREMENT OF THE CORE TEAM

An illustrative description of TAST positions is given below, but can be amended if alternative would provide better impact of VFM.

#### **Strategic Advisor and Team Leader:**

Masters in Management/ Urban Planning/ Urban and City Economics/ Social Sciences or infrastructure or other urban relevant fields. Substantial international experience in urban economic development, local economics and employment, city and regional planning to promote local economic development, urban investment strategies, smart urban solutions in urban infrastructure provision and sustainable and green growth

#### **Senior Urban Planner and Integrated Urban Solution Specialist:**

At least a Masters' Degree in Urban Planning/ Urban Architecture with significant experience in architecture and urban/ city area design projects with key expertise in master planning, vision plans, urban regeneration, urban resilience, city landscape development and renewal projects. International city design and development expertise with will be preferred. Expertise in integration of smart planning with smarter IT solution to provide integrated city level solution in urban services including transport and energy is required.

#### **Infrastructure Finance and PPP Specialist:**

At least a MBA/ CA/ CFA with significant experience of working on urban infrastructure project financing including experience in innovative infrastructure financing models. Good understanding of mobilising finance including private finance for urban infrastructure in Indian context and functioning of urban funds and developing viable models for financing of water supply, sewerage, energy and transport projects. Experience in clean energy and sustainable transport and work experience in the functioning of urban and municipal companies will be an added advantage.

### **Smart Solution (IT/IOT) Specialist:**

Degree or equivalent in IT related disciplines, preferably a computer science engineer. Considerable experience in IT with exposure to urban and municipal sector is essential. The incumbent is expected to have sound understanding of IT operations issues/ MIS /data management including exposure to social media and communication media. Working on IT related issues in the urban space will be an added advantage. Experience in Smart Cities' technology advisory including smarter solutions to urban services (water and waste water management, transport and energy efficiency) will be an added advantage.

### **Project development and management:**

An MBA or relevant qualification with significant experience of working on urban project development including experience in innovative project management and development models. Good understanding of project delivery issues for urban infrastructure and commercial property development in the Indian context. Good understanding and work experience in the functioning of urban and municipal development companies in India and internationally will be an added advantage.

### **Business engagement and commercial adviser:**

An MBA or relevant qualification with significant experience of working in private sector urban projects including experience in development of viable business models and commercial investments in urban development. Good understanding of commercial issues for urban infrastructure and property development in the Indian context. Good understanding and work experience in the functioning of urban and city municipal companies in India and internationally will be an added advantage. Knowledge of informal sector and enterprise development would be beneficial.

### **TA POOL (TAP)**

6.7. The core team will be supported by the TAP which will allow deployment of individuals/ and institutions to respond to the evolving priorities and demands of the MoHUA, partner cities, DFID and other HMG departments. Time input for the part-time, short- terms experts will be defined based on demand and annual rolling workplans. The first TAP annual work plan will be developed during inception in consultation with DFID, other HMG Departments and MoHUA and based on the expressed demand of the Smart cities.

6.8 After inception the TAST will be expected to submit a TA procurement manual clearly setting out the parameters for utilisation of pool fund. The supplier has submitted CVs for the proposed professionals to be utilised through the pool as part of their invitation to tender (ITT) 6.9 As set out above the core TAST will manage a large (at least 50% of the contract value) demand responsive fund for accessing the TA pool through a competitive mechanism or challenge fund that encourages competition by smart cities to access the TAP. Bids that demonstrate how their approach will maximise the pool's impact and opportunities for co-financing with MoHUA, other development agencies/lenders or the private sector will may attract a higher score in line with any subsequent evaluation marking criteria. In particular bids that maximise the number and size of projects supported through the TAP. Utilisation of the TAP should be able to support the development of up to twenty **(20) projects**. The supplier has set out the indicative costs for TAP support in their Commercial proposal over the lifetime of the project.

### Likely expertise requirement of the TA Pool

6.10 Indicative expertise required for the pool based on the indicative list of activities (captured above) are:

- (1) City Design and Urban Planning Specialist,
- (2) Water and Waste Water Utilities' Specialist,
- (3) Transaction Advisory Specialist,
- (4) Low Carbon/ Green Growth Urban Specialist
- (5) Municipal Finance and Creditworthiness Specialist,
- (6) Institutional Strengthening Specialist,
- (7) GIS and Remote Sensing Specialist,
- (8) Urban Transport Planning Specialist
- (9) Local Economic Development Specialist
- (10) Urban Resilience and disaster management Specialist
- (11) Inclusion and Social Development Specialist
- (12) Heritage architecture and redevelopment Specialist
- (13) Research and Knowledge Management Specialist
- (14) Communication and Marketing Specialists

6.11 TA pool members should cover a range of seniority with more senior professionals having at least a masters degree in the relevant field and considerable, demonstrable experience of managing tasks of similar content and magnitude at the state and/ or national level in India. International experience preferably including experience in the UK will be an added advantage. Professionals should have been involved in India's Smart Cities initiative in similar capacity. International (preferably UK or similar) experience in smarter urban rejuvenation, transformation, city design and development, smarter urban technology will be an added advantage.

6.12. The supplier has submitted CVs of all positions identified above under the Resource Pool as part of their ITT technical response, in addition to other positions they may propose to mobilise under the resource pool identified as part of their technical response. Inability to mobilise Resource Pool candidates may result in non-payment since the payments would be based on delivered outputs.

## 7. Constraints and Dependencies

### 7.1. Timing considerations:

The contract will be awarded for a period of 24 months, with the possibility of extension for up to a maximum of 12 months. Such extension shall depend upon the policy priorities of the GoI, DFID and other HMG departments as well as the UK's priorities for India, review recommendations and budget availability. Any extension will be subject to a needs assessment by DFID and shall be based on the satisfactory performance of the supplier.

7.2 The supplier is expected to start the services no later than early August 2017 with completion by early August 2019. After the three month inception period and one (1) year of implementation, there will be a break point to review DFID's priorities and to mitigate the risk of non-performance or external changes.



7.3 The timing of Tranches 2 and 3 are not yet confirmed. This contract reserves the provision to scale up to accommodate the value of tranche 3.

### 7.4. Personnel considerations:

Bidders are required to adhere to the following strictly:

The core team member will be based out of Delhi (possibly out of MoHUA) and will be required to travel extensively to the project cities across India.

## 8. Reporting

### ***Programme Reporting***

8.1. This will be a payment-by-results output-based contract with a mix of quarterly reports and achievement of identified log frame milestones will be used for this purpose. The following generic outputs are expected from this consultancy; detailed outputs and milestones will be agreed to as part of the Inception Report:

#### *i. Inception report:*

TAST is expected to submit an inception report within six (6) weeks of mobilisation of the team. The inception report will include, inter-alia, a set of outputs and milestones to be developed in consultation with MoHUA, DFID, partner cities and other stakeholders against which the TAST will be held accountable. The inception period will incorporate the following outputs:

#### *Management proposal:*

Sets out how the support will be managed including proposed criteria for selection of activities; secure approval of activities; coordination with DFID and other project support units within MoHUA. Given that there are other support units within MoHUA, the governance structure needs to avoid duplication of efforts and learnings.

#### *TA Procurement procedures and manual including management of the TAP:*

TAST is expected to submit a procurement manual that will guide procurement of professionals through the pool of fund, specifying the management and governance; it is expected that this will be submitted within six (6) weeks of mobilisation of the team, unless agreed otherwise.

#### *Logframe:*

The impact, outcome, outputs and key performance indicators (based on initial DFID draft).

#### *Monitoring and Evaluation Plan:*

Sets out how we will measure progress.

#### *ii. Quarterly reports:*

TAST is expected to submit quarterly reports against which payments will be made. The quarterly reports will be submitted in a format agreed with DFID and MoHUA and include demonstration of delivery of agreed outputs against which payments will be made. A report on cumulative financial expenditure would be part of this report.

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- iii. *Monthly updates:*  
TAST is expected to submit monthly updates on status in a simple tabular format agreed with DFID and MoHUA. These could be extremely short and succinct.
- iv. *TAP reporting:*  
Payments for assignment delivered by the TAP will be based on agreed outputs agreed in advance by DFID and the recipient e.g. MoHUA, ULB or SPV.
- v. *Annual accounts:*  
Approved by an independent audit firm recognised by DFID; together with certification concerning the adequacy of internal control for all resources managed by the Programme Manager.
- vi. *A Project Completion Report (DFID format):*  
Within 3 months of completion of the contract, or at a time agreed with DFID.

### 9. Management and DFID Reporting

9.1. The management structure will reflect the need to ensure that the programme is driven by GoI and the demand of partner states and cities, outputs are closely coordinated with MoHUA, converge with other donor initiatives, and include sufficient authority to maintain inter-departmental coordination.

9.2. The TAST Team Leader will report directly to the MoHUA Project Director (Smart Cities), with the Task Team Leader of DFID being the second point of reporting. The DFID Project Officer will be the nodal point of contact for all contractual and other administrative issues. TAST will submit monthly updates and quarterly progress reports (including staff inputs given separately for the core team as well as the resources used through the TA Pool).

9.3. Annual Reviews will be jointly undertaken by DFID, MoHUA and selected partner cities supported by independent consultants, if required. The Annual Reviews will include an Output to Purpose Review (OPR) of the programme logframe. TAST will submit progress reports in advance of Annual Reviews. DFID may commission independent monitoring/ evaluation(s) of TASC, or its specific components, when required in consultation with all the stakeholders- HMG family and GoI which TAST will support. TAST will be provided furnished space in respective partner government offices and costs for the same should not be included in the commercial returns.

9.4. An inception period of six (6) weeks will be included in the contract with a break point for termination of contract upon unsatisfactory performance including lack of progress. A Break clause in the contract after one (1) year of implementation will be included to review the priorities and to mitigate risk of non-performance or external changes.

9.5. DFID might wish to commission an independent mid-term review (MTR) exercise that will also evaluate the performance of the supplier, and the supplier contract will include an exit clause in case the supplier's performance is deemed unsatisfactory by both DFID and GoMP.

## 10. Procurement

**10.1. A TAP fund will be available to TAST to be used for accessing TAP resources** in response to project needs as identified by DFID, other HMG

Departments, State Governments and MoHUA. The indicative value of the required fund was included in the suppliers' commercial response based on indicative activities mentioned in the TORs. The supplier estimated and allocated input days for these activities involving resources from the core team as well as the TA Pool. This may subsequently undergo changes during the inception phase as a result of change in priorities within the UK family and/ or and MoHUA, Gol or as a result of new evolving priorities of the Cities and or SPV's.

**10.2 TAST will prepare and update procurement manuals** in-line with globally accepted best practices and value for money principles, which will be approved by DFID for all TA Pool procurement. TAST will be responsible for its performance and for managing any poor performance by contractors. Performance of TAST and its contractors will be managed through clear contracts with robust and appropriate implementation plans, including results indicators, and payments based on performance. DFID may undertake periodic procurement audits.

## 11. Risk Management

**11.1** The supplier has put together a robust assessment of the associated Key Risks and detailed their approach to risk management and how they propose to manage and mitigate risks over the duration of the contract. This will need to be revisited at the end of the inception phase, and reflected on and updated regularly throughout the projects implementation.

**11.2** Given the country context, suppliers will reflect on all dimensions of risk associated with the project. DFID encourage particular attention to how suppliers will ensure sufficient capacity and quality in their delivery of services under this assignment.

**11.3** Also it is important for suppliers to consider how they will adapt and respond to changes in context and any potential disturbances to the project. Adaptive programme management will be one key competency that suppliers will be expected to focus on.

## 12. Quality Assurance

**12.1** The supplier must put in place their own robust monitoring and quality assurance mechanisms. A monitoring and quality assurance plan will be agreed with DFID at the end of the inception phase. We would welcome suppliers considering innovative ways of programming monitoring. It will be pertinent to consider putting in place a framework for monitoring value for money within the project. This will include key costs and cost drivers (economy), as well as measures of efficiency and effectiveness.

### **13. Key Performance Indicators (KPIs)**

13.1 Suppliers have considered Key Performance Indicators (KPIs) in their proposal on how outputs will be achieved (indicative, not fixed). Suppliers will also be expected to work in compliance with jointly agreed contract management KPIs with DFID. These will be further developed and refined as part of the inception phase.

13.2 The performance of the Suppliers will be jointly assessed by DFID through specifically/ mutually agreed Key Performance Indicators (KPIs). If need be, at any point in time, a change in activities or outputs is indicated (additional, change in scope or scale or agreement to stop work on a deliverable), DFID will discuss and agree with the Suppliers any such revision and, where relevant will revise the contract in accordance with the current provisions of the EU Directives relating to additional works.

13.3 DFID encourages payment-by-results approaches where appropriate. The suppliers' proposal has indicated how payments can be linked to milestones against outputs and outcomes rather than inputs. Both inception period milestones and linked results were made clear in the bid. The supplier has proposed a payment plan and payment approach that incentivises the achievement of results and value for money. This payment plan, linked to Key Performance Indicators (KPIs) is also desirable, and will be agreed between the supplier(s) and DFID for both the inception and implementation period. During the inception phase DFID will work closely with the successful bidder to refine the outputs to be delivered during the main phase and the payment approach for them. Payment of invoices against deliverables will be subject to the satisfaction and approval of DFID. The supplier will also be subject to formal contract performance reviews as part of the DFID overall annual review.

### **14. Security/Duty of Care Risk Assessment**

14.1 DFID India will not take responsibility of personal security of suppliers. They have to be responsible by themselves. DFID India will be available to share general local advice/information on travel and safeguards.

14.2 Regarding information security, suppliers are responsible for not sharing sensitive information with any parties other than DFID.

14.3 The supplier is responsible for the safety and well-being of their personnel 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.

14.4 DFID will share available information with the supplier on security status and developments in country where appropriate.

14.5 Suppliers must develop their proposals on the basis of being fully responsible for Duty of Care in line with the details provided above. They must confirm in their Tender that:

they fully accept responsibility for Security and Duty of Care;

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they understand the potential risks and have the knowledge and experience to develop an effective risk plan; and

they have the capability to manage their Duty of Care responsibilities throughout the life of the contract.

14.6 The subjective assessment of Duty of Care is placed at Annex 1 to this Terms of Reference. Please note that this risk assessment will be re-examined at the point of transition between the design phase and the implementation phase. If at any stage there are concerns that the Supplier cannot manage Duty of Care then they may be precluded from operating in that region. The ability of the Supplier to manage Duty of Care shall remain a pre-condition of the contract.

## **15. UK Aid Branding and Transparency**

15.1 Transparency, value for money, and results are top priorities for the UK Government. DFID has a duty to show UK taxpayers where their money is being spent, its impact, and the results achieved. DFID has guidance on the use of its logos, which will be shared with the Supplier(s) as necessary.

15.2 DFID has transformed its approach to transparency, reshaping our own working practices and pressuring others across the world to do the same. DFID requires suppliers receiving and managing funds, to release open data on how this money is spent, in a common, standard, re-usable format and to require this level of information from immediate sub-contractors, sub-agencies and partners. It is a contractual requirement for all Suppliers to comply with this, and to ensure they have the appropriate tools to enable routine financial reporting, publishing of accurate data and providing evidence of this DFID – further information is available from: <http://www.aidtransparency.net>.

## **16. Key documents & Programme documents/DFID Guidance links**

Business Case & Draft Logframe  
Duty of Care

## Annex 1

### DUTY OF CARE - SUMMARY RISK ASSESSMENT MATRIX

**DFID Overall Project/Intervention:**  
**Technical Assistance for Smart Cities (TASC)**

#### Summary Risk Assessment Matrix

**Country:** India

**Date of Assessment:** 9 January 2017

Theme	DFID Risk score
	<b>Technical Assistance for Smart Cities</b>
OVERALL RATING <sup>2</sup>	2
FCO travel advice	2
Host nation travel advice	Not available
Transportation	2
Security	1
Civil unrest	1
Violence/crime	3
Terrorism	3
War	1
Hurricane	1
Earthquake	2
Flood	2
Medical Services	2

1 Very Low risk	2 Low risk	3 Med risk	4 High risk	5 Very High risk
Low		Medium	High Risk	

<sup>2</sup> The Overall Risk rating is calculated using the Mode function which determines the most frequently occurring value.