

Terms of Reference:
Design and Implementation of UK International Climate Fund (ICF) Supported Programme
“Assisting Institutions and Markets for Resilience (AIM 4 Resilience)”

1.0 An introduction to the TOR and its purpose

DFID seeks a suitably qualified Service Provider to design and implement the AIM 4 Resilience programme. The programme intends to support Tanzania achieve sustainable growth through improved response to climate change and activation of climate finance mechanisms. The programme will achieve this through four components:

1. Institutional capacity building and strengthening at sectoral, national and local levels;
2. Seed investment for climate funds at sectoral, national and local levels;
3. Support for sustainable private sector markets to encourage innovation; and
4. Establishment of a monitoring, evaluation and learning (MEL) unit.

1.1 Programme context, and Budget

The overarching AIM 4 Resilience is a £33m programme (including costs for management and VAT where applicable) consisting of four components which will support Tanzania’s climate change resilience through institutional technical assistance and other services (subject to final design considerations), working with public, private and non-profit institutions, to achieve the programme’s intended outcome and impact stated below.

The total budget for this contract is between £18m and £20m out of which £5m is ring-fenced for a climate innovation facility detailed under component 3.

DFID will contract one supplier, or lead consortium member, who will be responsible for delivering these terms of reference. The contract is expected to commence immediately upon the signing of contract. The contract will consist of two Phases (i) Design and (ii) Implementation. The Design Phase will be for six months, with the Implementation Phase planned to start immediately upon satisfactory completion of Design Phase. The Implementation Phase will end in 31st October 2020. There will be a possibility of extension of up to 12 months subject to project need, satisfactory performance and budget availability.

The components 1, 3 and 4 of the programme will be the direct responsibility of the Service Provider; with the exception of a sub component under component 1 that is being implemented by the UK Met Office and the Tanzanian Meteorological Agency. Component 2 is currently being implemented by the International Institute for Environment and Development (IIED) and is not the direct responsibility of the Service Provider. However, it will be necessary for the Service Provider to establish good working relations with all partners delivering component 2 and the sub component under component 1, to draw out lessons and provide additional support to achieve AIM 4 Resilience outcomes and impact.

The Design Phase will be for designing the programme as a whole across the four components, finalising work plans and logical (results) frameworks.

During the Implementation Phase the Service Provider will manage, implement and monitor the programme, including fund management, partner and sub-contracted activities delivering the individual components.

1.2 The objective

The Service Provider will be required to design and implement the AIM 4 Resilience programme so as to achieve efficient and effective delivery of the programme in collaboration with key stakeholders and partners.

The **expected impact** of the programme is that by 2020 Tanzanians are more resilient to climate change and are benefiting from low carbon growth. Specifically, AIM 4 Resilience aims to support around 1.1m Tanzanians to cope with the effects of climate change and around 500,000 Tanzanians to have improved access to clean energy. It intends to achieve this impact through the **outcome** of strengthened institutional capacity and reduced institutional barriers for climate resilience and low carbon growth in Tanzania, specifically demonstrated by:

1. Level of integration of climate change in national planning and budgeting;
2. Level of institutional knowledge of climate change issues, clarity on institutional arrangements, and active leadership and champions at national and local level;
3. Number of climate related legal, regulatory and policy changes and level of implementation;
4. Volume of public, bilateral and multilateral funding mobilised for climate change; and
5. Volume of private finance mobilised for climate change.

The Service Provider will be required to:

1. Undertake a 6 month detailed Design Phase and subsequently coordinate the implementation of the AIM 4 Resilience programme and its components, as is detailed in sections 4 and 5 below and in the business case¹.
2. Review and refine the programme's theory of change, further develop the logical framework including delivery milestones for the Implementation Phase, production of a detailed proposal, including agreed outputs and budget for the programme.

3.0 The Recipient

The recipients of services under this assignment are the public institutions involved in the long-term implementation of AIM 4 Resilience in Tanzania:

- The direct recipients of the technical assistance provided by the programme will be Government of Tanzania ministries and institutions. Due to the demand-led nature of the programme it is not possible to say with certainty which ministries and agencies these will be, but the cross-sectoral nature of the climate change challenges suggests a broad set of counterparts. This is likely to include: Ministries responsible for Environment, Finance and Development Planning, Water, Agriculture, Fisheries, Livestock, Natural Resources and Local Government Authorities. Selected local government authorities are being supported by the programme through component 2 that is being implemented by IIED. The Service Provider will have to link with this sub-national support, especially through the Monitoring Evaluation and Learning unit.
- The beneficiaries of the programme are the citizens of Tanzania, with increased resilience to the impacts of climate change through the projects initiated and supported under AIM 4 Resilience.

¹Business Case available on DevTracker: <http://devtracker.dfid.gov.uk/projects/GB-1-204364/>.

4.0 The Scope of the ToR

The Service Provider for this ToR will be expected to design and deliver AIM 4 Resilience, through four programme components. These are:

1. **Institutional Capacity Strengthening:** AIM 4 Resilience will help establish “virtuous circles” amongst Tanzanian climate change stakeholders with stronger institutional frameworks, and better delivery of climate change responses, effective feedback into policy making and influence access to global climate finance. This will enable Tanzania to leverage its already strong position in international climate negotiations, to take maximum benefits from the flow-down of international climate finance to the national level.
2. **Support for Climate Finance at national and sub national Level:** IIED is supporting the provision of targeted climate finance to boost the momentum of reforms, provide an incentive for institutional strengthening (in particular development of viable and efficient climate finance systems) and provide seed funding for proof of concept, and priority climate change implementation. The Service Provider will be required to make strong linkages to this work to ensure lesson learning and complementarity across the components and ensure gaps are filled (e.g. securing additional finance where appropriate).
3. **Developing Sustainable Private Sector Markets:** Provide support for more efficient markets, through addressing the institutional barriers to private sector innovation, for the delivery of climate-relevant goods and services. The rationale being that sustainable adaptation and mitigation will require the private sector to innovate and deliver.
4. **Monitoring, Evaluation and Learning (MEL):** Support in-depth appraisal, review, lesson learning and evaluation for AIM 4 Resilience and the broader ICF Tanzania portfolio. Also review the effectiveness of the wider ICF-funded portfolio to strengthen the evidence base and transfer best practice where appropriate. The outcome is expected that the MEL’s evidence is used not only by DFID for effective implementation of the UK ICF funding in Tanzania but also by all climate change stakeholders in the country to inform policy processes and change.

The four components provide the primary direction of the programme. Implementation of activities under each component should collectively enable the attainment of the project objectives. All the components are important but vary in both the level of emphasis and the financial resource required for implementing them. The programme is largely national, but there are local level interventions that are supported by this programme.

Component 1: Institutional Capacity Building and Strengthening at Sectoral, National and Local Levels

This component will support institutional capacity building and strengthening at sectoral, national and local levels, with a particular emphasis on government institutions, to ensure better delivery of climate services to Tanzanian citizens; support Tanzanians ability to access international climate finance; and provide effective feedback and dialogue to encourage adaptive policy making.

Output 1.1: Key sector ministries have developed climate resilience strategies and secured finance to implement these.

- Support the implementation of sectoral climate resilience strategies leading to mainstreaming of climate change in the relevant selected sectors.

Output 1.2: Central government agencies are effectively taking forward climate change policies and strategies, including determining robust financing options.

- Develop, update and support implementation of the National Climate Change Strategy and policy instruments.
- Review and support the climate finance mechanism framework to become operational and functional.
- Review and support the institutional framework for climate change coordination to function.

Component 2: Support for Climate Finance at national and sub national Level

This component will support the implementation of climate finance at national and sub national levels and is being delivered by IIED, however the Service Provider will be required to make strong links to the work under this component through the Monitoring, Evaluation and Learning Unit, and provide additional support where appropriate to support achievement of outcomes and impact (for example, work to secure further climate finance where needed). The funds are intended to support activities that can deliver strong economic returns and are expected to be catalytic in terms of attracting additional finance to support climate action, from local and international sources, such as Green Climate Fund and the national treasury.

Output 2.1: Seed finance for national and local level climate change activities is planned, budgeted and accessed (from community adaptation funds (CAFs) and other sources) and being used to support the delivery of climate-relevant public goods and services.

- Building resilience and low carbon pathways in local communities.
- Local governments develop action plans for adaptation and mitigation.
- National resilience plans support mainstreaming climate change in local plans and budgets.
- Improved access to climate finance through improve institutional framework.
- Catalyse accessibility to climate finance.

Component 3: Developing Sustainable Private Sector Markets

This component envisages setting up a £5 million financial facility to provide incentives for private sector companies to engage and build markets in climate relevant sectors. These may be either mitigation or adaptation oriented. It is assumed that AIM 4 Resilience will fund for a basket of programmes based on existing experience in the East African region, such as Climate Innovation Centre (CIC), as well as drawing on the lessons learnt from other non-climate innovation funds in Tanzania.

Output 3.1: Flexible Climate Innovation Facility (CIF) is established which addresses barriers to innovation by the private sector in response to climate resilience and low carbon opportunities.

- **Design and Setup** financing and technical support instrument that will encourage private sector to engage and respond to climate change through investments and technological innovation.
- **Operationalise** the facility to support private sector innovation and investment in resilient low carbon mitigation and adaptation measures focusing on energy, forestry, agriculture, water, tourism, fisheries, and other growth sectors.

Component 4: Monitoring, Evaluation and Learning (MEL)

The component will comprise of supporting in-depth appraisal, review, lesson learning and evaluation for the programme and the broader ICF DFID Tanzania portfolio. This is expected to result in better understanding of the progress and effectiveness of ICF programming in Tanzania, and potential co-benefits for other development partners, as the MEL will support the secretariat for the Development Partners' Group - Environment.

Output 4.1: Integrated Monitoring, Evaluation and Learning (MEL) strategy is developed and implemented.

- Focus on investing in data and information management to support evidence based policy making around climate resilience.
- Monitor, evaluate and learn lessons across the ICF portfolio and generate lessons for ICF globally.

5.0 The Design and Implementation requirements

The AIM 4 Resilience programme is complex. This is due to complexity of the climate change and institutional strengthening challenge, and the linkages between different components of the programme, thus AIM 4 Resilience will be implemented through a staged design and implement approach.

Through the programme's four main components, the Service Provider is required to design and manage the implementation of the programme as detailed below using a Problem-Driven Flexible Approach (PDFA).

The Service Provider will be required to organise Programme Implementation Committee (PIC) meetings, which will bring together key partners to be informed and deliberate on progress and constrains of the design process. Upon completion of the Design Phase the Service Provider will submit a project design report, implementation work plans and budgets, and revised logical framework.

5.1 Design Phase Requirements for programme

As stated in 1.1, the Design Phase will be for 6 months, from the date of signing the contract, which is expected to be in September 2016. During this time, the Service Provider will be required to deliver outputs, which include, but not limited to the following:

- Plan for the Design:** A plan detailing the envisaged process and activities that will be undertaken during the Design Phase, to be issued by the Service Provider. This should be ready within the first two weeks of the Design Phase.
- Co-ordination Plan:** In each step of the design, ensure DFID and partners are adequately appraised and agree on the long-term outputs and milestones envisaged for implementation. This will require development and implementation of efficient and functional coordination mechanism with implementing partners, to include progress report at least once every month, organising a monthly meeting to present to DFID and partners, through the PIC, on the progress of the Design Phase.
- Meeting Minutes and Reports:** The Service Provider will be required to produce timely meeting reports or minutes for all scheduled meetings, and occasionally for some of the ad-hoc meetings that may need such reporting. Further details are provided in section 7 of this TORs.
- A Programme Design Document:** A detailed design of the programme by components; documented in a programme implementation plan. The document will detail time bound activities to be implemented, detailed budget for the period of implementation, and recommended governance and management structures for the effectively delivery of the programme. Programme design process will also include review and refinement of the programme's theory of change, and updating of logical framework including delivery milestones for years 2-5, including agreed outputs.

5.2 Implementation Phase Requirements for programme

It is planned that the Implementation Phase, which is expected to be forty three months, will start upon satisfactory completion and acceptance of the design by DFID and the partners, with the aim to conclude the contract on 31st October 2020. The implementation will focus on achieving the outputs under the components 1, 3 and 4 of the programme and the logical framework. Though component 2 is being implemented by IIED, the Service Provider is required to engage with IIED ensuring that the component output are achieve and lessons learned from that component are captured by the MEL component. The components are anticipated to require different levels of funding resources to deliver.

Component 1: Institutional Capacity Strengthening

The institutional strengthening of the programme is intended to be directed at the national and sectoral level. Thus the technical assistance will be focused at national level institutions, but the impact of this work will have to reach a local level through enabling the central institutions to better deliver the climate change adaptation and mitigation support and enabling climate finance flow to local level. An element of this component is being implemented by the UK Met Office, in assisting the Tanzania Meteorological Agency.

Output 1.1: Key sector ministries have developed climate resilience strategies and secured finance to implement these.

- a. **Update and Implement Sector Resilience Plans:** Work with partners to review the existing sector resilience plans, develop the implementation plan, and support the implementation of these resilience plans, starting with Ministry of Agriculture.
- b. **Identify Develop and Implement Additional Sector Resilience Plans:** Assess and design support to additional sectors, including forestry, infrastructure, transport and energy, who have expressed interest in developing climate action (resilience) plans.
- c. **Capture the Lessons:** From the processes and actions of reviewing or developing sectoral climate resilience strategies, generate lessons and link the strategies to the Monitoring, Evaluation and Learning (MEL) unit including development of baselines and Key Performance Indicators for the strategies. Through MEL, the lessons will need to be shared widely with partners, they will have to be used to adapt the programme and as a possible input for future climate change programming.

Output 1.2: Central government agencies are strengthened for climate change policy, planning and financing.

To achieve the above output will require working with partners to implement a number of activities that will include, but not limited to:

- a. Define and analyse the national **climate change management institutional architecture** and design practical interventions to address the aspects that need strengthening so as to hasten actions and accountability in addressing climate change across government departments, agencies and sectors. This will include an **updated climate change political economy analysis** to inform the programme implementation.
- b. **Review national strategies:** This will include review the national climate change strategy and associated action plans, national climate finance mechanism and other policy instruments and strategies.
- c. **Develop plan to deliver the strategies:** implement the delivery of technical assistance to support the implementation of the national climate change strategy working with the institutions responsible for National Development Planning, Finance, Agriculture, and Climate Change and other relevant institutions.

- d. **Implementation of national climate finance mechanism:** Review and support implementation of the national climate finance mechanism that will include supporting the institutions responsible for Environment and Climate Change, National Planning, Local Government Authorities and Finance to continue to develop viable, on-budget, mechanisms for attracting, managing, expending and monitoring climate finance that is integrated with normal government.
- e. **Support MEL:** Work with partners to link the implementation of strategies to the Monitoring, Evaluation and Learning (MEL) unit work including development of baselines and Key Performance Indicators for the strategies.

Component 2: Support for Climate Finance at National and subnational Level

This component will support the implementation of Local Adaptation Plan of Actions (LAPAs) or Community Adaptation Funds (CAFs). It is expected that the seed funding for the LAPA/CAFs will catalyse additional finance that might otherwise not be available.

Output 2.1: Local climate change institutional capacity at district and community levels are built to better understand local climate resilience needs; and plan, budget, access finance (from community adaptation funds CAFs and other sources) and implement climate-relevant public goods and services.

To achieve the above output a number of activities will have to be implemented, this will include, but not limited to, the following:

- a. **Develop Linkages with sub national intervention:** Plan on how the Service Provider will develop linkages and ways of working with IIED on the implementation of this component to support district level climate change institutional capacity strengthening. This should include, but not limited, to the Monitoring, Evaluation and Learning unit. This will require knowledge in establishing catalytic climate funds, including ability to leverage additional finance from a variety of sources and; as well as support, guidance and delivery of climate financial aid.
- b. **Implementation of Linkage Plans:** Work with partners to link the implementation of sub national level activities as detailed in (a) above, including monitoring of the fund delivery to sub national level through Public Expenditure tracking.

Component 3: Developing Sustainable Private Sector Markets

This component will provide incentives for private companies to engage and build markets in climate relevant sectors. The Service Provider will be required to develop efficient and effective modalities and framework for governance, management, and monitoring of this support, including criteria for selection of ideas to receive support. It will be crucial to demonstrate the additionality of support provided to individual private sector players, as well as minimising market distortions created by this support. The Service Provider or subcontractor will also have to take (or sub contract) fund management responsibilities.

Output 3.1: Flexible Climate Innovation Facility (CIF) is established, building on existing innovation networks in Tanzania, to address barriers to innovation by the private sector in response to climate resilience and low carbon opportunities.

The activities to achieve this output are likely to include, but not limited to:

- a. **Feasibility Study:** Undertake feasibility to guide the development and initiation of a Climate Innovation Facility – building on, not duplicating, work already initiated by others in this area (e.g. the World Bank's Climate Innovation Centres). Feasibility should also explore possible initial support to high-potential CIF candidate project interventions that may create entry points for politically informed engagement, and generate lessons for subsequent substantive intervention.
- b. **Design and implement the Climate Innovation Facility:** Design a programme for private sector companies to engage and build markets for climate (mitigation and adaptation) relevant sectors

through the CIF, this should explore Result-Based Financing models for private sector to engage and play a role in climate change mitigation and adaptation. This will also require knowledge in establishing catalytic climate funds, including ability to leverage additional finance from a variety of sources.

Component 4: Monitoring, Evaluation and Learning (MEL)

The MEL component will develop and implement an integrated MEL strategy, rooted in political economy analysis and focused around the theory of change, and with a strong action learning component. The MEL unit's work should be delivered in a way that maximises the use and usefulness of its work and its products. Therefore the unit's approach needs to follow best practice on ensuring use of evidence in decision making and programming.

Output 4.1: Integrated Monitoring, Evaluation and Learning (MEL) strategy is developed and implemented.

Design and setup the Monitoring, Evaluation and Learning (MEL) unit to support the AIM 4 Resilience programme and the wider ICF portfolio in DFID Tanzania. The design will include the unit's governance and management arrangements, key functions, areas of focus and functions. The unit should primarily focus on, but not limited to, the following:

- a. Develop and implement an **integrated MEL strategy and MEL framework** for AIM 4 Resilience and selected programmes within the overall ICF portfolio.
- b. **Set up MEL unit** that will implement the strategy including carrying out baseline studies, designs and implementation (or sub contract) in-depth studies/evaluations. The MEL will also provide support for in-depth appraisal, review, monitoring, evaluation and lessons learning for the wider ICF Tanzania portfolio, where appropriate and worthwhile.
- c. Ensure evidence collection and analysis to inform all components in Aim 4 Resilience uses **Problem Driven Flexible Adaptation (PDFA)** approach.
- d. Develop **linkages for learning from the district and community level** climate adaptation funds of the component 2 that is being implemented by IIED.
- e. **Synchronisation with other ICF programme:** Coordinate MEL activities with other ICF programmes to maximise the degree to which AIM 4 Resilience MEL and other ICF programmes' monitoring, learning and evaluation work is synchronised and mutually beneficial. This could include capturing and supporting learning across the ICF portfolio, as well as collating the ICF KPI results for twice yearly reporting.
- f. Undertake **political economy analysis** to expand understanding of climate change institutional constraints and opportunities, and support engagement.
- g. **Coordination with Development Partners:** Coordinate MEL activities with the development partners interested in the field of climate change, including through the relevant development partner groups.
- h. **Regular review of Theory of Change:** This will support problem-driven, flexible approaches.

The MEL unit's work should be delivered in a way that maximises the use and usefulness of its work and its products. Therefore the Unit's approach needs to follow best practice on ensuring evidence into use.

6.0 Time frame and contractual arrangements

The contract will be issued for an anticipated period of forty nine months which is expected to start in September 2016 and end on 31st October 2020; however there will be a formal break point in the contract at the end of the Design Phase. Progression to the Implementation Phase will be dependent upon satisfactory performance of the Service Provider which will include effective delivery of Design Phase outputs, and DFID's agreement to work plans, log frames, and budget allocations for the Implementation Phase. DFID will not be committed to the Implementation Phase until it is satisfied with the detailed plans drawn up by the contracted Service Provider. If DFID decides not to proceed, the contract will be terminated at no further cost to DFID, except for the payments due for the work done and reimbursable cost incurred prior to the cancellation, at the formal break point.

There will be an independent mid-term review (MTR) of the programme after roughly two years of implementation, accompanied by another formal break point in the contract. This process (including the recruitment of an independent reviewer) will be managed by DFID Tanzania, but will require strong input from the Service Provider, particularly the MEL unit. Progression to post MTR Implementation Phase is subject to the outcome of this review, satisfactory performance of the Service Provider and agreement to any revised work plans or budgets.

The quality and long-term continuity potential of resources the Service Provider includes in the bid will be a key element in the evaluation process and a source of competitive advantage compared to other bidders. The Service Provider is therefore required to clearly define and allocate the resources required in the bid they present. Any attempt to change key resources that are attached to the bid, post-award, will be regarded as a significant variation in terms of the tendered offer and may have commercial ramifications. In terms of staff retention, if the "Key personnel" are still within the employment of the Service Provider, they should not be replaced without DFID consent and approval.

DFID programmes are not automatically tax exempt and therefore Service Providers may be liable to pay tax in Tanzania. Tax liabilities should therefore be taken into consideration in commercial proposals.

Value for money of the facility will be monitored throughout the life of the programme. Bids should reflect Service Providers' policy on/approach to value for money and demonstrate the ability to monitor and report on this throughout the life of the programme, including proposed indicators. Based on this, value for money indicators will be agreed between DFID and the Service Provider and finalised during the Design Phase.

DFID reserves the right to scale back or discontinue this programme at any point (in line with our Terms and Conditions) if it is not achieving the results anticipated. Conversely, we may also scale up the programme should it prove to be having a strong impact and has the potential to yield better results. Additionally, the involvement of other ICF programmes may require extension of MEL component continuation beyond AIM 4 Resilience time line.

7.0. Reporting

The Service Provider will be expected to deliver reports and plans for the two phases of the programme as follows:

a. Design Phase

The following reports will be expected during and by the end of the sixth month of the design phase. This will include, but not limited to:

1. **Monthly Report:** The Service Provider through the Team Leader will present and discuss written reports to the Project Implementation Committee and DFID on a monthly basis. In addition, there will be frequent informal dialogue as issues emerge.

In the first meeting this should be short report (maximum 10 pages) which reflects and detailing process and activities undertaken during the design phase planning period, as well as identified challenges, suggested mitigation of challenges and prospect of the Design and Implementation Phases and adaptation measures, to be issued by the Service Provider. This should be ready within a month of the start of the design period.

2. **Meeting Minutes:** During the Design Phase regular meetings, a minimum of one meeting a month will be organised and written minutes will be prepared by the Service Provider submitted to the Programme Implementation Committee (PIC) (to be established by the Service Provider) and DFID.
3. **Project design and Work plans:** Written document of not more than 50 pages of single spaced size 12 font submitted to PIC and DFID at the end of Design Phase. This will include, but not limited to, a report of the design period, work plan of activities forecasted for implementation period, full budget for the implementation phase, programme organisational structure, revised log frame, plan for output based payments, MEL unit plans and structure. Any other relevant reports and documents can be provided as annexes.

b. Implementation Phase

Standard DFID reporting requirements will include, but not limited to:

1. Budget and quarterly financial forecast (actual spend linked to outcomes).
2. Quarterly and annually programme progress reports (financial and narrative) against programme work plans to the DFID project team.
3. Progress report on International Climate Fund (ICF) Key Performance Indicators (KPI) twice a year (October and April).
4. DFID Annual Review and Project Completion Report at the end of the programme (this will be led by a DFID team, but will require interaction with the supplier and possible site visits).
5. Updating the programme log frame annually at the annual review stage.
6. Programme Risk Matrix updated quarterly.
7. Provide timely response and feedback to grant recipients on key implementation issues that require further attention.
8. Financial Reports: will include bi-annual financial expenditure reports, audits. Annual Audited Statement of accounts disclosing DFID funding. **Note:** ToR for the Audit to be shared with DFID before the audit.

8.0 Payment

It is expected that the payment approach for both stages will be defined by the Service Provider during their bid. Bidders will be expected to profile their payment mechanism to maximise with the achievement of both contract outputs and milestones to support DFID's Payment by Results aspirations, proportionate to each component. The payment profile will be reviewed and agreed annually.

All fees proposed should cover the cost of salary, overseas inducements, leave allowances, bonuses, profit, taxes, insurances, superannuation, non-working days and all other costs including, but not limited to, passports, visas and vaccinations, overheads and expenses of whatsoever nature that may be incurred.

For the avoidance of doubt, the appointed Service Provider will be expected to initially disburse the funds with DFID reimbursing the outlaid funds following this.

9.0 Constraints and dependencies

- The Service Provider will be required to have an operating offices in Dar es Salaam with qualified staff and equipment to co-ordinate components of AIM 4 Resilience and directly manage the programme, particularly the Technical Assistance for public institutions under component 1.
- The approach to the establishment of the Technical Assistance will include, but not be limited to, reviewing management practices of similar programmes. The Service Provider will be relied upon to use their own expertise, and knowledge of the Tanzanian context to determine best practice as well as the most efficient and cost-effective mechanism within which AIM 4 Resilience can be established and within a reasonable timeframe.
- The Service Provider will operate in such a way as to harness the management and administrative capability of existing, national government or other entities that have a mandate to engage with private sector participants. For example, with approval of DFID, the programme may be used to co-finance other donor programmes where there is clear added value from AIM 4 Resilience involvement. These will have to be managed under a separate agreement e.g. MoU.
- The Service Provider through Technical Assistance may also partner with other DFID programmes or other international organisations where their existing activities are closely aligned with AIM 4 Resilience objectives.
- DFID has a 'Duty of Care to Suppliers' policy, a summary of which is presented in the section 11.0 below. This policy aims to clarify DFID's position in relation to Duty of Care (DoC) and how it will be addressed as part of our risk management and procurement processes. The policy has a particular focus on Suppliers who will be operating in dangerous environments. Further information on this policy and how it will be applied to DFID's procurement processes can be found at <http://www.dfid.gov.uk/Work-with-us/Procurement/Duty-of-Care-to-Suppliers-Policy/>.
- If at a subsequent stage it becomes apparent that the programme will operate in a region that had not previously been considered, then the programme team will conduct a risk assessment at that stage, share it with suppliers and satisfy them that the Supplier can manage the DoC. This will involve budget review and reallocation.
- If at any stage there are concerns that the Supplier cannot manage DoC for a region not previously considered then they may be precluded from operating in that region. The ability of the Supplier to manage DoC will be a pre-condition of the contract.
- Recipient and stakeholder consultation will be necessary, including: DFID, Planning Commission, institutions responsible for Environment/climate change, agriculture, water, fisheries, energy, livestock, and local government authorities.

10.0 DFID co-ordination

The Service Provider will work closely and co-ordinate with the DFID Tanzania Climate Change Team – specifically the lead AIM 4 Resilience Climate Change Advisor, this may include joint visits during stakeholders consultations.

11.0 Programme Organisation

The programme direction will be guided by the Programme Implementation Committee; while the day to day implementation will be the responsibility of the Service Provider. Chart 1 below provides the institutional and programmatic setup of the AIM 4 Resilience programme.

The Service Provider will establish the MEL unit. However the unit will have to have a significant level of autonomy to monitor and evaluate wide aspects of the programme including operational administrative aspect of the programme.

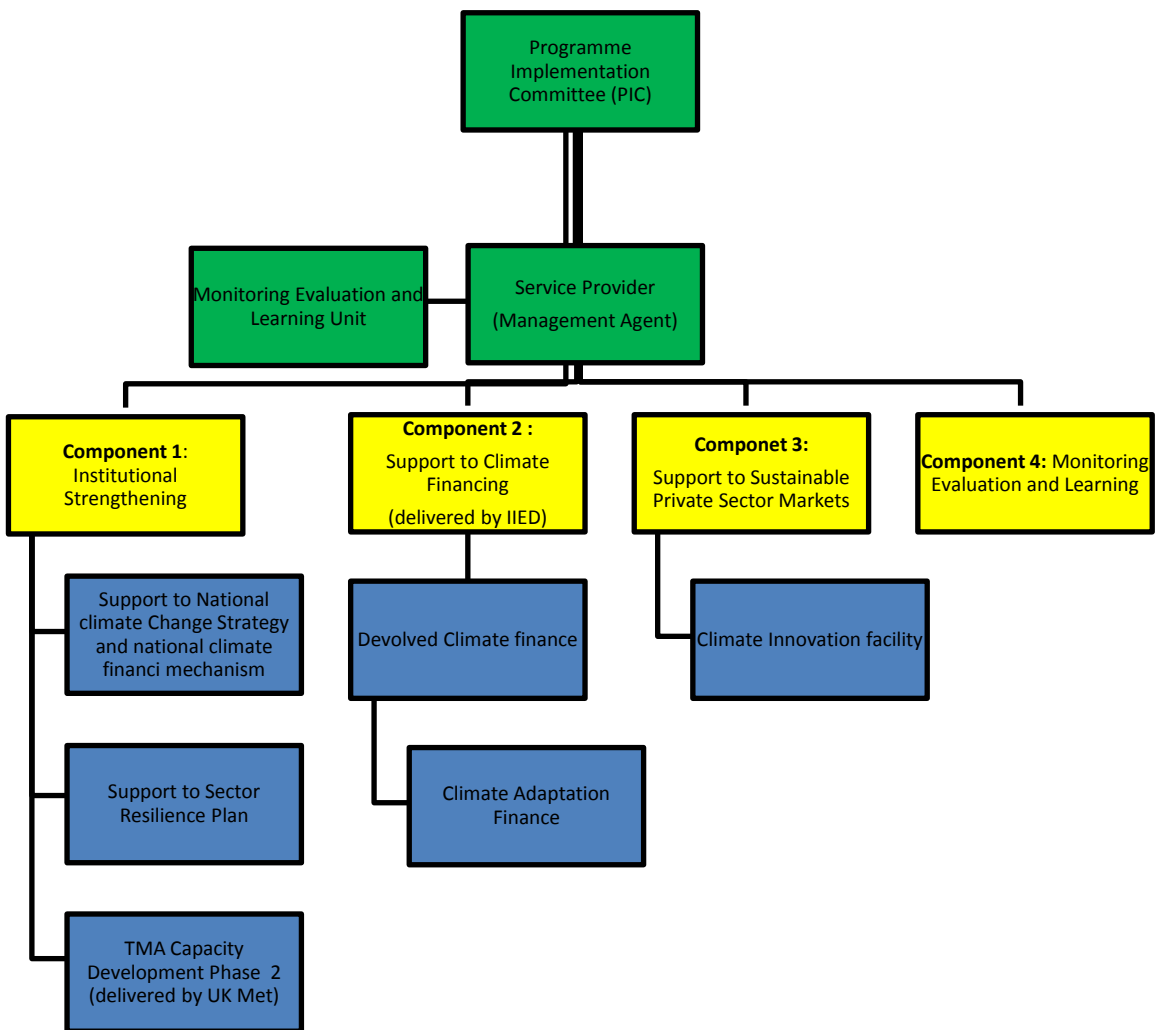
11.1 The Programme Implementation Committee

It is proposed that a Programme Implementation Committee (PIC) be set up to provide oversight, guide and steer the overall direction of the programme. The PIC would consist of DFID core programme team and also representatives from key government institutions responsible for Environment and Climate Change, and Finance and National Planning. Other representatives may be identified from the non-profit and private sectors to also sit on the PIC. The PIC will be involved during the Design Phase to ensure that all aspects of detailed design, planning and preparation are pulled together to ensure a robust platform for full implementation.

The PIC will continue to be actively involved through implementation, and will provide the forum for critical policy and strategic engagement between the programme and wider Tanzania climate change portfolio.

The Service Provider will serve as the secretariat to the PIC. It will be responsible for developing the committee operational procedure to be approved by the PIC. It is also responsible for organising scheduled and extraordinary meetings of the PIC, writing minutes, and other committee meeting reports as may be necessary. The programme plans and budgets, as well as reports of the programme will have to be endorsed by the PIC.

Chart 1: Programme Organisation



KEY to the Chart	
	Institutions
	Programme Components
	Activity areas (Outputs)

11.2 Duty of Care

The Service Provider 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.

DFID will share available information with the Service Provider on security status and developments in-country where appropriate. DFID will provide a copy of the DFID visitor notes (and a further copy each time these are updated), which the Service Provider may use to brief their personnel on arrival. A named person from the contracted organisation should be responsible for being in contact with DFID to ensure information updates are obtained. There should be a process of regular updates so that information can be passed on (if necessary). This named individual should be responsible for monitoring the situation in conjunction with DFID.

Travel advice is also available on the FCO website and the Service Provider must ensure it (and its personnel) are aware of this. The Service Provider is responsible for ensuring appropriate safety and security briefings for all of its personnel working under this contract.

The Service Provider is responsible for ensuring that appropriate arrangements, processes and procedures are in place for its 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 Service Provider must ensure its personnel receive the required level of appropriate training prior to deployment.

Service Providers must develop tenders 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 (see Annex 1 to this Terms of Reference). They must confirm in the tender that:

- They fully accept responsibility for security and Duty of Care.
- They understand the potential risks and have the knowledge and experience to develop an effective risk plan.
- They have the capability to manage their Duty of Care responsibilities throughout the life of the contract.
- They will give responsibility to a named person in their organisation to liaise with DFID and work with DFID to monitor the security context for the evaluation.

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 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 and answer yes or no (with supporting evidence) to the following questions:

- I. 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)?
- II. 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?
- III. 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?
- IV. 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)?

- V. 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?
- VI. Have you appropriate systems in place to manage an emergency / incident if one arises?

12.0 Transparency

DFID has transformed its approach to transparency, reshaping our own working practices and pressuring others across the world to do the same. DFID requires Service Providers 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 Service Providers 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 IATI information is available from; <http://www.aidtransparency.net/>

13.0 Contract Management

The Service Provider will report to the DFID Tanzania Senior Responsible Officer (SRO) for the AIM 4 Resilience programme, and will have regular engagement with other relevant advisers and programme management staff from DFID Tanzania. The Service Provider must identify in the tender a senior representative with whom any contract management issues may be escalated.

Please see the attached Commercial KPI and Supplier Performance Scorecard which will be tailored to, and utilised with the AIM 4 Resilience programme to assist and support monitoring. Using this as a starting point, final contract management KPIs will be agreed during the Design Phase with the selected Service Provider.

Service Providers must include Key Performance Indicators (KPIs) in their proposal on how outputs will be achieved (indicative, not fixed). Service Providers will also be expected to work to jointly agreed contract management KPIs with DFID.

Continuation to Implementation Phase will be subject to DFID approval of the Design Phase deliverables. There will be a break point in the contract after the Design Phase and at the Mid-Term Review. There will also be annual reviews (ARs) on performance and deliverables against agreed milestones and results. Logframe amendments will be jointly agreed as part of ARs.

The contract for the Implementation Phase will only be confirmed following the successful completion by the Service Provider of the Design Phase. There will be an independent Mid-Term Review where the Implementation Phase contract may be terminated if Service Provider delivery is deemed unsatisfactory.

14.0 Background

The economy of Tanzania, and the livelihoods of its people, is dependent on the climate; around 60% of GDP is associated with climate sensitive activities, including agriculture, forestry, energy and tourism. Climate variability and extreme events, such as droughts and floods, occur frequently; with major events costing in excess of 1% of GDP. Future climate change will exacerbate these costs and create new risks. Climate change is already affecting agricultural production and increasing flood and drought related damage. The future costs of climate change in Tanzania may reach 2% of GDP by 2030 and rise thereafter.

To help Tanzanians, especially the poorest and most vulnerable; become more resilient to climate change and benefit from low carbon growth, the UK will provide funds over 5 years (August 2015 – July 2020) to implement the Assisting Institutions and Markets for Resilience (AIM 4 Resilience) programme. The support is a central element of the UK International Climate Fund portfolio in Tanzania and will help maximise the return from the wider investments.

The programme aims at strengthening core climate change institutions. It will take a flexible, politically informed approach and build coalitions across government, the private sector and civil society to help make

climate change institutions deliver for the people of Tanzania, and have better access to international climate finance. The programme is built around four components which will provide targeted climate finance to boost the momentum in implementation of priority actions on the ground and pilot new approaches.

It will also support more efficient markets for the delivery of climate-relevant goods and services. It will work on establishing a Climate Innovation Facility (CIF) to address barriers to innovation by the private sector in response to climate resilience and low carbon opportunities. The CIF will be a highly flexible, pro-active mechanism that supports market innovations and expands market access for scale up; lower carbon, growth pathways.

14.1 A brief introduction to DFID

Department for International Development (DFID), is a department that leads the United Kingdom's work to end extreme poverty. The department is ending the need for aid by creating jobs, unlocking the potential of girls and women and helping to save lives when humanitarian emergencies hit.

In its mission to help eradicate poverty in the world's poorest countries, DFID has a set of values, these are; ambition and determination to eliminate poverty, ability to work effectively with others, desire to listen, learn and be creative, diversity and the need to balance work and private life, professionalism and knowledge.

In Tanzania DFID works to boost wealth creation, achieve the global goals (sustainable development goals) and help citizens hold their government to account.

DFID Tanzania's budget for 2015-2016 was £198 million, with around 40 active projects. DFID prioritise direct programming, focusing on economic development, basic services, governance and accountability. This includes job creation and work with the private sector. The country programme has a growing and sizeable climate change portfolio (DFID's fourth largest in Africa).

In dealing with climate change, DFID has four main areas of focus: (i) helping the poorest people adapt to the effects of climate change on their lives and livelihoods; (ii) helping Tanzania develop in ways that avoid or reduce harmful greenhouse gas emissions and enabling people to benefit from clean energy access; (iii) protecting Tanzania's natural resources such as water and forests and the livelihoods of the people who depend on them; and lastly encouraging action and accountability on climate change by Tanzanian institutions.

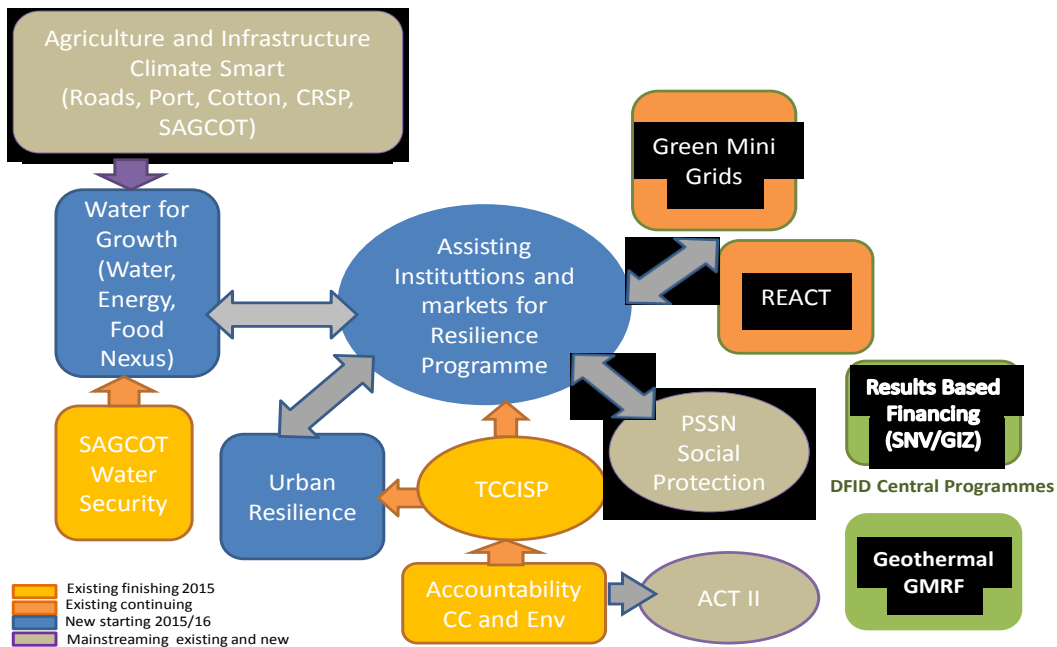
DFID wishes to work with Service Providers (SP) who embraces its values while demonstrating Corporate Social Responsibility (CSR) by taking account of economic, social and environmental factors.

15.0 Key Documents (to be provided to the consultants)

DFID will assist the winning service provider access documents that may become necessary for the execution of tasks required in this TOR.

Annex 1: DFID Tanzania International Climate Fund (ICF) portfolio

DFID Tanzania ICF Portfolio



DFID Tanzania ICF Portfolio includes:

1. Climate smart agriculture and “greening” infrastructure projects
2. Water and Energy Projects – including water resource management and green mini grids
3. Urban Resilience programme
4. Accountability Tanzania Programme
5. Social Protection Programme (TASAF)
6. Assisting Institutions and Markets for Resilience Programme
7. Centrally Manged Programmes – including Results-Based Financing by SNV, and Geothermal support