



# Invitation to Tender

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**Project Name: Private sector engagement on disaster risk management and climate change adaptation**

**Date: 21<sup>st</sup> December 2012**

**CDKN Project Reference: AAGL-0035**

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# 1. Background

## 1.1 About CDKN

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The Climate and Development Knowledge Network (CDKN) is a five-year initiative funded by the UK Department for International Development (DFID) which started in 2010, to assist developing countries respond to the challenges posed by climate change. It does this by providing research and technical assistance, and channelling the best available knowledge on climate change and development to support policy processes at the country level.

A key feature of the CDKN is that it is demand led – we respond to gaps and needs identified on the ground as we roll out our country engagement strategy.

CDKN is being managed by an alliance of partners led by PricewaterhouseCoopers LLP and comprising the Overseas Development Institute (ODI), LEAD International, INTRAC, and three regional partners – Fundación Futuro Latinoamericano (Latin America), South-South-North (Africa) and LEAD Pakistan (Asia). Services are provided through a network of collaborating organisations and individuals around the globe. Please see [www.cdkn.org](http://www.cdkn.org) for further information about CDKN.

## 1.2 Introduction to the Project

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### **The role of the private sector in disaster risk management and climate change adaptation**

There are two strong and growing reasons for private sector engagement in disaster risk management and climate change adaptation.

The first is for the private sector to protect its own operations more proactively from climate and other natural shocks. A large number of companies ranging from multinationals to small and medium enterprises are increasingly affected by disasters, both directly and indirectly. Part of this protection could come from strengthening the resilience of the wider community on which the private sector relies for staff, customers and supplies.

The second reason is that new business opportunities are emerging as communities grapple with the need to adapt and reduce the risk of disaster. Examples include micro-insurance (e.g. crop, health and life insurance), waste and sanitation (e.g. affordable toilets and waste collection and processing), water management (e.g. water purification and drip irrigation), affordable housing (e.g. upgrading slums and low cost rentals), defensive infrastructure (sea defences, watershed flood controls), livelihood promotion, off-grid renewable energy and information and communication technology (e.g. early warning and weather and market information).

But these opportunities are not being adequately seized. Barriers include:

- a lack of an enabling environment (e.g. policy, tax, regulation) for incentivising private sector action<sup>1</sup>;
- a lack of understanding and awareness within the private sector and real life examples of private sector action in building resilience and adaptation;
- a lack of capacity and support, including finance for sharing risk.

Private sector action on disaster risk management and climate change adaptation is also a critical complement to funding commitments and concerted action by governments. Businesses are key actors in national systems for

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<sup>1</sup> It is expected that this will predominantly be at the national level. If there are any regional issues that act as a barrier, these should also be explored.

managing disaster risk. Many areas of DRM and adaptation, including the need for technology development and transfer, finance and capacity building, will be implemented by or with the involvement of the private sector. New markets, and product and service innovations will also emerge from risk management and adaptation responses, and many will be designed, manufactured and distributed by the private sector.

### **The Political Champions for Disaster Resilience and the private sector**

UK and UNDP launched the Political Champions for Disaster Resilience Group in 2012 to apply greater political focus and investment in disaster resilience. The Group has agreed to meet twice per year. The second meeting was held in New York in September, and was co-chaired by the UK's Secretary of State for International Development, Justine Greening, and the UNDP Administrator, Helen Clark. The Group has ministerial-level representation from member states (Bangladesh, Japan, Mozambique, Sweden, UAE and US), regional organisations (CARICOM and EU), multilaterals (OCHA and World Bank) and the private sector (Willis Re).

The Group is currently pursuing three broad workstreams:

- Building regional resilience, which focuses particularly on the Horn of Africa and the Sahel;
- Promoting disaster resilience in specific countries; and,
- Integrating disaster resilience in donor humanitarian and development investments.

Within the second workstream, the UK put forward a proposal at the Group's September meeting to help stimulate private sector engagement in disaster risk management (DRM) and climate change adaptation. This has two parts. The first is aimed at removing the constraints and helping the private sector seize opportunities for investing in disaster resilience and climate change adaptation. The second concerns the sharing of experience on private sector partnerships and innovation. There was strong support for this proposal from the Political Champions, and a partnership with CDKN has been established to take forward the second part of this body of work under the management of CDKN's alliance staff at the Overseas Development Institute.

### **1.3 Project Outline**

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This project forms the second part of the two-part body of work outlined above.

The project involves collecting and analysing innovative private sector approaches to disaster risk management and climate change adaptation. We are particularly interested in cases of public-private partnerships, what worked and what was achieved. It intention is to assemble a showcase innovative actions and package these in ways that captivate interest in the role of the private sector and how to support them. The project outputs will be hosted as part of a set of online resources to be used to support the work of the Political Champions group.

**The project has a tight and strict timeframe, as the supplier will need to be in a position to make interim results available for the next Political Champions meeting in April 2013.**

## 2. Terms of reference

### 2.1 Project Objectives

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Project objectives are to:

- To demonstrate the roles, opportunities and constraints of private sector engagement in disaster risk management and climate change adaptation and the experience of public-private sector partnerships in stimulating private sector engagement and innovation in this area.
- To support the Political Champions and others to give greater focus and investment to the role of the private sector in strengthening resilience in the context of disasters and climate extremes.

### 2.2 Terms of Reference

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The following Terms of Reference have been developed for this project. CDKN expects bidders to suggest a programme of activities that accommodates the elements below, but which also builds on their experience and expertise in the field, to develop a programme that will have the biggest impact on decision makers from the poorest and most climate vulnerable countries. Bidders may submit bids that are not directly compliant with the terms of reference below so long as the approach is explained and justified in terms of how the objectives will be met.

The key questions to be addressed in this work will be *‘What are the roles and approaches of the private sector in supporting resilience to disasters and climate extremes?’* and *‘How have public-private partnerships stimulated private sector engagement and innovation in this context?’* Within this, the study will inevitably look at opportunities and constraints for private sector innovation in disaster risk management and climate change adaptation, and options for addressing these.

This study will consist of secondary, desk based research and stakeholder interviews to a) review existing private sector engagements and b) collect cases of innovative public-private sector partnership approaches to building resilience to disasters and climate extremes. Stakeholders could include representatives of donors, funds, domestic public sector actors and members of the private sector. The study has no particular geographic boundaries, though attention might be paid to countries suffering recurrent crises, including those in Sub-Saharan Africa where the Political Champions are getting engaged. As much as possible, the focus will be on partnerships and innovation among local micro, small and medium size enterprises given that existing literature tends to focus exclusively on multi-nationals. CDKN will expect bidders to suggest ways of narrowing the scope of the project in their response, based on their own experience and expertise in this field.

The study will seek to understand the scope of activities being undertaken by the private sector in this context, including highlighting examples of innovation and what factors have supported these. It will particularly focus on case studies of where actions by the public sector have helped to create the conditions for private sector leadership and innovation (e.g. through regulation, taxation, risk sharing etc.). The study will illustrate what this means in practice, what appears to work and why.

The findings will be presented as follows:

- A policy brief (max 4 pages)
- A concise, but more detailed research report (max 20 pages, excluding annexes).
- A set of brief case studies to feature on the CDKN website or other suitable platforms

In each case, we would expect the outputs to be branded jointly by CDKN, the supplier and potentially with DFID.

Further ideas for presenting the findings through other communications media will be considered during the project (including videos of case studies or public events for examples), though these should not be included in budget propositions at this time. We would welcome, however, suggestions for sharing findings through academic or political events that fall in 2013.

**The interim findings of the study will need to be shared at the next Political Champions meeting in April 2013** (see timeline below).

There are a number of initiatives which the supplier could draw on in this work, such as the [UNFCCC's Private Sector Initiative](#), UNISDR's Disaster Risk Reduction Private Sector Partnerships working group, [Global Adaptation Institute's \(GAIN\)](#) work on building resilience and adaptation in the private sector, and work on private sector engagement by [WEF](#) and Acclimatise. Relevant literature includes a 2008 WEF publication *Building resilience to natural disasters: a framework for private sector engagement*, reports such as King's College London Humanitarian Futures Programme *Platforms for private sector: humanitarian collaboration*, and workshop reports such as an 2010 Asia Pacific Economic Forum workshop report on Public-Private Partnerships and Disaster Resilience. CDKN alliance members and staff at DFID also have experience in this context and would need to be consulted during the study.

## 2.3 Project Outputs

Expected outputs (deliverables) are listed below. Suppliers should, as part of their proposal, provide a workplan outlining activities and expected deliverables.

No.	Deliverables / Milestones	Due Date	To be produced by
1	Inception report detailing the framework for how private sector innovations will be assessed, including the methods for doing so.	15 <sup>th</sup> February 2013	Supplier
2	1 <sup>st</sup> draft of 20 page study, policy brief and initial case studies as detailed above	29 <sup>th</sup> March 2013	Supplier
4	Interim findings made available for the next Political Champions' meeting	[date to be confirmed] April 2013	Supplier/CDKN
5	2 <sup>nd</sup> drafts of policy brief, study and case studies	17 <sup>th</sup> May 2013	Supplier
6	Final version of policy brief, study and case studies submitted	14 <sup>th</sup> June 2013	Supplier
8	Potential presentations of the findings [to be identified over the course of the project]	April – June 2013	Supplier
9	Final versions of all documents and resources signed off	June 28 <sup>th</sup>	Supplier/CDKN

## 2.4 Other project information

### **Supplier requirements**

The successful supplier will have a proven track record in analysis and evaluation in one or more of the following areas: disaster risk reduction, climate change adaptation, private sector partnerships and innovation, in the context of developing countries.

The criteria for selection of the supplier will include:

- The degree of innovation and the justification behind how the scope of the project is defined
- Quality and scope of services
- Demonstrated previous experience of subject area
- Demonstrated knowledge of the range of methods required for undertaking this work
- Knowledge of and links to key contacts and stakeholders
- Make-up of the team including track record in publishing influential reports

Given the strict timeframe for this work, we would prefer a single supplier rather than a consortium to minimise the risk of complications, though exceptional bids involving more than one organisation will be entertained.

### **Timeframe**

This project will need to begin as early as possible in order to ensure that interim results are prepared in time for the Political Champions meeting in April 2013. It is envisaged that the project will come to a close in June, though there is some potential for an extension of activities beyond this date if additional components are added (to be negotiated with the supplier at a later date).

### **Budget**

The budget available for this piece of work is £55,000. Potential additional budget provision for extensions to the project will be considered in due course, but should not be factored in to bids at this stage.

### **Project governance, monitoring and reporting**

At minimum, the supplier will hold a monthly update call with CDKN, and report on a quarterly basis using the CDKN reporting template for timely release of funds through a pre agreed payment schedule. The payment schedule will be tied to the deliverables, which will be signed off by the CDKN project manager. The final brief, report and case studies will be reviewed by CDKN and/ or external reviewers for quality assurance and branding purposes. The supplier will be responsible for the day to day management of the project.

## 3. Proposal requirements and evaluation

### 3.1 Proposal contents

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In their proposals supplier should include the following:

#### 1. Solution Statement

The programme outline must provide a view of the structure, content and methodology for delivering the project that meets the requirements of the Terms of Reference. This document must be no longer than 10 A4 sides. Expert CVs should be included separately in an appendix and should be no longer than 2 A4 sides each.

The following areas should be covered within this document:

- Background
  - ✓ Name and contact details of lead organisation, and sub-contractors
  - ✓ Overview of the main services each organisation will provide
  - ✓ Relevant track record
- Project Methodology, Approach and Plan
  - ✓ An overview of the project you plan to deliver. This should include:
    - Proposed methodology & research
    - Rationale for the above and how the proposed content and methodology will meet the project's objectives
    - Expected benefits and deliverables
  - ✓ A detailed work plan including timescales for the implementation of activities, proposed delivery dates for key outputs and any other key milestones.
  - ✓ Details of how the project will be managed and how you propose to meet CDKN's reporting and monitoring requirements.
- Quality assurance
  - ✓ Details of how you will ensure quality of deliverables throughout the project.
- Proposed Personnel/Project staffing
  - ✓ Please provide a breakdown of the personnel who will be conducting the work.
  - ✓ For each individual, please provide details of their roles and responsibilities for this project and indicative number of days, along with brief description of previous experience in this area.

- ✓ Please submit detailed CVs along with this document in an appendix. CVs should be no longer than 2 A4 sides.

If supplier is proposing an approach that has elements which are at variance to the requirements of the Terms of Reference, or deliver the solution in what might be perceived as a non-standard way, they must explain the additional benefits and value that will be gained by CDKN for adopting this approach.

## **2. Risk Proposal**

Suppliers should produce a separate statement of the risks, assumptions, issues and challenges that you believe this programme will face during development, implementation and ongoing management, along with the recommended mitigating actions. This includes risks associated with the timeframe; though the availability of initial findings for the Political Champions meeting in April 2013 is a fixed deadline.

This statement must be no longer than 2 A4 sides.

## **3. Commercial Proposal**

Suppliers must provide a detailed commercial proposal in GBP, inclusive of VAT and all other applicable taxes. The commercial proposal will be evaluated on the extent to which it demonstrates value for money.

- ✓ The budget should be structured in line with delivering the supplier's workplan and include a breakdown of all component costs, including third party costs.
- ✓ Fees should be broken down by individual, day rate and activity.
- ✓ Expenses should be estimated separately- Logistics, travel, printing, venue hire etc. Suppliers must ensure they refer to the CDKN Expenses Policy which is provided with this ITT.
- ✓ Overhead expenses can be included in the total cost of the project but should be incorporated into fee rates for staff members.
- ✓ Suppliers should ensure that they state any assumptions that have been built into the costing provided.
- ✓ Suppliers should briefly summarise how their proposal represents value for money.

## **4. Legal and Contractual Compliance**

CDKN is an alliance of six organisations, led by PricewaterhouseCoopers LLP (PwC). Your contract will therefore be with PwC.

Terms and conditions of contract have been made available to suppliers as part of the EOI and are further attached with this ITT for reference. CDKN does not anticipate making changes to our terms and conditions, many of which are a direct flow down from our own contract with DFID and are non-negotiable.

### **3.2 Proposal Evaluation**

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Proposals will be evaluated against the following weightings.

Solution Statement – 60%

Risk proposal – 20%

Commercial proposal – 20%

## 4. Tendering process

### 4.1 Timeframe

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The Bidder is requested to submit a proposal electronically to the [cdknetwork.procurement@uk.pwc.com](mailto:cdknetwork.procurement@uk.pwc.com) detailing how they would deliver the programme of work as set out in this document.

**The deadline for this submission is 17.00 UK time on Wednesday 16<sup>th</sup> January 2013.**

**The deadline for submission of questions is 17.00 UK time on Wednesday 9<sup>th</sup> January 2013.**

Please note any clarification questions from the bidder to PwC should be sent to [cdknetwork.procurement@uk.pwc.com](mailto:cdknetwork.procurement@uk.pwc.com). Please see section 4.2 for more information on questions submission.

### 4.2 Instructions to Bidder

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1. Responses to this ITT must be clearly marked: "AAGL-0035 Private sector engagement on disaster risk management and climate change adaptation"
2. Where the Bidder relies on the capacities of other entities (e.g. proposed sub-contractors and/or consortium partners), they must make this clear in their tender response where this is the case and explain their role.
3. All responses should demonstrate openness, transparency, attention to detail and the ability to work in the spirit of collaborative working.
4. If the Bidder fails to provide the required information or fails to supply documentation referred to in their responses, PwC may make further requests to the Bidder for the required information. If this is not supplied in the given time, or is unsatisfactory, PwC may treat the response as a non-compliant response and it will therefore score zero and this will be taken into account during the evaluation process.
5. PwC expressly reserves the right to require the Bidder to provide additional information supplementing or clarifying any of the information provided.
6. Where a length of response is stipulated, that response length relates to the number of A4 Pages or word count. Only the information within the set limit will be evaluated. Additional information will not be evaluated and therefore should not be supplied. Text based information must be answered in English and be in minimum 11 point, Arial font, A4 paper. Text in diagrams must not be any smaller than 8 point font and must also be in Arial font.
7. Under no circumstances should the Bidder provide general marketing and sales brochures or other materials.

8. The deadline for submission of questions is **17:00 hours UK time 9<sup>th</sup> January 2013**. The email must clearly state in the subject matter of the email “AAGL-0035 Private sector engagement on disaster risk management and climate change adaptation”.
9. PwC will respond to all reasonable requests for clarification as soon as reasonably possible. All queries and responses will be dealt with by e-mail only. PwC reserves the right to issue the response to all Bidders.
10. If a Bidder wishes PwC to treat a request as confidential and not issue the response to all Bidders, it must state so at the time of request for clarification, stating the reasons for the desired confidentiality.
11. If, in the opinion of PwC, the content of a request is not considered to be confidential, PwC will inform the Bidder and it will have an opportunity to withdraw the request for clarification. If the request for clarification is not withdrawn within the timeframe specified by PwC, the response will be issued to all Bidders.
12. PwC may itself issue clarification requests to the Bidder. The Bidder is asked to provide a single point of contact (including telephone and e-mail details) in their organisation for the receipt of such requests.
13. PwC will expect the Bidder to provide a prompt response to all clarifications issued.

### **4.3 Contact Information**

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CDKN Procurement  
7 More London Riverside, London, SE1 2RT  
Email: [cdknetwork.procurement@uk.pwc.com](mailto:cdknetwork.procurement@uk.pwc.com)

### **4.4 Conditions of Procurement**

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#### **Consortium bid**

If a bid is submitted by a consortium, PwC will require any agreement(s) to be entered into by a lead single entity on behalf of the consortium. In addition, other consortium members may be required to enter into direct agreements with PwC in connection with their subcontracts and PwC will require a right of approval over subcontracts.

#### **Change in circumstance**

Bidder must inform PwC in writing of any change in control, composition or membership of a Bidder or its consortium members and of any other material change to the Bidder's response to the Selection Document, if any, which has taken place subsequent to their expression of interest. PwC reserves the right to disqualify any Bidder subject to such changes from any further participation in the procurement process.

#### **Tender validity**

All Responses must remain valid without change or qualification following the response submission for a period of 90 days.

#### **Bidder costs**

PwC shall not, under any circumstances, be liable for any costs incurred by the Bidder in relation to their participation in this procurement process or otherwise.

#### **Copyright**

The copyright in this documentation and its related materials belongs to PwC. The Bidder should not reproduce any of the documentation or materials in any form (including photocopying or storing by electronic means) without the permission of PwC, other than the purposes of preparing their Response and/or responding to this tender.

#### **Law**

The Laws of England and Wales shall apply to this Procurement and in connection with any proceedings arising there from. Likewise, the English courts shall have exclusive jurisdiction in respect of any disputes arising out of or in relation to the Procurement.

#### **Publicity**

This ITT Response Document is only to be used in connection with the preparation and submission of Responses by Bidder in relation to this procurement. No publicity regarding the Project or the award of any contract will be permitted unless and until PwC have given express written consent to the relevant communication. For example, no statements may be made to the media or other similar organisations regarding the nature of any Response, its contents or any proposals relating thereto without the prior written consent of PwC.

#### **Conflict of interest**

Bidder is instructed to ensure that their potential appointment as the service provider to PwC for the project has not and will not create any conflict of interest or any situation that might compromise or prejudice PwC's duty to manage an open, fair, non discriminatory and competitive procurement process. In the event of a conflict (or potential conflict) arising at any time during the Procurement, the affected Bidder shall be responsible for reporting the occurrence of potential or actual conflict and the means for resolving it to PwC forthwith. In the absence of any compelling reason acceptable to PwC, the assumption will be that the conflicted party shall have no further involvement in the Procurement.

#### **Discontinuance or Suspension**

PwC may elect to discontinue or suspend the Procurement at any time without accepting any response or entering into an agreement with the Preferred Supplier. PwC may discontinue or suspend without responsibility or liability to any Bidder including (without limitation) any liability for any costs or expenditure incurred by, or inconvenience caused to, any Bidder.

Should PwC decide to suspend the Procurement, PwC will issue instructions to the Bidder regarding the suspected duration of the suspension and any other relevant information.

#### **Revisions to the ITT and Associated Documentation**

PwC reserves the right to make revisions to the ITT and any associated documents at any time. No additional time in relation to submission deadlines will be granted following notification of any such revision unless the Bidder is expressly notified of any extension by PwC.

PwC may issue updates to the Bidder at any time containing details of any revisions to this ITT Response Document, together with any further information which may assist the Bidder in the preparation of their Responses. It is the Bidder's sole responsibility to ensure that they have understood PwC's requirements and all instructions and information issued under this ITT.

#### **For the avoidance of doubt, PwC reserves the right to:**

- Waive the requirements of this ITT and the Terms of Reference;
- Disqualify bids that do not comply with the instructions in this ITT Response Document, or does not submit a compliant Response in accordance with the instructions relevant to that Response;
- Withdraw this ITT at any time or to re-invite Responses on the same or any alternative basis;
- Not to award any contract as a result of the current procurement process; and
- To make whatever changes it sees fit to the timetable, structure or content of the procurement process, dependent on approvals processes or for any other reason.

[www.cdkn.org](http://www.cdkn.org)

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