

COVID-19 Vulnerable Supply Chains Facility

Request for Proposals

May 2020

Contents

1	About the COVID-19 Vulnerable Supply Chains Facility	3
1.1	Context	3
1.2	Objective	3
1.3	Business challenges	3
1.4	Sectors	3
1.5	Countries	3
1.6	Eligibility	4
1.7	Funding	4
1.8	Match funding	4
1.9	Responsible Business	4
2	Guidelines for submitting a concept note	5
2.1	Concept note submission	5
2.2	Timetable	5
2.3	Evaluation criteria and scoring	5
2.4	Clarification of queries	6
2.5	Ineligible costs	6
2.6	Single Applicant contact point	6
2.7	Managing the Facility	6
2.8	Responsibilities of the Grantee	6
2.9	Due Diligence	7
2.10	DFID Supplier Code of Conduct	7
2.11	Anti-fraud, anti-corruption, anti-bribery, conflict of interest	7
2.12	Safeguarding and Ethical Behaviour	7

1 About the COVID-19 Vulnerable Supply Chains Facility

1.1 Context

COVID-19 is creating significant challenges for global supply chains and for low income producers and workers within them. The Department for International Development (DFID) UK has set up COVID-19 Vulnerable Supply Chains Facility (VSCF) to support businesses with supply chains in developing countries to ensure their most vulnerable workers and suppliers are prepared for the anticipated economic and social shocks.

1.2 Objective

The objective of this Facility is to provide rapid resources to form partnerships that support businesses to respond to the challenges that COVID-19 presents within DFID-priority countries.

1.3 Business challenges

Concepts from companies that include business model adaptations for sustained benefits for their most vulnerable stakeholders are strongly encouraged. For projects that have the potential to achieve impact at scale, further funding will be considered for expansion once the concept has been proven.

The Facility will support projects that address one or more of the following business challenges:

- Challenges supporting the livelihoods of suppliers and sub-suppliers due to decreases in demand and challenges in accessing markets
- Concern for resilience amongst farm producers to be able to use/repurpose/diversify their production so that they can survive periods of reduced demand
- Challenges in diversifying supply chains -and bringing in new workers/suppliers- rapidly and ethically
- Challenges to meeting commitments to suppliers and workers through swift payment mechanisms
- Safety of workers, particularly those in factory and farm settings where social distancing may prove challenging
- Gender- COVID-19 may have a disproportionately negative impact on female workers, particularly in the garment sector
- Human rights violations (including modern slavery) that may occur with increased cost pressures, increased vulnerability of poor households and limited oversight of recruitment and work practices in suppliers and sub-suppliers
- Increased vulnerability of migrant workers who may be reliant on a particular supply chain and have limited protections and recourse in host countries

1.4 Sectors

The Facility will focus on the garments and agriculture sectors.

1.5 Countries

The Facility will support proposals that focus on achieving impacts in at least one of the following countries:

Afghanistan, Bangladesh, Burkina Faso, Chad, DRC, Ethiopia, Ghana, Iran, Iraq, Jamaica, Jordan, Kenya, Lebanon, Libya, Malawi, Mali, Mozambique, Myanmar, Niger, Nigeria, OPTs, Pakistan, Rwanda, Sierra Leone, Somalia, South Sudan, Sudan, Syria, Tanzania, Uganda, Yemen, Zambia, Zimbabwe.

1.6 Eligibility

The following are eligible to apply for support from CVCSF:

- Businesses (preferably in groups including SMEs, although single company proposals may be considered) that are facing industry challenges and looking for advisory/ facilitation support;
- Businesses (preferably in groups including SMEs, although single company proposals may be considered) looking for financial support to support the livelihoods of poor and vulnerable workers and suppliers in their supply chains;
- Not-for-profit organisations working to support MNCs/SMEs and their suppliers in specific sectors/ geographies;
- Not-for-profit organisations supporting transparency and accountability mechanisms within/across specific supply chains;
- Not-for-profit organisations that support informal workers and smallholder farmers that support global supply chains.

Partnership: Concepts that bring a partnership approach and where at least one business is included in the proposal are preferred. Exceptions may be made in cases where the aim is to hold businesses to account or to encourage transparency.

1.7 Funding

The Facility will provide grants and/or technical assistance ranging between £200,000 – £600,000. Projects that have the potential to achieve impact may be considered for scaling up with additional funding upon establishing proof of concept and clear future options for achieving impact at scale.

1.8 Match funding

Project concepts, where possible, should demonstrate some match funding either in cash and/or in-kind, from the applicant(s).

1.9 Responsible Business

Any business involved in an application should be able to demonstrate the presence of:

- (i) A modern slavery statement;
- (ii) Public reporting on sustainability;
- (iii) Membership of a recognised membership body for responsible business.

2 Guidelines for submitting a concept note

2.1 Concept note submission

Applicants are invited to submit a concept note to **COVID19VulnerableSupplyChains@dfid.gov.uk** by **5pm GMT, May 20, 2020**, Please note that further rounds of funding may be offered, but are not guaranteed at this time.

Given the rapid timeframe, we may follow up directly with teams to discuss concept notes. Therefore, we ask teams to submit as soon as they are able.

2.2 Timetable

Date of opening the Call	May 6, 2020
Deadline for concept note submission	May 20, 2020

In order to forge partnerships for meeting the immediate COVID-19 needs, the proposals will be evaluated on a rolling basis.

2.3 Evaluation criteria and scoring

Concepts will be assessed and scored as follows:

Criteria	Criteria Description	Weighting (percent)
Relevance	The degree to which the concept meets the requirements of the Facility in terms of addressing COVID-19 vulnerable supply chain business challenges and has the potential to achieve results at scale	20
Impact	The depth and breadth of expected results, including but not limited to the number of beneficiaries supported, the extent of the impact, and the potential sustainability of the solution Are the low-income disadvantaged actors impacted by covid19 within the supply chain identified? Does the initiative demonstrate strong a pathway to impact on these low income or disadvantaged supply chain actors at scale?	25
Feasibility	The delivery capacity of the applicant(s), including the ability to leverage partnerships, quality of project design and level of risk, capacity for rapid project commencement and anticipated time to achieve results	20
Additionality	The extent to which the Facility's funding would be an extra input to a project and lead to greater, or faster, impact, or is essential for it to be able to go ahead	20
Value for Money	Cost effectiveness of the project, weighing up the budget including any match funding, against the projected impact, (including the 4Es of Efficiency, Economy, Effectiveness and Equity), relative to other proposals	15

2.4 Clarification of queries

For further clarifications on the CVSCF concept note application process, eligibility and scoring criteria, or for any other information about the Facility, please contact:

COVID19VulnerableSupplyChains@dfid.gov.uk

2.5 Ineligible costs

The following costs are **explicitly ineligible** (within Grants):

- Activities which may lead to civil unrest
- Activities which discriminate against any group on the basis of age, gender reassignment, disability, race, colour, ethnicity, sex and sexual orientation, pregnancy and maternity, religion or belief
- Gifts
- Statutory fines, criminal fines, penalties and associated legal costs
- Payments for works or activities that are fully funded by other sources whether in cash or in kind, for example if premises are provided free of charge, DFID will not contribute to a notional rent
- Activities in breach of EU legislation on State Aid
- Bad debts to related parties
- Payments for unfair dismissal and associated legal costs
- Replacement or refund of any funds lost to fraud, corruption, bribery, theft, terrorist financing or other misuse of funds
- Inflation or foreign exchange contingency
- Contingency or risk premium
- Costs incurred prior to a formal agreement being executed including those associated with preparing bid or grant proposals
- Purchase of capital equipment above the value of £500
- Purchase of land or buildings
- Legal costs
- Debts and provisions for losses or debts
- Depreciation costs
- Interest costs
- Items already financed otherwise
- Currency exchange losses
- Credits or (advance) payments to third parties not recoverable
- Major losses incurred which cannot be recovered due to neglect of the grantee
- Expenditure over and above the total Grant's budget as per the contract
- Human resource (salary and allowances) costs of personnel not attached to the project.

2.6 Single Applicant contact point

The Applicant will mention a single contact point for all communication in their submission.

2.7 Managing the Facility

DFID has contracted Mott MacDonald Ltd to manage the Facility.

2.8 Responsibilities of the Grantee

The successful applicants will enter into an agreement with the Facility Manager. The Grantees will be responsible for:

- Providing regular updates on the project progress;

- Facilitating assessments, evaluations, field visits etc. by the Facility management team
- Keeping the Facility Management team informed of any challenges/threats that may affect the project

2.9 Due Diligence

Before entering into a formal Grant Agreement, the Facility Manager will conduct a due diligence of the Applicants which will focus on the following four areas:

1. Governance and control;
2. Ability to deliver;
3. Financial stability; and
4. Downstream activity (suppliers, contractors, and sub-contractors).

The Facility Manager reserves the right to request any clarifications on submitted documents in relation to the above. The Grant Agreement will only be signed upon satisfactory completion of the due diligence.

2.10 DFID Supplier Code of Conduct

Applicants and their subcontractors (delivery chain partners) should ensure that they have read and understood the DFID Supplier Code of Conduct Code and their responsibilities and required compliance level. In particular, it is important that the Supply Partners and their subcontractors (delivery chain partners) understand any risks and have systems in place to manage them.

2.11 Anti-fraud, anti-corruption, anti-bribery, conflict of interest

All applicants are expected to conform to the highest standards of integrity.

Any Applicant that pays, solicits, receives, authorises, colludes in or condones the payment, solicitation or receipt of a bribe, or otherwise performs below the standards set out in the UK Bribery Act 2010, will be liable to summary termination of their application or of their contract. Full details of these conditions will be listed in the General Conditions of Contract that successful applicants will be required to sign up to.

Applicants must declare any real or apparent conflicts of interest. These may include, but are not limited to, having friends, relatives, or business associates that are affiliated with the CVSFC or staff. Applicants are expected to declare any conflict of interest in the course of their application and programme implementation. Conflicts of interest must be declared so that the CVSFC can make this determination. Any applicant who subsequently becomes an implementing partner and is found to be in an undeclared conflict of interest will have all further invoice payments suspended until the matter has been resolved and may be subject to further legal action.

2.12 Safeguarding and Ethical Behaviour

The CVSFC has a strong commitment to the welfare of its staff and beneficiaries of the programme. We have a zero-tolerance approach to harassment, abuse, and sexual exploitation. We seek to ensure we provide an environment which safeguards anyone whom we have contact with, including beneficiaries, staff, and implementing partners.

The Grant Agreement will contain a safeguarding policy that all implementing partners are required to adhere to. Applicants are obliged to report knowledge of any convictions of the organisation or members of its organisation of child labour, trafficking, sexual harassment, or other safeguarding

abuses in the concept note or pending legal cases. This reporting requirement will remain throughout the lifetime of the contract and reporting procedures will be part of the Grant Agreement.

Applicants are obliged to report in the concept note if the organisation or any of the members of the organisation:

- Is blacklisted by an International Financial Institution;
- Is a member of a criminal organisation (by any judgement);
- Has a conviction of corruption or fraud;
- Has a conviction of links to terrorist offenses, activities, terrorist financing or money laundering;
- Has a conviction of professional misconduct;
- Has any pending legal cases;
- Has attempted to enter into competition distorting arrangements.

Failure to report any of the above considerations will result in exclusion of the applicant or, if discovered following award of a grant, cancellation of the Grant Agreement and possible other legal remedies.