



South Asia Water Security Initiative (SAWASI) Demonstration Projects
Guidelines and Templates

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Section 1: Background and Introduction

1. COVID-19 is highlighting the particular vulnerabilities of urban communities to pandemic events given their lack of access to safe and reliable water for handwashing and sanitation. South Asia's urban areas, which host over 600 million inhabitants living in informal settlements, have been hard hit by COVID-19. In these communities, women and girls often carry the burden of obtaining water. Those with disabilities are particularly vulnerable to the impacts of water insecurity due to difficulties accessing communal sources of water. Current arrangements are highly inequitable as the tanker truck supply, on which they depend, is significantly more expensive than piped supply. These communities also have little opportunity to engage or influence urban water management.
2. Municipal water authorities in these megacities (e.g. Delhi, Karachi, Lahore, Mumbai) face their own challenges including; overlapping jurisdictional mandates for water supply, lack of experience in collaborative approaches to water governance, lack of the necessary capital to improve the financial operations of water utilities (e.g. maintenance, and measures to reduce non-revenue water). Despite the known cost-benefit of promoting water efficiency, a supply-focused paradigm dominates. Even for greenfield developments, challenges in ensuring effective coordination between water authorities and land use planning or development agencies often results in residential complexes being built without adequate water infrastructure. In many of these urban areas complex and daunting political economy issues entrench the status quo.
3. While challenging, change is possible. Rapid population growth combined with increasing climate variability is placing greater pressure on governments, and commensurately higher expectations of policy action. In this context partner governments are increasingly calling on Australia to collaborate and share its expertise in addressing rising urban water challenges.
4. Australia has traditionally provided support to water resource management in South Asia through basin-level, research focused activities. Through these investments Australia has built credibility as a provider of neutral and valuable water expertise. However, partner governments now ask for more practical and tangible assistance, access to Australia's private sector, and opportunities to work with those who have direct experience in implementing water reform.
5. The South Asia Water Security Initiative (SAWASI) has three components. This grant process relates to Components A and C below. Component B will be procured through a separate process.
 - A. **Water Sensitive Urban Design demonstration projects** in key South Asian Megacities. (New Delhi confirmed, and either Karachi or Lahore (tbc)).
 - B. **Technical Assistance** to India, Pakistan and Nepal partner governments in response to direct requests through Memoranda of Understanding (MOUs) (noting that wastewater treatment and recycling has already been nominated by Government of India).
 - C. **Regional Workshops** to share lessons learnt and best practices in collaborative approaches to urban water governance.
6. Selected Grantee(s) will be expected to implement Component A and both attend and present at Component C workshops (location tbc).

7. Organisations can apply to implement Component A in either India, Pakistan or both countries however they should note the operating context may favour the selection of two separate Grantees for the demonstration project work.
8. In each country (see previous paragraph) the grantee will focus on implementing highly visible water sensitive urban design demonstration projects, working with communities, municipal authorities and other relevant stakeholders to build understanding of how to undertake collaborative water governance reform.
9. The Grant will show how low-cost urban water management nature-based solutions can be implemented in a South Asia political context. At the end of the Grant implementation period, the End of Program Outcomes (EOPOs) should be measurably achieved.
10. The Grantee should build the knowledge base and capacity of relevant water sector actors, in how to undertake water sensitive cities projects in their megacities and will generate a model which can be shared with national and sub-national stakeholders to be disseminated nationally.
11. The Grant should be implemented in a way which is conscious of the potential risk of ongoing COVID-19 infections during activity implementation period. In Particular, the Grantee(s) should articulate credible strategies for ensuring timely implementation regardless of ongoing COVID-19 travel restrictions.
12. SAWASI intends to take a proactive and innovative approach to public diplomacy by providing tangible, visible support to partner governments, and through better reporting and communication of its activities to all relevant stakeholders, including diasporas in Australia. As per the SAWASI design, Grantees will need to support this effort by thinking innovatively about how to effectively report and communicate on activity implementation.
13. SAWASI will be known externally as the *Australia-India Water Security Initiative*, for projects in India, the *Australia-Pakistan Water Security Initiative*, for projects in Pakistan, and the *Australia-Nepal Water Security Initiative*, for technical assistance provided to Nepal. Grantees should be conscious of the need to ensure separate branding in their application and implementation.
14. These Guidelines explain the Competitive Grant Process to select a grantee/s to implement one or both of the demonstration projects for the South Asia Water Security Initiative. The program design document (Annex 3) outlines the rationale and approach of the program.

Section 2: Operational objectives

1. The goal of SAWASI is improved access to safe water and sanitation services for disadvantaged communities in South Asian cities. Success will be measured against achievement of the program's End of Program Outcomes (EOPOs).
2. The Grant will achieve the following EOPOs:
 - a) **Outcome 1- Safe Water and Sanitation:** By 2025, four disadvantaged urban communities in India and Pakistan have safer and more reliable access to water and sanitation services, particularly for women.

- b) **Outcome 2** – Resilient Communities: By 2025, improved governance of urban water systems in two South Asian cities enhances community resilience to climate change and other water-related shocks.
3. The program will contribute to these outcomes by *strengthening South Asian city-level water governance and undertaking investments that provide urban water services support to disadvantaged communities (particularly women and girls) to access reliable, safe water and sanitation services.*
 4. Achievement of the EOPOs will be supported by progress in five intermediate outcome areas. The intermediate outcomes articulate the results expected to be achieved through the activities implemented in each community, as well as the regional knowledge sharing activities, and inputs supported by DFAT including technical support, monitoring evaluation and learning (MEL), and communications and advocacy.
 5. The Grant will achieve the following intermediate outcomes:
 - a. Partner governments are planning and allocating greater resources to integrated and inclusive urban water resources management
 - b. Urban water leaders in South Asia have improved understanding of urban water systems and advocate for resilient and equitable management approaches.
 - c. Disadvantaged communities, particularly women and people with disabilities, have an effective voice, and are able to participate actively in city-level decision making on urban water management
 - d. Community-identified priorities for safe water access and improved sanitation services are incorporated in urban water services planning and delivery
 - e. Partner governments utilise evidence-based information and data on water use, distribution, leakage, water quality and sanitation to inform planning and decision making for cities.

Section 3: Eligibility criteria

3.1 Organisation eligibility

1. Applications are open to all Organisations with experience implementing water sensitive urban design projects including public and private sector companies and organisations.
2. Organisations submitting proposals must not have any reason limiting their operation in India, Nepal or Pakistan.
3. Organisations should note that individuals with conflicting commitments and current and Former DFAT Employees, must not be included in the Activity Proposal, or as individuals who may be engaged by the applicant if selected. DFAT may reject any Activity Proposal which does not disclose the fact that a proposed team member has an existing and continuing commitment to another project or activity.
4. Activity Proposals compiled with the assistance of current DFAT employees or Former DFAT Employees will be excluded from consideration.

5. For the purposes of clauses 3-5, 'Former DFAT Employee' means a person who was previously employed by DFAT, whose employment ceased within the last 9 months and who was substantially involved in the design, preparation, appraisal, review and or daily management of the program to which this grant program relates.

3.1.1 Consortia

6. Consortia that include public and private, Australian and International organisations and companies are all eligible.
7. Consortium proposals must be accompanied by a separate letter from each partner providing information about itself, noting the relationship between the Lead Organisation and partner organisation(s) and expressing the intent to collaborate.
8. The Lead Organisation in a consortium will be accountable for all funds. The Grant Agreement shall be signed with the Lead Organisation, and the Lead Organisation is responsible to DFAT for the performance of the consortium under the Grant Agreement to achieve the objectives as required.
9. Should two or more eligible Organisations wish to enter a consortium together, one partner must be nominated as a lead organisation. The lead partner will enter the Funding Order with DFAT and be responsible to DFAT for the performance of the consortium.
10. Organisations may be involved in several consortia and proposals but should carefully consider the goals of the program when deciding who to partner with in a Consortia.
11. DFAT reserves the right to reassess any proposal if, following submission, the membership of a successful consortium proposal changes, including withdrawing consortium member(s).

3.2 Proposal eligibility

12. In order to be accepted your proposal must:
 - a. Be completed in accordance with the 'Invitation to Submit an Activity Proposal.'
 - b. The applicant must demonstrate they have a clear understanding of what DFAT is intending to achieve, and the capacity to deliver the EOPOs and Intermediate Program Outcomes efficiently and effectively in accordance with the Investment Design and Selection Criteria.
 - c. Proposals may include salaries and costs for staff in Delhi and/or Karachi as well as all other costs; e.g. office costs, equipment related to community assistance activities, workshop costs and travel costs and allowances for staff and communities.
 - d. The Applicant should include a proposal for Milestones and a payment schedule which will be subject to negotiation if the applicant is selected as the preferred supplier.

- e. Where an Applicant proposes to implement Component A in both India and Pakistan, they must adequately demonstrate sufficient personnel to enable separate staffing for each country.
- f. Proposals must not exceed **AUD5 million** per city (New Delhi and either Karachi or Lahore) **over four years**.

Section 4: Application process and indicative timeline

4.1 Indicative timeline

1. The indicative timeline for this competitive grants process is summarised in the table below:

Event	Time / Date
Call for proposals	2 November 2020
Registration to attend Applicant Briefings	9 November 2020
Applicant Briefing – Canberra via Webex	11 November 2020
Last day for questions from suppliers	19 November 2020
Last day for responses to questions by DFAT	26 November 2020
Proposal submission deadline	3 December 2020
DFAT conformance check	4 December
Notification of shortlisting to applicants	11 December
Panel Interviews with shortlisted applicants	14 -18 December 2020
Offer made to preferred applicant	21 December 2020
Program implementation of the [Insert program name] commences	15 January 2021
Event	Time / Date

4.2 Applicant briefings

2. DFAT will hold one applicant briefing for potential respondents:

Canberra via Webex Applicant Briefing:

- a. 11 November 2020, via Webex and in person at DFAT RG Casey Building Canberra at 2pm.
3. DFAT reserves the right to cancel an applicant briefing if fewer than 3 organisations register to attend that session.
 4. The applicant briefings will be an opportunity for interested organisations to ask questions on the SAWASI design, submission process and implementation.
 5. All questions, answers, and presentations from the briefings will be published on the DFAT website, so that any organisation unable to attend has equal access to information.

6. Organisations planning to attend either applicant briefing must RSVP to SAWASI@dfat.gov.au by 9 November 2020.

4.3 Deadline for proposal submission

7. The deadline for proposal submission is 3 December 2020 at 5pm Australian Eastern Standard Time (AEST).
8. Assessment will be a one-step process, so a full proposal must be submitted for assessment.

4.4 Conformance check

8. Proposals received by the deadline will first be checked to be conforming bids by DFAT to ensure the organisation and proposed project meet the eligibility criteria required and detailed in Section 3. At DFAT's sole discretion, those proposals deemed nonconforming will be excluded, and those applicants will be advised by DFAT at this stage.

4.5 Shortlisting proposals

9. Conforming proposals will be assessed by a panel comprising at least two (2) DFAT representatives (from Delhi, Islamabad Posts and other DFAT sections (South Asia Regional, Climate Change, Gender and/or Water Section)).
10. The panel will assess proposals against the Selection Criteria given in Section 5, and give each proposal a score out of 100. The panel will then shortlist a number of proposals to be interviewed by the panel. The number of conforming proposals invited to participate in a panel interview is at the discretion of the panel].

4.6 Assessment and Past Performance Information

11. As part of the assessment process, DFAT may invite shortlisted applicants to be interviewed, with interviews being held via Webex or by telephone, at DFAT's discretion.
12. DFAT may request that named personnel in the applicant's proposal attend the panel interview.
13. Applicants will be notified no later than one week before the panel interviews take place.
14. Applicant representatives and named personnel will be required to answer any generic and specific questions asked by the panel.
15. The panel will provide the DFAT delegate with a report that:
 - a. summarises the panel's assessment of each proposal against the Selection Criteria; and
 - b. recommends a preferred applicant and lists other suitable applicants in ranked order for the DFAT delegate's consideration and approval.
16. The panel is conducted on a confidential basis, and panel members must not discuss matters relating to the assessment of any proposal with any external

party. Applicants must not seek contact with any members of the panel, and any such contact will be considered a breach of confidentiality and may result in DFAT rejecting the proposal of the applicant concerned.

17. In making its assessment of a proposal, the panel may have regard to other factors relevant to the suitability, capacity and qualifications of an applicant organisation including but not limited to:
 - c. checking with nominated referees and with other persons or organisations as DFAT chooses, the accuracy of information and quality of previous work performed including the resourcing of previous work; and
 - d. information obtained from any legitimate, verifiable source, which is relevant to the capacity of the applicants. Such information may be the result of inquiries made by DFAT and will be raised with the applicant at interview if needed.
18. Previous performance information may only be provided to panel members where it is considered relevant. Panel members may not introduce irrelevant issues or hearsay into the assessment or base their assessment on information that is hearsay and cannot be substantiated.
19. Panel members may adjust technical scores agreed during the shortlisting process as a consequence of any interview and consideration of past performance. This will be done at the panel's sole discretion.

4.7 Debriefing of applicants

20. Applicants are entitled to request a written debriefing on the results of the assessment of their proposals once a Grant Agreement/Funding Order has been signed with the successful applicant. This debriefing will provide information on scores achieved against individual criterion and comments from the panel.
21. DFAT will not enter into discussion or communications on the content of the debrief once it has been issued.

4.8 Complaints

22. DFAT's Complaints Handling Procedures Relating to Procurement will apply. <http://www.dfat.gov.au/about-us/publications/Pages/complaints-handling-procedures-procurement.aspx>

Section 5: Assessment

5.1 Assessment outcome

1. Through this process, DFAT shall select 1 to 2 proposal/s to receive funding to implement SAWASI Component A and support Component C.

5.2 Selection Criteria

1. Proposals will be assessed based on the following Selection Criteria:

No.	Selection Criteria	Leading questions
Organisational Effectiveness		Weighting: 30%
1	Past performance and experience delivering water sensitive urban design projects.	<p>Does the applicant have relevant in-country experience or the ability to acquire relevant partnerships / relationships in India and/or Pakistan?</p> <p>Has the applicant managed an equivalent sized donor (government, philanthropic, corporate) funded activity in Australia, South Asia or other region?</p> <p>Has the applicant demonstrated the ability to build institutional capacity in water sensitive urban design?</p> <p>Does the applicant have capacity to deliver timely and effective communications and reporting to DFAT?</p> <p>Has the applicant managed a water sensitive urban design activity in challenging contexts, successfully demonstrating the value of collaborative approaches to water governance?</p>
Activity Effectiveness		Weighting 30%
2	Approach to implementation	<p>Is the proposal based on sound technical and contextual analysis of the state of water management in the target location?</p> <p>Is the proposed implementation approach feasible and likely to effectively achieve the EOPOs?</p> <p>Does the applicant's activity proposal consider how to work collaboratively work with other program components and stakeholders including and local partners and donors?</p> <p>How does the applicant's approach to delivery support Australia's public diplomacy goals?</p> <p>Has the proposal effectively considered and mitigated relevant COVID-19 related risks in its implementation approach?</p>
Value for Money		Weighting 40%

3	Value for money, cost analysis of the proposal	<p>Is the activity proposal appropriate to the context?</p> <p>Does the organisation consider and promote proper use and management of public resources?</p> <p>Are risks managed using proportional processes, procedures and requirements for the granting activities?</p> <p>Are the design and development approaches in a proposal effective?</p> <p>Does the proposal adequately consider M&E and GEDSI?</p> <p>How well would the proposed systems analyse and monitor the whole of life cost of budgeting, managing and resourcing the proposal?</p> <p>Would resourcing decisions be well-informed and consider the relative costs and benefits?</p> <p>Are costs well justified in regards to clearly defined results?</p>
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Section 6: Safeguards and cross-cutting issues

1. Proposals must include the applicant's approach to:
 - a. 'do no harm' and protecting women and girls;
 - b. including people with disabilities;
 - c. child protection and preventing sexual exploitation, abuse and harassment;
 - d. consideration of environmental and social safeguards; and
 - e. minimising fiduciary risk.

All organisations (including all partners in a consortium) must comply with the DFAT's *Child Protection Policy* and *Preventing Sexual Exploitation, Abuse and Harassment (PSEAH) Policy*.

Section 7: Activity proposal format

Proposals must be submitted using the SAWASI Invitation to Submit an Activity Proposal template at Annex 1.

Significant detail, within the prescribed page limit, should be included in the proposal.

Section 8: Contractual, reporting and acquittal requirements

The successful applicant will be engaged via a Grant Agreement with the Organisation and DFAT. Terms and conditions of the Grant Agreement are included in Annex 2 to these Guidelines.

Section 9: Contact Person

The contact person for this competitive grant process is:

Paula Richardson

Assistant Director, South Asia Regional Section

SAWASI@dfat.gov.au

Annex 1: Invitation to Submit an Activity Proposal

Annex 2: Draft Grant Agreement

Annex 3: Program Design Document