



Department
for International
Development



DFID Statement of Priorities and Expectations for DFID's Supplier and Partner Relationships (including Suppliers; Private Sector Partners, NGOs)

This Statement sets out a single set of expectations that DFID has of external organisations with which it works, alongside standard elements of good practice.

The statement outlines the activities and behaviours we expect organisations we work with to adhere to including policies and practices relevant to DFID and wider HMG priorities. DFID is committed to acting responsibly and with integrity, being transparent and accountable, focusing on poverty and development impact and continually improving value for money.

Partner organisations should demonstrate commitment to poverty reduction and to DFID's priorities including work undertaken in fragile or conflict affected states, for girls and women, youth engagement, climate change and wealth creation.

DFID expects partner organisations to:

1. Act responsibly and with integrity by:

- a. making available a statement of compliance with key legislation and international principles on labour, social and environmental matters;
- b. demonstrating commitment through actively seeking and making a positive contribution to development, social and environmental sustainability through its business activities;
- c. pursuing and adhering to anti-discrimination policies, with particular attention to girls and women;
- d. applying risk management and mitigation processes that assure a zero tolerance approach to tax avoidance, corruption, bribery and fraud throughout the supply chain;
- e. engaging supply chain partners in a way that is consistent with DFID's treatment of its suppliers or partners (when pricing, in subsequent service delivery, or in partnership agreements), and demonstrating this to DFID where required;
- f. building local capacity by proactively seeking ways to develop local markets and institutions;

- g. safeguarding the integrity and security of their systems, for example, as per the HM Government Cyber Essentials Scheme¹;
- h. assuring that UK Government funding provided is not used in any way that contravenes the provisions of applicable terrorism legislation.

2. Be transparent – in relation to organisational practices and the use of government funding by:

- a. publishing a statement of how delivery on social and environmental values are articulated;
- b. making available a list of relevant policies together with a description of measures of how these are put into practice (e.g. supplier codes on fraud & corruption, due diligence);
- c. demonstrating commitment to ethical codes of conduct, for example through membership/signatory of codes, both directly and within the supply chain, e.g. conventions, standards or certification bodies (such as ETI, UNGC, Global Reporting Initiative, Extractive Industries Transparency Initiative), as appropriate;
- d. publishing reports as a minimum on an annual basis, on environmental, social and governance performance (*including but not limited to improving the lives of girls and women, Environmental, or Sustainability Reports*).
- e. Publishing DFID funding data in accordance with the International Aid Transparency Initiative (IATI) standard

3. Be Accountable - whether in every day and exceptional situations by:

- a. developing and implementing policies that address the need for remedy and redress if things go wrong, in line with the UN Guiding Principles on Business and Human Rights² ;
- b. actively seeking to promote the involvement of people in the business decisions that affect their lives.

4. Support DFID priorities and objectives by:

- a. sharing innovation and knowledge to maximise overall development impact in ways that do not adversely impact competitive advantage;
- b. supporting wider HM Government Policy initiatives including the support of SMEs, prompt payment, Human Rights and modern slavery issues and the support of economic growth in developing countries.

5. Improve Value for Money – demonstrate and continually strive to improve value for money in all that they do by:

- a. actively seeking to maximise international Aid or Development results whilst maintaining or reducing costs throughout the life of the programme;

¹ as per the HM Government Cyber Essentials Scheme

<https://www.gov.uk/government/publications/cyber-essentials-scheme-overview>;

² https://www.unglobalcompact.org/issues/human_rights/The_UN_SRSG_and_the_UN_Global_Compact

- b. budgeting and pricing realistically and appropriately to reflect programme requirements and risk levels over the life of the programme;
- c. being honest and realistic about capacity and capability;
- d. accepting that DFID works in challenging environments, acting to manage uncertainty and change in ways that protects value with government funding;
- e. proactively pursuing continuous improvement to reduce waste and improve efficiency in internal operations and within the supply/delivery chain;
- f. incorporating fair but not excessive rewards;
- g. implementing a transparent, open book approach which enables scrutiny on value for money choices;
- h. avoiding the use of restrictive exclusivity agreements;
- i. providing assurance that the policies and practices of supply/delivery chain partners and affiliates are aligned to the expectations outlined in this statement;
- j. applying pricing structures that align payments to results and reflect an appropriate balance of performance risk;
- k. Accepting accountability and responsibility for performance, with timely identification and resolution of issues ensuring lessons learned are shared.

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