

DFID's Procurement & Commercial Vision

Our Vision

Our vision defines the ultimate aims of our organisation.

Our Strategy

Our strategy sets out the steps we are going to take to implement our vision.

Our Delivery Plan

Our delivery plan lists the actions that DFID is going to take to realise our strategy.

DFID has changed the way it thinks commercially, making tremendous progress, but there is more to be done to support the ambitions of the Department and become a world-class commercial organisation. Our commercial vision is below.

Commercial maturity is not simply about Value for Money (VfM). It is about changing the mind-set of the organisation.

"Commercial effectiveness is about delivering the best development impact and influence for the UK taxpayer."

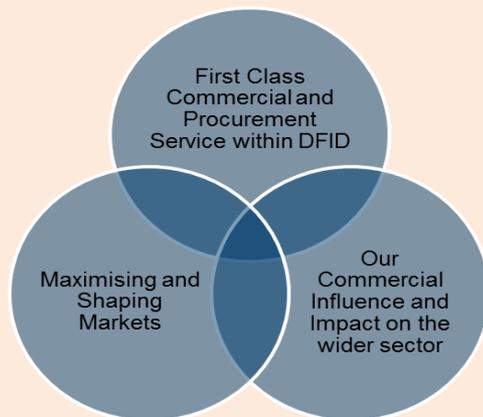
In a DFID context this means 'achievability of outcome, effectiveness of spend and value for money' by:

- Improving the impact on poverty reduction for every UK pound spent
- Ensuring that we understand the cost drivers, shape markets and negotiate the best deal
- Holding partners/suppliers accountable for delivery performance.
- Maximising influence to improve the commercial effectiveness of our partners

The Future of Commercial : Our Vision

In order to help DFID continually improve, we have developed a long-term strategic plan. Our vision for the future involves :

- ✓ DFID operating as a **first-class commercial organisation**, working as one team to deliver innovative solutions with our delivery partners.
- ✓ DFID taking responsibility for **maximising market responses** and influencing both international and local markets alike
- ✓ Collective forward planning allowing commercial practice to become **strategically planned, increasing our influence** in the development sector.



Committed to providing an end to end procurement and commercial solution on the right things at the right time that delivers best development impact and drives commercial reform across DFID, the wider International Development system and further aligning its work to DFID's and HMG's overall priorities.

1. First Class Commercial and Procurement Service within DFID

- Providing expert commercial advise to design and manage development programmes.
- Robust assurance & governance: Agile and flexible, with appropriate control, risk and contract management.
- Service excellence, enabling the business to be ambitious and innovative in programme delivery.
- Meeting the Government Commercial Standards as set out by Cabinet Office

2. Maximising and Shaping Markets

- Shaping both international and local markets alike .
- Collaborates with other donors, multilateral organisations and across HMG to ensure opportunities are visible to the market, to include both local and UK SME's
- Developing key markets that grow the supply base, builds local sustainable capability and increases choices
- Creating greater assurance on market capability and capacity, increases competition and improved VfM.

3. Our Commercial Influence and impact on the wider sector

- DFID understands the wider International Development system and the impact of its commercial choices, not just on its own programmes, but on the work of others
- Developing ever-stronger links with the private sector and bring about economic growth.
- Ensure policy decisions consider commercial effectiveness and drive sustainable commercial reform across the multilateral system

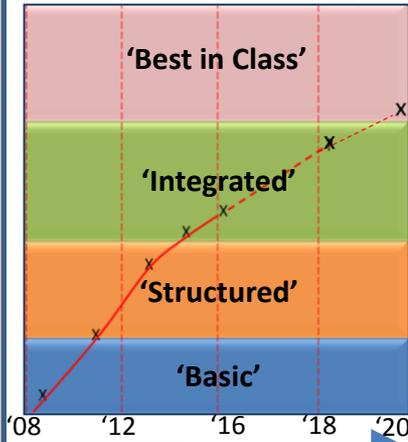
DFID's Procurement & Commercial Delivery Plan

This maturity model tracks the development of DFID's commercial thinking.

As per 2008 CCR:

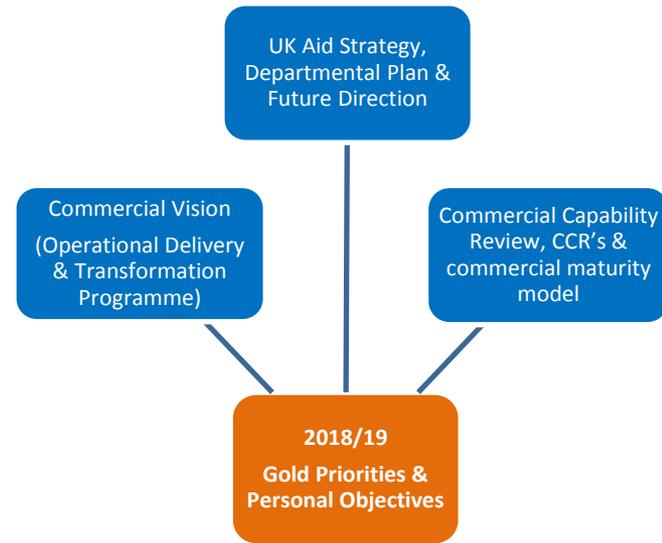
- × Procurement thought of as 'back-office'.
- × Limited spender accountability or engagement on commercial issues
- × Generalised procurement processes in place.

Commercial Maturity



As per 2015 CCR:

- ✓ Strengthened commercial capability of PCD and the wider organisation.
- ✓ A professional organisation that is far more commercially astute and agile to meet needs.
- ✓ Innovative solutions & improved relationship management to meet broad organisation strategic needs.
- Aim for 'best in class'.



PCD's – 2018/19 Priorities

Our priorities for 2018/19 describe how we are going to continue DFID's transformation into a world-class commercial organisation:

People – High staff engagement taking action where appropriate, strengthening line management and talent management and working as 'one team' to deliver end to end commercial service excellence by ensuring the right people in the right roles at the right time.

Timescales – Reduce procurement timescales through introduction of more frameworks, and increased visibility of status of procurements

Pipeline – Improved pipeline enabling tracking of all commercial activity, earlier planning, better decision-making and more focused technical support

Commercial capability – Enhancement of commercial capability and capacity across the department

Consolidation/Communication of commercial reforms – Consolidate progress already made on commercial reforms allowing staff time and space to understand and embed the new measures and realise their benefits, leading to integration of commercial and policy advice in decision making and ensuring that PCD and programme teams are speaking the same language.

Management Information – Introduction of new commercial platform and improvement of MI

Why

- To deliver **the UK Aid Strategy** and DFID's Single Departmental Plan.
- To maximise value for money by delivering the **best development impact and influence for the UK taxpayer**.

What

- DFID operating as a **first-class commercial organisation**.
- We will **maximise and shape markets**.
- We will drive **commercial influence and impact on the wider development sector**.

How

- By **improving Procurement & commercial capability**, within PCD, across DFID and the wider development system.
- By investing in the capabilities of **our people**, to be effective now, and in the future to ensure we **Excel** at, **Engage** with and **Enjoy** our work alleviating world poverty.

Commercial Vision

