# FCO_UK_PS_BK test

Prosperity Fund

Central Programmes Bidding Round

GUIDANCE FOR POTENTIAL IMPLEMENTERS

Financial Year 2015/16

Prosperity Directorate

## CONTENTS

[INTRODUCTION](#_INTRODUCTION_1)………………………………………………………………… …..3

[WHAT YOU NEED TO KNOW](#_WHAT_YOU_NEED)……………………………………………………...4

[BIDDING ROUND TIMETABLE FOR 2015-16](#_BIDDING_ROUND_TIMETABLE_1)……………………………………5

[STEP-BY-STEP GUIDE TO MAKING PROJECT PROPOSALS](#_STEP-BY-STEP_GUIDE_TO_1)…………….....6

[HOW TO WRITE A PROJECT CONCEPT](#_HOW_TO_WRITE_1) ………………………………………. 7

[HOW TO WRITE A FULL PROPOSAL](#_HOW_TO_WRITE)………………………………………….....8

[FULL PROPOSAL: THE ACTIVITY BASED BUDGET](#_FULL_PROPOSAL:_THE)………………………… 10

[HOW PROPOSALS ARE ASSESSED](#_HOW_PROPOSALS_ARE)……………………………………………11

[DETAILED THEMATIC BIDDING GUIDANCE](#_DETAILED_THEMATIC_BIDDING_2)

Sustainability ………….………………………………………….…………….12

Openness and Opportunity ………..……..………………………………...… 16

[ANNEX A: EXAMPLE ACTIVITY BASED BUDGET](#Annex)……………………………..19

## 

## INTRODUCTION

## What is the Prosperity Fund?

## The Prosperity Fund is the FCO’s dedicated annual fund supporting prosperity work overseas. Through targeted projects, it aims to support the conditions for global and UK growth: Openness, Sustainability, Opportunity and Reputation.

**Who is this bidding guidance for?**

This document provides comprehensive bidding guidance for:

* prospective implementers; and
* project teams at British Embassies and High Commissions.

**Before bidding you should also familiarise yourself with:**

* the detailed thematic guidance set out later in this document;
* the standard grant contract; and
* the project concept form.

Please read all guidance and ensure that project proposals are designed and submitted in accordance with the guidance. Proposals that do not meet the criteria and follow the guidance will be rejected.

**Please send any questions, comments or suggestions to:** [Prosperity.FundProgramme@FCO.Gov.uk](mailto:Prosperity.FundProgramme@FCO.Gov.uk)

## WHAT YOU NEED TO KNOW

**Funding available**

In FY 2015/16, the Prosperity Fund as a whole will have approximately £19.5m available, the majority of which will be devolved to priority countries overseas.

However, up to £2m will be available, through the Fund’s central programmes, for high-impact projects for non-priority countries or for multi-country, regional, global or thematic activity.

The Prosperity Fund is not an appropriate source of funding for small tactical activity. As a guide, we would expect project bids to be greater than the value of £80,000 to reflect the strategic nature of the programme and the need for high impact.

## Thematic Priorities

## All project proposals will need to demonstrate how they support the prosperity conditions for growth. Details can be found in the thematic bidding guidance, later in this document.

**Priority Countries**

## As a devolved programme, the Prosperity Fund is mostly allocated to Prosperity Fund priority markets including Africa, Brazil, China, India, Latin America regional, Mexico, UKDel OECD, South Africa, South East Asia regional, South Korea, Turkey. Priority posts run their own bidding rounds, details for which can be found on individual posts’ websites. Please see the list of UK Missions overseas [here](https://www.gov.uk/government/world).

## However, we recognise that high-impact projects can also take place in non-priority countries. For FY2015/16 we are therefore holding back up to £2m for the Fund’s central programmes. The focus for this funding, as set out in this guidance document, will be specifically high-impact projects for non-priority countries or for multi-country, regional and/or thematic activity. Bids for Prosperity Fund priority posts will not be accepted unless they have a multi-country, regional or thematic focus.

**Official Development Assistance (ODA)**

Around 92% of Prosperity Fund is reserved for ODA projects (see the [OECD website](http://www.oecd.org/dac/stats/officialdevelopmentassistancedefinitionandcoverage.htm) for a list of ODA eligible countries). However, we also fund a small number of proposals each year from non-ODA eligible countries.

**Eligibility**

The Prosperity Fund accepts project proposals from civil society, governments, think-tanks, commercial organisations and other UK government departments.

## BIDDING ROUND TIMETABLE FOR 2015/16

|  |  |  |
| --- | --- | --- |
| **STEP** | **DATE** | **DESCRIPTION** |
| **1** | **24 Nov 2014** | **Bidding opens**  Potential implementers are invited to develop concept proposals for submission to the relevant Embassy or High Commission in the country they wish to work in.  **Please see the list of UK Missions overseas** [**here**](https://www.gov.uk/government/world)**.** |
| **12 Dec 2014** | **Deadline for potential implementers to submit concept proposals to the relevant Embassy or High Commission.** |
| **17 Dec 2014** | **Deadline for Embassies/High Commissions to submit concept proposals to the Prosperity Fund team at** [Prosperity.FundProgramme@FCO.Gov.uk](mailto:Prosperity.FundProgramme@FCO.Gov.uk) |
| **2** | **23 Jan 2015** | Appraisal of concept proposals complete. Results issued to Embassies/High Commissions. |
| **9 Feb 2015** | **Deadline for potential implementers to submit full proposals to the relevant Embassy or High Commission.** |
| **12 Feb 2015** | **Deadline for Embassies/High Commissions to submit full proposals to the Prosperity Fund team at** [Prosperity.FundProgramme@FCO.Gov.uk](mailto:Prosperity.FundProgramme@FCO.Gov.uk) |
| **3** | **w/c 9 March 2015** | Appraisal of full proposals complete. Results issued to Embassies/High Commissions. |
| **31March 2015** | Final contracts signed and submitted to Prosperity Fund team. |
| **1 April 2015** | **2015/16 projects commence.** |

## STEP-BY-STEP GUIDE TO MAKING PROJECT PROPOSALS

**STEP 1 – Project Concept form**

For single-country proposals: submit project concepts to the relevant Embassy or High Commission by the agreed deadline. For multi-country proposals: submit project concepts to the Embassy or High Commission who will be responsible for coordinating the project.

Potential implementers are advised to discuss project ideas in advance with the relevant Embassy or High Commission.

Successful concept proposalswill be invited to submit a full proposal by end January 2015; those who submit unsuccessful concept proposals will be notified.

**STEP 2 – Full Proposal Submission**

A full proposal comprises a project proposal form and an Activity Based Budget (ABB).

Full proposals must be submitted to relevant Embassy or High Commission by the agreed deadline. They will be assessed by a programme Board in London against the relevant strategy. The Board will consist of thematic leads and independent experts.

The Programme Board will agree a final list of successful projects.

**STEP 3 Project Approval**

All implementers will be informed of the outcome of the Board by mid-March, with projects anticipated to begin in April 2015. Feedback on unsuccessful proposals will be returned by the Embassy or High Commission.

All projects must have the appropreate contact signed by both parties prior to commencement.

## HOW TO WRITE A PROJECT CONCEPT

## Before writing a full proposal, implementers should submit a completed concept proposal. The template is available on gov.uk [here](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/377882/Standard_Grant_Contract.pdf)

## Guidance on what we look for in the key sections of the concept proposal:

* **Project title:** a clear and concise title e.g. “Using the UK Experience to Increase Rail Competitiveness in Brazil” or “Greening China’s Urbanisation – Mainstreaming Eco-Low Carbon Principles in China’s Urbanisation Plan."
* **Project purpose:** in no more than one sentence, clearly state the change that the project will deliver. This is the reason the project should go ahead *(you will expand on this in the section “what change the project will deliver”).*
* **Implementing agency:** provide full contact details and the name of the agency’s lead officer for the project.
* **What change the project will deliver:** in one paragraph, explain what the project will achieve and how. Summarise the project outputs or expected results, and the main activities that support each output. Include a sentence describing the proposed steps to ensure the sustainability of project.
* **Background:** in one paragraph, explain the country context and the problem that the project addresses, and how this relates to objectives in the detailed thematic guidance. Explain why the UK is the best donor for this project.
* **Risks:** provide brief details of any serious risks to the success of the project and how these will be mitigated.
* **Start and end date:** all projects must be completed in the 2015/16 financial year. Projects can start at any time. The expected end date should be no later than 28 February to allow time for the project to wind down and payments to be completed by the close of the financial year.
* **Post comments:** the project officer at the Embassy or High Commission must complete this section.

The Prosperity Fund Team may accept or reject the concept proposal. The bidder will be notified within a reasonable time of the decision.

**ALL CONCEPT PROPOSALS MUST BE SUBMITTED IN WORD FORMAT.**

**PDFS WILL NOT BE ACCEPTED**

## HOW TO WRITE A FULL PROPOSAL

## Section A - Details of the project

## This is to be completed by the implementing organisation only on approval of the Project Concept.

## The bidder must also include a detailed [Activity Based Budget](#Annex) (ABB) in Microsoft Excel; the project proposal will not be considered without this.

**Section B – Post Project Officer Assessment**

## To be completed by the Embassy or High Commission.

## Project Values

## There are different full proposal forms for proposed projects of different values (for this bidding round these are £10,000-£80,000, and above £80,000); please ensure that you use the correct form.

## Guidance on what we look for in the key sections of the full proposal:

* **Context and need for the project:** in no more than 200 words, provide background to the country context and the prosperity issue(s) that this project will address; state what the expected final outcome will be; and, where applicable, state why the UK should fund this project.
* **Short Project Summary:** in no more than 200 words, explain what the project plans to achieve and how.
* **Cost to the FCO**: the Activity Based Budget should provide a full cost breakdown. So, in this section, please give headline figures: total cost of project, cost per year, and total amount requested from the Prosperity Fund.
* **Co-funding:** provide details of any co-funding, whether budgetary or in-kind. Include any funding or support from external parties, cost-sharing arrangements and self-financing.
* **Have you bid for funding from the FCO in the past three years?** Provide details and dates of any previous full project proposals you have submitted (even if unsuccessful) and/or projects implemented.
* **Project Plan:** detail how the project purpose will be achieved, clearly setting out each output and activity, along with how successful delivery of the outputs and purpose will be measured.
* **Purpose or Objective:** state the project purpose or objective – this must be identical to the purpose set out at the top of the form.

Please note: for projects above £80,000 you must give a clear explanation of how you will measure to what extent the project purpose has been achieved. You will also need to set out the following for the project purpose:

* + Indicator: what will be measured
  + Baseline: the current status
  + Sources: where information on the baseline data has come from
  + Milestones: the key points at which progress will be tracked
  + Target: what the project will deliver
  + Date: the date by which the purpose will be delivered
* **Outputs:** list the specific results that the projects will deliver. Outputs are delivered as a direct result of the related activities. The outputs must be sufficient to achieve the project purpose. Each output will also need to be measured, as with the purpose above.
* **Activities:** list all the tasks to be carried out in order to deliver each output. The activities must be sufficient to deliver the outputs.
* **Sustainability:** make it clear how the project will ensure that its benefits are sustained after the project has ended. If future funding is likely to be required, specify where it will come from.
* **Monitoring:** monitoring reports will be required on at least a quarterly basis. In this section, state how the project’s progress will be monitored, how often, and by whom.
* **Project Risk Analysis:** list the key risks involved in running the project and how these risks will be managed. Consider risks at all levels of the project, for example: political; administrative; internal; practical etc. Please ensure the entire risk matrix is complete.
* **Project Stakeholders:** explain here who the main project stakeholders are, what their interest in the project is, and how you plan to engage or involve them. This is the part of the proposal where you can demonstrate existing buy-in with stakeholders.

**ALL FULL PROPOSALS MUST BE SUBMITTED IN WORD FORMAT.**

**PDFS WILL NOT BE ACCEPTED**

## FULL PROPOSAL: THE ACTIVITY BASED BUDGET

## All budgets must be submitted in an Activity Based Budget (ABB) format. This means that your costs should be broken down in sterling, by cost per activity, per unit per month. An example of an ABB is in [Annex A](#Annex)

## For each activity in your project proposal you should:

## Create and save the budget in Excel (pdfs not accepted);

## Create a sub-heading in the budget;

## List all costs associated with that activity;

## Enter the costs in the month you expect the activities to be completed; and

## Provide as much detail as possible, (e.g. break down costs for a workshop into venue, catering, travel costs etc.).

**Points to Consider**

**Administration costs**

The combined total of management fees, overheads and administration costs must not exceed 10% of the overall project cost. Administration costs should be broken down into component parts.

**Co-funding**

Co-funded activities should be clearly labelled within the ABB. The ABB should be separated to show the total cost to the co-funder and to the FCO (see Activity 1.1 of the example ABB at [Annex A](#Annex)).

**Equipment**

Programme funds should not be used to purchase equipment, such as laptops, vehicles etc., unless the provision of the item is essential to the delivery of the project.

**Local context**

Please ensure that project costs are reasonable and in line with the costs in the host country/countries.

**Personnel costs**

Please make it clear who will be working on the project, and what staff costs will be spent on, i.e. whether overheads are included in the cost or not. Please ensure different types of staff are listed on separate budget lines.

**Travel costs**

Please ensure any travel is absolutely necessary for the project, and is of reasonable value. Economy travel should be considered the normal class of travel and exceptions should be clearly specified in the budget.

## HOW PROPOSALS ARE ASSESSED

1. **Value for money**

All FCO-funded projects spend UK taxpayers’ money; therefore a significant part of project proposal assessment considers whether the project is value for money. Proposals must be supported by a realistic and detailed Activity Based Budget (ABB). Projects should add to, and not duplicate, other donor activity although co-funding from co-donors or stimulating further host government expenditure is welcomed.

1. **Alignment with Strategy and FCO’s Foreign Policy Priorities**

Proposals should clearly align with one of the Prosperity Fund strategies of Sustainability or Opportunity & Openness (see detailed thematic guidance). We are unable to support any projects that do not fall under one of these strategies. Projects should be practical and high-impact interventions that will lead to a real and timely transformation in high level policy and action on the ground. Proposals focusing purely on, eg, research or workshops will not be relevant until they lead to specific and measurable benefit and action. If the project is ODA eligible, does it meet the necessary criteria?

1. **Evidence of local demand or need**

The proposal must give clear evidence of local demand and/or need for the project. Evidence of stakeholder engagement and local buy-in (where applicable) is preferred. Key local partnerships should already be established.

1. **Project viability, including capacity of implementing organisation(s)** Projects should be realistic in the results they aim to deliver in the 12-months.
2. **Project design, including clear, achievable impact**

It is vital that each project clearly demonstrates how its outputs will deliver real-life impact in its target area.

1. **Sustainability**

To increase the long-term sustainability of projects and their impact, we would expect projects to have host government engagement/support, or there should be good reasons for it to go ahead without such engagement. There should also be evidence that the project’s benefits will continue after funding ends.

1. **Risk and stakeholder management**

Risks should be identified and a risk management plan put in place. Projects that can leverage host government support or engagement are more likely to succeed, and proposals should therefore demonstrate how they will engage host governments and key stakeholders to deliver expected outcomes. **DETAILED THEMATIC BIDDING GUIDANCE : SUSTAINABILITY**

|  |
| --- |
| FCO Prosperity Fund:Central Sustainability Programme : Description of Scope |
| The Central Sustainability Programme is a sub-set of the FCO Prosperity Fund which aims to deliver larger, strategic, high impact projects with a multi-country, regional, global and/or thematic perspective. It can also be used to fund priority, high impact projects in individual countries which are important for our sustainability objectives but which do not have devolved Prosperity Fund allocations. The Central Programme will **not** normally fund projects overseas in countries which already have access to devolved Funds unless they have strategically focused multi-lateral or regional coverage.  **Sustainability** is defined by the Prosperity Directorate Sustainability ‘Condition for Growth’which states that:   * We work for a low carbon economy and resilient energy markets and we promote science and innovation as solutions to global challenges; * We work for a secure transition to a low carbon economy, underpinned by a binding global climate agreement; * We aim to reduce threats to growth from energy and resource insecurity; * We champion the use of science to reduce the risks posed by challenges such as resource scarcity, pandemic or natural disasters.   Projects may be eligible for consideration under any/all of the three areas set out below. In particular, many projects on climate change may also be relevant to goals on energy security and vice versa. |
| Outputs and outcomes |
| Projects should have **clearly outlined outputs and outcomes**, which contribute to delivery of climate change and energy priorities or to science and innovation objectives with a sustainability impact. Project proposals must clearly demonstrate that they will make practical and high-impact interventions that will lead to a real and timely transformation in high level policy and action on the ground. Proposals focusing purely on research, analysis, seminars or workshops will not be relevant unless they lead to specific and measurable action. |
| Benefit to the UK |
| Projects must also demonstrate a clear **benefit to the UK**. This could be direct, such as longer term commercial opportunity eg an expansion in the market for green goods and services or energy technology or services, or indirect eg increasing energy market transparency and creating a more level playing field for UK business, but in either case the benefits must be clearly defined and measurable.  The following are examples of key measures of **UK benefits:**  i) Value of low carbon and energy markets opened up eg changes in a country’s policies or climate ambition can open up green opportunities;  ii) Business wins for green goods and energy sector (linked to the relative position of the UK in  the green goods export league table);  iii) Enhancement of UK reputation eg for climate regulation or green technology and innovation;  iv) Inward investment attraction in UK energy sector and green technology more widely;  v) Support for UK position in relevant international fora. |
| Climate Change | |
| Two main climate objectives | |
| * **GLOBAL DEAL** - working bilaterally and multilaterally to drive progress in the UNFCCC negotiations; and * **POLITICAL CONDITIONS** - persuade key decision and policy makers of the benefits of early climate action and adoption of low carbon strategies, particularly through highlighting the economic and business opportunities and enabling greater understanding of risks and impacts and the costs of inaction. | |
| **2015/16 Priority areas for climate change projects** | |
| * Contributing to a successful outcome at the international climate negotiations in Paris in December 2015 (e.g. assisting development of Intended Nationally Determined Contributions), * Transition to green economy and low carbon solutions (e.g. follow-up to New Climate Economy study, 2050/Global Calculators) * Low carbon finance and carbon markets (e.g. overcoming barriers to raising private finance, developing emissions trading schemes, carbon price mechanisms) * Technology and innovation (e.g. energy storage collaboration) * Climate threats and impacts (eg better understanding of the scale of the risk, understanding limits to adaptation, business understanding of local impacts)   Policy / regulatory framework (e.g. developments of climate legislation / sharing EMR expertise, setting standards in carbon disclosure that can underpin national monitoring and reporting). | |
| **Climate change metrics** | |
| Impact of national ambition and actions could be measured by evidence of :   1. low carbon measures (carbon pricing, technology standards, energy efficiency etc); 2. GHG emission reduction and stretching future reduction targets for 2020-30 and the period beyond 2030; 3. Climate laws, regulation and policies and stronger cross government policy formulation;; 4. Increase in size of the green goods and services market in a country, regionally or globally; 5. Increased green investment flows. | |
| Energy security | |
| **Three main areas of focus** | |
| * **Energy Security** – security of markets and supply - safeguarding UK energy imports; promoting well-functioning oil and gas markets; EU and international energy relations; encouraging international energy production and demand restraint; and enhancing governance and transparency in international energy markets. * **Energy Competitiveness** – a level playing field for UK companies, minimised market distortions, working with UKTI to support UK companies exporting and investing overseas and attracting FDI into UK energy infrastructure * **Work on energy themes which contribute strongly to UK climate change goals** (see Section 1 above) | |
| **2015/16 Priority areas for energy central funds** | |
| The priorities for energy central funds are cross cutting projects or projects in regions/countries important for UK energy security and competitiveness objectives and which do not have devolved Prosperity Funding – such as the Middle East, North Africa, Caspian, Ukraine, G7 and Norway and the EU. Such projects should reflect a clear link to UK energy security, competitiveness and/or climate goals, and may relate to a range of energy sectors including oil, gas, nuclear, renewables, energy efficiency. Possible themes couldinclude:   * Developing, opening or restructuring of energy markets, regulatory reform and enhancing the investment climate * Overcoming challenges to achieve more sustainable, diverse and reliable energy supplies * Reform of fossil fuel subsidies * Supporting energy efficiency and energy-related technologies that could deliver global energy security advances, such as energy storage and carbon capture and storage * Strengthening physical security of energy infrastructure /enhancing emergency response * Promoting in-country and regional co-operation on energy security challenges and furthering UK objectives on energy security through international fora such as G7, EU, IEA * Cooperation on energy policy in support of other UK foreign and security policy objectives. | |
| **Energy metrics** | |
| Progress on energy security could be measured by activity which:   1. directly supports UK energy security; 2. strengthens global energy markets, including through improved governance (functioning of international energy institutions) or transparency; 3. encourages sustainable energy production, including through improved regulatory frameworks and better investment environment and a reduction in fossil fuel subsidy consistent with lower long term global emissions; 4. encourages energy efficiency and new technology breakthroughs.   Progress on energy competitiveness could be measured by activity which:   1. supports investment and exports by UK companies 2. opens up energy markets and removes barriers to UK investment 3. attracts inward investment into UK energy infrastructure. | |
| International Science and Innovation | |
| **Main areas of focus** | |
| International science (including engineering and technology) and innovation activities support UK growth and prosperity in many important ways. | |
| **2015/16 Priority areas for science and innovation work** | |
| Sources of support for UK international science and innovation work include schemes such as the Newton Fund and projects managed by the Science and Innovation Network.   S&I angles are also relevant to some of the energy and climate work set out in other sections of this document.  In general, wider international S&I opportunities under the Prosperity Fund are through our devolved Post programme, in line with the sustainability criteria above.   In 2015-16 however we are ready to support a small number of multi-country initiatives in the following areas:   * Supporting internationalisation of the UK agritech industrial strategy, in particular innovations addressing food security.   We are particularly interested in work with read across to UK opportunities under the Milan Expo priority “Feeding the Planet, Energy for life”. * Anti-microbial resistance (activities must support the UK five year anti-microbial strategy 2013-2018).   Proposals must be in line with the specific Prosperity Fund criteria in this document, and would normally be associated with countries covered by SIN or the Newton Fund. | |
| **Science and innovation metrics** | |
| Impacts through science and innovation projects could be measured by:   1. Value of S&I related exports or inward investments; 2. New research collaborations, and in particular leveraged research funds; 3. Improved regulation or policies in line with international S&I strategy goals –including specific targets in the UK Anti-Microbial Resistance Strategy. | |

**DETAILED THEMATIC BIDDING GUIDANCE :**

**OPENNESS AND OPPORTUNITY**

|  |
| --- |
| Central Openness and Opportunity Fund |
| The Openness and Opportunity Fund is part of the FCO Prosperity Fund. It aims to deliver larger, strategic, high impact projects with a multi-country, regional, global and/or thematic perspective. It can also be used to fund priority, high impact projects in individual countries which are important for our openness and opportunity objectives but which do not have devolved Prosperity Fund allocations.  Bidders should therefore seek a focus in their projects on cross-cutting and thematic issues with regional and/or global impact.  The Central Fund will **not** normally fund projects overseas in countries which already have access to devolved Funds unless they have strategically focused multi-lateral or regional coverage.Overseas Development Assistance projects must meet ODA criteria and be consistent with ODA guidance.  **Openness and Opportunity** are described under Prosperity Directorate’s Four Conditions for Growth’. To deliver those Conditions, we     * work for transparency and a rules-based international economic system, helping British companies to compete on equal terms in a growing global market by increasing openness and using international institutions to drive economic reform; * remove barriers to business facing UK companies and help to make overseas markets work better. * lobby on behalf of UK business against corruption, bureaucracy and protectionism. * help British companies to find and develop opportunities in overseas markets and to secure business. * support and complement UKTI’s work in delivering against the drive to double UK exports to £1 trillion; increase foreign direct investment into the UK to £1.5 trillion; and increase the number of UK companies exporting to 100,000, all by 2020. |
| Outputs and outcomes |
| Projects should have **clearly outlined outputs and outcomes** which contribute to delivery of these objectives. Project proposals must clearly demonstrate that they will make practical and high-impact interventions that will lead to real and timely action on the ground. Proposals focusing purely on research, analysis, seminars or workshops will not be relevant unless they lead to specific and measurable action. Proposals must achieve an outcome which would not have otherwise been achieved without intervention, and where HMG has a clear, value-adding role. In general, we would expect project bids to be greater than the value of £80,000, to reflect the strategic nature of the programme and the need for high impact. Projects will need to enjoy the local political will and business support required to be enacted and on which UK action could make a difference. |
| Benefit to the UK |
| Projects must also demonstrate a clear **benefit to the UK**. This could be direct, such as the removal of a regulatory barrier blocking UK business or the development of a commercial opportunity or an expansion in the market for UK companies, or indirect e.g. increasing market transparency and creating a more level playing field for UK business, but in either case the benefits must be clearly defined and measurable.  The following are key measures of **UK benefits:**  i) Value of jobs and economic growth in UK  (ii) Value of markets opened up or developed;  iii) Business wins for UK companies;  (iv) barriers removed and reforms implemented;  v) Support for UK position in promoting transparency and countering protectionism and corruption |
| Openness | |
| Three main thematic areas | |
| * **Structural Economic Reform** which will help British companies to compete on equal terms in better functioning, faster-growing and more open overseas markets * Removal of **Market Access barriers** and opening new markets to UK business * Promotion of **transparency and a rules-based international economic system** | |
| **2015/16 Priority areas for openness projects** | |
| Projects promoting reforms which will have significant impact on economic growth and level the playing field in important markets for UK companies and capabilities. We will focus on:   * Product market reforms (better regulation and competition in key sectors) * Financial market reforms (including capital market development) * Boosting innovation (including intellectual property protection) * Improving the quantity and quality of public sector investment in infrastructure (e.g. improving PPP frameworks or policies). * Removal of barriers blocking UK companies from significant trade (both tariff and non-tariff) and investment opportunities which would add economic value to the UK. * Projects to counter corruption and promote reforms in tax, transparency and trade in important markets for the UK. | |
| **Metrics** | |
| Impact could be measured by evidence of :   1. Likely growth in markets and sectors in which UK companies enjoy a comparative advantage 2. Likely business to be won and jobs in the UK created by UK companies. 3. More effective legislation and enforcement promoting transparency, countering corruption and creating a level playing field for UK companies to compete on. | |
| Opportunity | |
| **Main area of Focus** | |
| Opportunities which fit with UK capabilities identified in BIS Industrial Strategies and UKTI Sector Strategies and promote sectoral growth strategies, including by promoting innovation as a driver of growth.  See BIS and UKTI sector strategies:  [*https://www.gov.uk/government/publications?departments%5B%5D=uk-trade-investment&publication\_type=corporate-reports*](https://www.gov.uk/government/publications?departments%5B%5D=uk-trade-investment&publication_type=corporate-reports)  [*https://www.gov.uk/government/collections/industrial-strategy-government-and-industry-in-partnership*](https://www.gov.uk/government/collections/industrial-strategy-government-and-industry-in-partnership)  Identification and development of high value export opportunities in key markets (with evidence of UKTI sector team and UK business engagement) as a means of positioning UK companies to win business. | |
| **2015/16 Priority areas for Opportunity central funds** | |
| The priorities for Opportunity central funds are cross cutting projects or projects which offer significant opportunities for UK business, and/or which position the UK as a partner of choice, or improve the position of the UK, in markets which do not have devolved Prosperity Funding. | |
| **Metrics** | |
| The key metric will be business likely to be won by UK companies and jobs created in the UK. The length of time likely to be taken to access the opportunity and deliver benefits will also be taken into account. | |

**ANNEX A: EXAMPLE ACTIVITY BASED BUDGET**

