

Crown Agents Ltd
St Nicholas House
St Nicholas Road
Sutton
Surrey
SM1 1EL

Department for International Development
Abercrombie House
Eaglesham Road
EAST KILBRIDE
Glasgow
G75 8EA

Telephone: East Kilbride 01355 84 4000
Directline: 01355 84 355

Fax (Gp 3): East Kilbride 01355 84 3499
(GTN 7243 3499)

File Ref: PO 7079

Date: 23 March 2015
Contract Amendment No: 1

CONTRACT FOR:

Procurement of Health Case Management Equipment and Anti-Malaria tablets for Ghana

With reference to the contractual letter dated 19 March 2015 whereby your firm was engaged to undertake to scope of work as directed at Annex A of the Contractual letter, I confirm that the UK Government wishes to make the following amendment to the letter of 19 March 2015:

Section 1

Paragraph 3.1, Line 1
DELETE "£950,000" and INSERT 1,541,516.43"

Section 2

Paragraph 2.1, Line 2
ADD National Malaria Control Programme

Annex A1

INSERT the Annex A1 attached.

Annex B1

INSERT the Annex B1 attached.

Annex C

DELETE Annex C and INSERT the Annex C attached.

This amendment relates to an additional procurement of anti-malaria tablets, with a £591,516.43 increase to the overall financial limit of the contract.

Please confirm in writing by signing and returning one copy of this letter that you accept the amendments set out herein.

Please note the provision in the contractual letter that the financial limit of the UK Government's liability to the Consultants under this engagement shall not exceed the sum specified unless the amount of any such excess has been agreed by the Department for International Development in writing before the Consultants take any action which might result in the financial limit being exceeded.

For and on behalf of the
Secretary of State
for International Development

Name:

Position: Procurement Manager

Signature:

Date: 23 March 2015

For and on behalf of
Crown Agents Ltd
St Nicholas House
St Nicholas Road
Sutton
SM1 1EL

Name:

Position:

Signature:

Date:

Annex A1
Terms of Reference
For
Procurement of Anti-Malaria tablets

Introduction

A fire took place at the Government of Ghana's Central Medical Store (CMS) on 13 January, resulting in the near total destruction of the building and its contents. The CMS contained up to 12 months of key health supplies such as family planning (FP) commodities, TB treatments, malaria bed-nets and rapid diagnostic kits, anti-retroviral and some Ebola related supplies. Unfortunately the government of Ghana doesn't insure any government buildings or contents. The Ministry of Health (MoH) immediately established a crisis team, which is supported by USAID.

The loss is worth an estimated £33 million, the bulk of which were drugs and commodities procured by the Global Fund, USAID and DFID. This estimate has been calculated with external assistance from USAID.

DFID's individual loss is estimated at approximately £4.3 million. This figure is based on MoH figures quality assured by Crown Agents who procured and delivered all the commodities. DFID's commodities comprise of Malaria, FP, and Ebola related commodities, all of which were procured in 2014.

The MOH have launched an emergency appeal to cover 3 months of essential stocks at a cost of £15 million, which includes management costs. International procurement will be required given Ghana's domestic pharmaceutical manufacturing does not cover many items and the need to ensure both quality and competitive prices through bulk procurement. This needs to happen quickly.

DFID intend to contribute to emergency appeal by a £1.9m direct procurement of supplies. DFID may be requested to replenish more at a later stage. This will be funded from our existing health sector support programme. DFID is joining development partners in setting conditions for replenishment. These are: reform the national and warehousing system; government contribute financially through a waiver on VAT and import tax and action on the investigation findings.

DFID will procure the following:

Malaria: Sulfadoxine/Pyrimethamine and Amodiaquine Hydrochloride Tablets:

Replenishment of the loss of the entire stock. This is DFID's core funding procurement under the malaria programme with the National Malaria Control Programme to dose children under 5 years. The overall cost of procuring these drugs is under £1,000,000 including that of Crown Agents fees.

Objective

1. Provide comprehensive quality assurance for both components, in particular the latter (Sulfadoxine/Pyrimethamine + Amodiaquine Hydrochloride Tablets) as the source of supply is not a WHO pre-qualified manufacturer.

Recipient

2. The primary recipients are the Ministry of Health, Ghana Health Service, and National Malaria Control Programme.

Scope of work

3. The Procurement Agent's role will include having an oversight of the procurement planning, drafting of technical specifications, sourcing, tendering, technical and commercial evaluation, contract placement, expediting, quality assurance and inspection, progress and financial reporting, reviewing payment and advising on payments.
4. **The Procurement Agent will procure**, as per annex B:
 - 4.1. Equipment for the Ebola Case Management team
 - 4.2. Sulfadoxine/Pyrimethamine and Amodiaquine Hydrochloride Tablets.
5. Present a **comprehensive Quality Assurance (QA) plan**. The plan will cover all items to be procured. With respect to SP and Amodiaquine, the plan will include the following:
 - 5.1. Due diligence of the end supplier, include documentation:-
 - 5.1.1. Evidence of current valid registration for the formulations to be supplied with the Ghana Food and Drug Authority (GFDA) to be provided prior to delivery.
 - 5.1.2. Confirmation of the sources of the Active Pharmaceutical Ingredients for the products to be supplied, including copies of the Certificates of Analysis for these.
 - 5.1.3. Evidence that the manufacturing plant complies with the principles of Good Manufacturing Practice, and has appropriate quality assurance policies in place
 - 5.2. Batch testing at a WHO pre-qualified laboratory
 - 5.3. Physical pre-shipment review of the product, copies of the certificates of analysis for the actual batches to be supplied. (Review for compliance with the product requirements).

Cost proposal will reflect these elements in details, and how the QA will be managed throughout the life of the project. (At this stage only estimated costs for the quality assurance element of sampling and batch testing are included in this call-down as they will be dependent upon the number of batches produced and the size of those batches. As an indication the cost for testing is USD 1,450.00 per batch, plus courier charges for sending the samples to the laboratory and also time costs for the sampling itself).

6. The Procurement Agent will liaise directly with Ministry of Health, Ghana Health Service, National Malaria Control Programme, and DFID.

Outputs / Deliverables

7. The Procurement Agent will:
 - 7.1. Undertake all **sourcing** as per the terms and conditions of their framework agreement with DFID, and as detailed in Waiver WAIV14-062.
 - 7.2. Provide advice on **QA** – and in particular detail QA recommendations for Sulfadoxine/Pyrimethamine and Amodiaquine Hydrochloride Tablets from the end

- supplier. DFID to provide acceptance of recommendations before implementation
- 7.3. Ensure that **procurement** of the commodities is done in line with the project timelines and aims of the project
 - 7.4. Help manage the **supply base** in relation to quality, cost and delivery time and assist with all supply contracts.
 - 7.5. Provide a **procurement plan** with key milestones and progress reports upon achievement of these milestones. These reports shall be submitted to DFID Ghana's Senior Programme Officer.
 - 7.6. Ensure the **supplies are delivered** to a warehouse appointed by DFID.

Coordination

8. Clear communication channels and / or approval processes will be established within Procurement Agent and between Crown Agent, DFID and the Government of Ghana represented by the Ministry of Health.
9. DFID Ghana Programme Manager, will have overall responsibility for the Health Case Management Equipment and SP Amodiaquine Programme including Financial Management and Administration. A communication matrix is included in annex C.
10. DFID Ghana Programme Manager will be responsible for all technical and policy aspects of the project.

Reporting

11. A narrative report at the end of June 2015 will be submitted. This will include a breakdown of costs for material, logistics, insurance (if any) and procurement fee to DFID.

Financial Management

Payments will be linked to outputs. Outputs shall be explained in details in the project plan, along with associated budget and timeframe. Schedule of price is included in annex B.

Media and communication

12. Crown Agents will be responsible for answering any media questions related to the management of the process. They will consult with DFID and other relevant parties as appropriate.
13. Whenever appropriate Crown Agents will acknowledge that DFID is providing the funding for this programme and will work with DFID and other key stakeholders when necessary to publicise the programme.

Timeframe

11. Crown Agents will be contracted for a period commencing **1st March 2015 to 30th June 2015.**

Duty of Care

14. Procurement Agent, Crown Agents are responsible for the safety and well-being of their Personnel and Third Parties affected by their activities under this Call-down Contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.

15. The Procurement Agent, Crown Agents are responsible for ensuring appropriate safety and security briefings for all of their Personnel working under this Call-down Contract and ensuring that their Personnel register and receive briefing as outlined above. Travel advice is also available on the FCO website and the Supplier must ensure they (and their Personnel) are up to date with the latest position.

16. The Procurement Agent Crown Agents are responsible for ensuring that appropriate arrangements, processes and procedures are in place for their Personnel, taking into account the environment they will be working in and the level of risk involved in delivery of the Contract (such as working in dangerous, fragile and hostile environments etc.). Procurement Agent Crown Agents must ensure their Personnel receive the required level of training. Annex D summarises Ghana Duty of Care risk assessment.