

## CALLDOWN CONTRACT

<b>Framework Agreement with:</b>	<b>AECOM Ltd</b>
<b>Framework Agreement for:</b>	<b>DFID Goods &amp; Equipment Procurement Supplier</b>
<b>Framework Agreement Purchase Order Number:</b>	<b>PO 7387</b>
<b>Call-down Contract For:</b>	<b>Distribution of Free Health Care Initiative supplies in Sierra Leone</b>
<b>Contract Purchase Order Number:</b>	<b>PO 7742</b>

I refer to the following:

1. The above mentioned Framework Agreement dated 29<sup>th</sup> March 2016
2. Your proposal dated 22<sup>nd</sup> September 2016

and I confirm that DFID requires you to provide the Services (Annex A), under the Terms and Conditions of the Framework Agreement which shall apply to this Call-down Contract as if expressly incorporated herein.

### **1. Commencement and Duration of the Services**

- 1.1 The Supplier shall start the Services no later than 10<sup>th</sup> October 2016 ("the Start Date") and the Services shall be completed by 31<sup>st</sup> December 2017 ("the End Date") unless the Call-down Contract is terminated earlier in accordance with the Terms and Conditions of the Framework Agreement or as may be otherwise agreed between the parties.

### **2. Recipient**

- 2.1 DFID requires the Supplier to provide the Services to the Government of Sierra Leone ("the Recipient").

### **3. Financial Limit**

- 3.1 Payments under this Call-down Contract shall not, exceed £ 5,096,603 ("the Financial Limit") and is exclusive of any government tax, if applicable as detailed in Annex A.

When Payments shall be made on a 'Milestone Payment Basis' the following Clause 16 shall be substituted for Clause 16.1 of the Framework Agreement.

### **16. Milestone Payment Basis**

- 16.1 Where the applicable payment mechanism is "Milestone Payment", invoice(s) shall be submitted for the amount(s) indicated in Annex F and payments will be made on satisfactory performance of the services, at the payment points defined as per

schedule of payments. At each payment point set criteria will be defined as part of the payments. Payment will be made if the criteria are met to the satisfaction of DFID.

16.2 When the relevant milestone is achieved in its final form by the Supplier or following completion of the Services, as the case may be, invoice(s) shall be submitted for the amount(s) indicated in Annex F, indicating both the amount or amounts due at the time and cumulatively. Payments pursuant to clause 16 are subject to the satisfaction of the Project Officer in relation to the performance by the Supplier of its obligations under the Call-down Contract and to verification by the Project Officer that all prior payments made to the Supplier under this Call-down Contract were properly due.

#### **4. DFID Officials**

4.1 The Project Officer is:

REDACTED

4.2 The Contract Officer is:

REDACTED

#### **5. Key Personnel**

The following of the Supplier's Personnel cannot be substituted by the Supplier without DFID's prior written consent:

REDACTED – AECOM Project Manager.

Additional Key Personnel will be agreed during the Transition Phase.

#### **6. Reports**

6.1 The Supplier shall submit project reports in accordance with the Terms of Reference/Scope of Work at Annex A.

#### **7. Break Clause**

Due to:

- the dynamic environment of the programme;
- the requirement for an expedited transition from the incumbent service provider; and
- consequently, due diligence activities being completed after contract signature during the Transition Phase

the contract must have adequate provision for variation to adapt to the results of the transition period. DFID shall, as a condition of proceeding from the two month Transition Phase to a 13-month Implementation Period, have the right to request reasonable changes to the contract, including the Services, the Terms of Reference and the Contract Price to reflect the results of the Transition Phase, or changes in circumstances, policies or objectives relating to or affecting the Programme. Changes to the Schedule of Prices or the total Contract Price will be agreed by DFID provided that they comply with the additional terms described in Annex F, paragraph 5.

There will be two key review points for the Programme and Contract:  
Break Point 1 – 2 months after the contract Start Date (transition phase);  
Break Point 2 – 6 months after the end of the Transition Phase.

The move from Transition to Implementation phases will be managed in accordance with Key Transition Milestones described at Annex E paragraph 2.3 which include the production of deliverables, including the Initial Transition Risk Assessment, the Draft Technical Proposal, the Final Technical Proposal, KPIs (including performance thresholds consistent with the design and levels of resourcing agreed in the Final Technical Proposal) and a full Implementation Phase with budget and payment plan. DFID decision to move from Transition to Implementation phases will be dependent upon the following specific deliverables: -

- Submission of acceptable transition report,
- Submission of adequate and agreed milestones and KPIs
- Submission of a revised payment mechanism which will be linked to the aforementioned milestones and KPIs
- Submission of revised expenses, particularly on warehousing and distribution
- Submission of additional reports highlighted in paragraph 20 of the ToRs

The production of these deliverables, upon satisfactory submission, will constitute the end of Transition and the commencement of the Implementation phase (i.e. all services fully operational and deliver by AECOM and its subcontractors).

Continuation following the Break Point 2 will be subject to the satisfactory performance of the Supplier, measured against the milestones and KPIs during the preceding period, and the continuing needs of the Programme.

## **8. Duty of Care**

- 8.1 All Supplier Personnel (as defined in Section 2 of the Agreement) engaged under this Call-down Contract will come under the duty of care of the Supplier:
- I. The Supplier will be responsible for all security arrangements and Her Majesty's Government accepts no responsibility for the health, safety and security of individuals or property whilst travelling.
  - II. The Supplier will be responsible for taking out insurance in respect of death or personal injury, damage to or loss of property, and will indemnify and keep indemnified DFID in respect of:
    - II.1. Any loss, damage or claim, howsoever arising out of, or relating to negligence by the Supplier, the Supplier's Personnel, or by any person employed or otherwise engaged by the Supplier, in connection with the performance of the Call-down Contract;
    - II.2. Any claim, howsoever arising, by the Supplier's Personnel or any person employed or otherwise engaged by the Supplier, in connection with their performance under this Call-down Contract.
  - III. The Supplier will ensure that such insurance arrangements as are made in respect of the Supplier's Personnel, or any person employed or otherwise engaged by the Supplier are reasonable and prudent in all circumstances, including in respect of death, injury or disablement, and emergency medical expenses.
  - IV. The costs of any insurance specifically taken out by the Supplier to support the performance of this Call-down Contract in relation to Duty of Care may be included as part of the management costs of the project, and must be separately identified in all financial reporting relating to the project.



- V. Where DFID is providing any specific security arrangements for Suppliers in relation to the Call-down Contract, these will be detailed in the Terms of Reference.

**9. Call-down Contract Signature**

- 9.1 If the original Form of Call-down Contract is not returned to the Contract Officer (as identified at clause 4 above) duly completed, signed and dated on behalf of the Supplier within 15 working days of the date of signature on behalf of DFID, DFID will be entitled, at its sole discretion, to declare this Call-down Contract void.

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

Name: REDACTED

Position:

Signature:

Date: 12 October 2016

For and on behalf of  
AECOM Limited  
Aecom House  
63 – 77 Victoria Street  
St Albans, Hertfordshire  
AL1 3ER

Name: REDACTED

Position:

Signature:

Date:

### Table of Annexes per Calldown Contract

Annex	Description
Annex A	Terms of Reference
Annex B	UK Aid Branding Guidance
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Annex G	Communication Matrix
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## ANNEX A Terms of Reference

### ToRs for the distribution of Free Health Care Initiative supplies in Sierra Leone

#### Introduction

1. Ensuring free drugs are available in primary healthcare facilities is critical to encouraging health seeking behaviour. The Free Health Care Initiative (FHCI) in Sierra Leone promises free health services (preventative and curative) to all children under five, pregnant and lactating women and Ebola survivors. DFID has supported the FHCI in Sierra Leone since its inception in 2010 through support to the procurement and distribution of supplies for the FHCI.
2. Security and constant availability of supplies have been major problems within the FHCI, Peripheral Health Units often do not have the essential drugs they need to deliver required services. Women and children are reportedly often being charged for drugs that should be free or have to purchase them from private pharmacies because they are not available in local health facilities.
3. DFID's goal is to reduce maternal and child mortality in Sierra Leone, in line with the President's FHCI. Our vision is that by the end of 2017, Sierra Leonean women and children will be able to receive primary health care services. DFID will achieve this by ensuring that there is a continual supply of free drugs and supplies in Peripheral Health Units (PHU) and by supporting training and systems to strengthen the delivery of quality Reproductive, Maternal, Neo-natal and Child Health services.
4. DFID is therefore requesting AECOM as DFID Procurement Supplier to assist the Ministry of Health to bridge the gap in essential commodities and to aid in delivering this service. This has been due to the evident failures of the previously supported National Pharmaceutical Procurement Unit (NPPU). NPPU also failed to provide adequate auditable documentation regarding distribution services, and due to these facts DFID will source these services to a pre-approved supplier.

#### Background

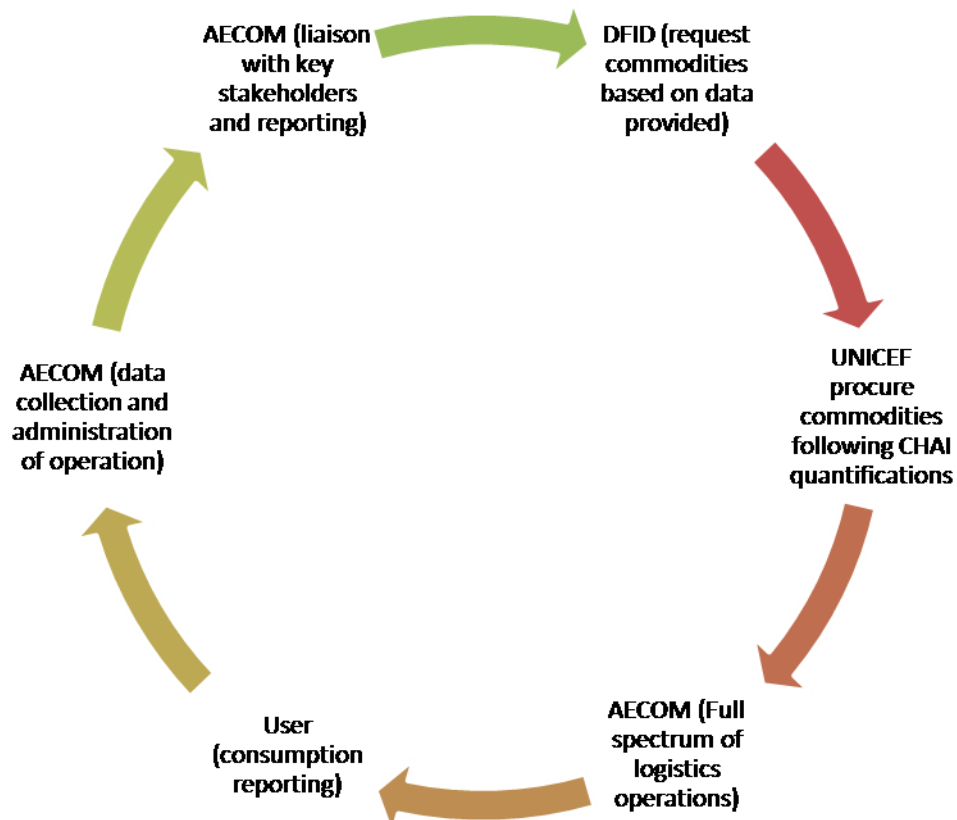
5. Sierra Leone has the lowest life expectancy in the world. One in six children die before their sixth birthday and maternal mortality is the highest in the world. Some significant progress has made since the civil war ended, but it was too slow, even before Ebola, given the scale of poverty. Now that Ebola has been coming under control, the challenge for the Government of Sierra Leone and for the international community is to continue with the same pace and determination to get Sierra Leone onto a better development path. The Ebola outbreak demonstrated the weakness of Sierra Leone's health system to detect and respond to such an emergency. The Ebola response, co-ordinated under government leadership, via the National Ebola Response Centre (NERC), demonstrated that supplies could be made available promptly as needed via alternative supply chains and DFID's plan is to continue this philosophy of a parallel system to ensure that essential services are provided until ongoing reforms of the Government's supply chain are fully implemented.
6. The Government of Sierra Leone (GoSL) produced the Presidential Recovery Priorities (PRP) for Health Plan which identifies key results areas to be achieved through to June 2017. DFID and other donors have aligned support with these priorities. Strengthening the supply chain through better distribution and quantification of essential drugs and medical supplies to peripheral health units is a priority initiative in the PRP and DFID is committed to supporting GoSL to procure FHCI drugs and supplies and to distribute them nationwide.

### Objectives of the consultancy

7. Due to serious delays in obtaining the respective procurement lists from NPPU / MoH, waivers for registration of pharmaceutical goods in Country from the Pharmacy Board and insecurity of Custom waivers for the importation of pharmaceuticals and medical consumables, DFID is contracting UNICEF with the procurement, international logistics and custom procedures of the required drugs and medical consumables under the FHCI. AECOM's overall role would be to carry out the distribution and verification of delivery of the pharmaceuticals and medical consumables to final destination, including the 'last mile'.

8. To mitigate against corruption and fraud, AECOM are to liaise directly with the District Medical Stores (DMS's) regarding the delivery of drugs and medical consumables to the PHU's in the districts. AECOM is to receive itemised lists per PHU in advance to initiate and organise the pick and pack operations prior to receipt of the UNICEF procured drugs and medical consumables, for which AECOM will require storage capacity in Freetown. AECOM will be responsible for the state of the Goods whilst in their care, and this shall include the effective management of expiry dates, cold chain storage requirements and any other requirements advised by UNICEF.

9. AECOM will demonstrate that its technical and commercial capacity is delivering Value for Money in the management of this programme, as well as a reliable and timely supply of essential commodities through not less than quarterly reports and timely invoicing of goods and services. AECOM is also to provide a full spectrum of distribution and administration tasks necessary to carry out the scope of works outlined below. A schematic is provided below, to outline the requirement for 360 degree feedback in order to minimise the risk of fraud and corruption.



## The Recipient

10. The recipient of the services is the Government of Sierra Leone. The Health Policy Adviser and Programme Manager in DFID Sierra Leone will act as focal points for this contract and AECOM will be notified of their contact details accordingly.

## The Scope

11. This distribution service outlined below will be required from AECOM for the Implementation Phase from 1 December 2016 until end December 2017 or until stipulated by DFID. During the Transition Phase it is AECOM's responsibility to acquaint themselves with the process of doing this, and to gather the necessary information from key stakeholders already involved in the Programme (to the extent reasonably possible), including the Incumbent, UNICEF, CHAI, MoHS and DFID, to enable them to take on the distribution service role from 1 December 2016 at the latest. The responsibility for carrying out distributions in the Transition Phase will remain the responsibility of the Incumbent until AECOM is instructed by DFID to take over distributions. The distribution and procurement supplier will be expected to:

- a) Work closely with MoHS & NPPU to get all the necessary information on distribution data to the District Hospitals (DH's) and PHU's in all the districts of Sierra Leone.
- b) Liaise with the NPPU / UNICEF / MoHS regarding the location of the DH's and PHU's, contact details and authorised personnel to sign-off for the drugs and medical consumables delivered to the facility. Ensure best value for UK funds to distribute and verify the delivery to the facilities specified by MoHS.
- c) Advise DFID on distribution plans down to and including the last mile to PHU's and issues including lead times, and other requirements needed to efficiently and effectively distribute the pharmaceuticals and medical consumables. Appropriate KPIs on deliveries Turn Around Time will need to be put in place.
- d) Upon receipt of sufficient quantities of all line-items procured by UNICEF, AECOM will start the pick- and pack and branding operations at an AECOM identified location in Freetown, Sierra Leone.
- e) Deliver the drugs and medical consumables securely in pre-packed branded sealed boxes (guarding against inappropriate storage conditions and theft) to DH's and PHU's detailed by NPPU/MoHS and approved by DFID.
- f) Upon completing the packing of sufficient quantities for the distribution of pharmaceuticals and medical consumables, AECOM will consolidate the deliveries in safe and lockable containers and deliver the supplies directly to the DH's, DMS's and PHU's in the various districts of Sierra Leone.
- g) For each delivery through physical checks at PHU level, AECOM will verify the timely delivery of pharmaceuticals and medical consumables. Quantities, timing of the delivery and condition of goods should be recorded on a Receipt Note to be signed by authorised personnel from the last mile destination. AECOM shall compile and maintain a list of authorised signatories for each such destination. Physical storage conditions will be monitored at grass-root level and interviews with staff will be held to determine the level of service delivery under the FHCI programme.
- h) For audit purposes, the number of PHUs to be visited is in line with international audit requirements and will cover about 35% of the number of PHUs participating in the FHCI programme and about 40% of the value of distributed pharmaceuticals and medical consumables. Quantities, delivery timings, condition of goods and physical storage conditions will be monitored



at grass-root level and interviews with staff will be held to determine the level of service delivery under the FHCI programme. This feedback will contribute to AECOM's scoring against KPIs.

- i) Maintain physical security through all stages of operations.
- j) Transportation assurance and/or alternate means of distribution or contingency plans in case of transportation failure.
- k) Take ownership of reverse logistics, including destruction of expired and close to expired stocks, subject to DFID's approval. All destruction will need to be certified.
- l) Branding – Attach UK Aid branding to drug cartons, following rules detailed in Annex B, and signing the visibility statement, in which AECOM will state how and where they will use the UK aid logo and acknowledge of DFID funding. AECOM shall ensure that their sub-contractors will know that the funding for their work is from the UK government, and that they should also be committed to acknowledging this on the work they deliver. AECOM will need to assess the quantity and sizes of branding stickers required, allowing sufficient lead time for DFID to provide them. DFID will meet the cost of supplying the stickers but AECOM will be expected to cover the cost of applying the stickers within the existing contract fee.
- m) Work closely with previous Incumbent and/or key stakeholders to ensure a smooth transition to the programme, without any service disruption and stock outs to the communities. This includes the smooth transition of any systems and processes required for stock management, distribution and reporting.
- n) Work closely with previous Incumbent to rationalise the distribution of multiple rounds, through sharing of transportation means for example.

## Methodology

- 12. AECOM will set up a Project Team which will coordinate the effective management and monitoring of the programme with the DFID Sierra Leone health teams.
- 13. Clear communication channels, reporting timelines and/or approval processes will be established between AECOM and DFID no later than the timelines outlined in this document. Any other requirements will be agreed in the Transition report at the end of the first month.
- 14. A variety of considered solutions to programmatic and management challenges, identifying the advantages and disadvantages of each course, will be presented to DFID for final decision making, as detailed by DFID.
- 15. The DFID SL Health Policy Adviser and Programme Manager will be kept informed of all relevant issues that are likely to affect the implementation of the programme.
- 16. AECOM will also:
  - a) Initiate regular meetings with the DFID Health Policy Adviser and Programme Manager and agree in writing on the exact needs and specifications of the requirements that align with the project proposal and the estimated cost.
  - b) Agree in writing with the Programme Manager an implementation plan that clearly defines the distribution and a realistic delivery time table.

## Financial Management

17. Payments will be linked to outputs. Outputs shall be explained in detail in the project implementation plan, along with associated budget and timeframe.

18. AECOM will be required to maintain a record of all expenditures incurred in the programme activities and keep original copies for the record for the entire duration of the programme and for a period of 6 months after completion of the programme. An electronic copy of all expenditures is to be provided to DFID upon submission of invoices.

19. An inventory of all assets procured under the programme will be maintained by AECOM. At the end of the programme period or once the contract has been completed, DFID SL will decide in consultation with key stakeholders how best to dispose of assets acquired with DFID funding and in line with DFID rules on assets disposals.

## Reporting

20. Transition phase: AECOM will deliver the following outputs:

- At the end of month 1 of the Transition Phase (**28<sup>th</sup> October 2016**), submission of a risk register which will flag to DFID any potential risk to the programme and mitigating actions that will be taken, in particular to the start of the Implementation Phase. This deadline does not prevent AECOM to raise any concern as and when appropriate;
- At the end of Month 1 of the Transition Phase (**28<sup>th</sup> October 2016**), submission of a Project implementation plan defining the roles and responsibilities of each party/stakeholder. This plan can be refined during the second month of the Transition Phase;
- 3 weeks before the end of the Transition Phase (**9<sup>th</sup> November 2016**), submission of revised implementation phase budget and work plan for consideration by DFID;
- At the end of the transition period (**30<sup>th</sup> November 2016**): A transition report, detailing AECOM supply chain assessments with regards to warehousing, distribution to DMS, distribution to PHUs, DMS and PHUs planning and readiness, including any identified suggested efficiencies in the process as a whole and any operational difficulties with any of the partners involved.

21. Implementation phase: AECOM will report to the Programme Manager and will provide the following information:

- Regular Project Distribution Plans, agreed and signed with District Pharmacists/District Medical Officers and Hospital Superintendents of all districts;
- Detailed monthly progress reports, which shall include (but not limited to): deliveries made, stock levels, number of journeys made and volume transported per PHU. This report should detail any security concerns, warehousing problems, stock-outs, upcoming expiry dates, damaged goods or other programme issues;
- Detailed monthly AECOM supply chain assessments with regards to warehousing, distribution to DMS, distribution to PHUs, DMS and PHUs planning and readiness, including any identified suggested efficiencies in the process as a whole, any operational difficulties with any of the partners involved;
- Monthly update of the Risk Register;
- Monthly financial reports and forecasts will be submitted, including a breakdown of costs for material, logistics and distribution, warehousing and insurance (if any)

## Project completion review

22. At the end of the programme, AECOM and DFID SL will undertake a joint Project Completion Review (PCR) process to confirm the results achieved, Value for Money, success of the programme in

delivering outputs, lessons learnt and challenges encountered. This PCR will include a final financial report. The timing for the PCR process on DFID's Activities Reporting Information Electronic System (ARIES) will begin three months prior to the programme's end date. The PCR will be done in accordance with DFID's PCR procedures and using DFID's PCR templates and later will be incorporated in the overall reporting on DFID's Transition Fund.

23. AECOM will provide information disclosure to the PCR process including full support to any consultant and/or auditor that might be employed directly by DFID to undertake the PCR as part of the joint review team.

### **Media and communication**

24. AECOM shall refer any media enquiries related to the management of DFID funds or any aspect of the Programme to the Project Officer, and shall only respond to the media if directed to do so by DFID.

25. Whenever appropriate AECOM will acknowledge that DFID is providing the funding for this programme and will work with DFID and other key stakeholders when necessary to promote the programme.

### **Timeframe**

26. This TOR will become operational on 10th October 2016 and go through to the end of the programme outlined previously, namely 31 December 2017 unless otherwise agreed between the parties.

27. Subject to approval and after demonstration of successful deliveries and strong value for money achievements, DFID may extend this arrangement with not less than two weeks' notice.

### **DFID Coordination**

28. The DFID Programme Manager for Basic Services will have overall responsibility for the programme, financial management and administration of the project. The DFID Health Policy Adviser will be responsible for all technical and policy aspects of the project.

29. DFID will have full access to AECOM sites and has the authority to convene ad hoc meetings with AECOM to discuss programme and financial progress when deemed necessary.

### **Duty of Care**

30. The Supplier is responsible for the safety and well-being of their Personnel and Third Parties affected by their activities under this contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.

31. DFID will share available information with AECOM on security status and developments in-country where appropriate.

32. AECOM will be responsible for ensuring appropriate safety and security briefings are provided for all of its Personnel working under this contract and ensuring that their Personnel register with their respective Embassies to ensure they are included in emergency procedures. Travel advice is also available on the FCO website and AECOM must ensure they (and their Personnel) are up to date with the latest position.

33. A copy of the DFID visitor notes (and a further copy each time these are updated) will be provided to AECOM, which may be used to brief their Personnel upon arrival.

34. This Distribution will require AECOM to operate in insecure areas. The security situation is volatile and subject to change at short notice. AECOM should be comfortable working in such an environment and should be capable of deploying to any areas required within the region in order to deliver the Contract.

35. AECOM is 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.). AECOM must ensure their Personnel receive the required level of training, including hostile environment or safety in the field training prior to deployment.

**Annex B – UK Aid Branding Guidance**

REDACTED

**Annex C : Health facilities (hospitals and PHUs) to be supplied**

REDACTED

**Annex D: Indicative list of drugs to be distributed**  
(Quantification for implementation phase still on-going)

REDACTED

**ANNEX E**  
**Technical Proposal**

REDACTED



**ANNEX F**  
**Schedule of prices**

REDACTED

**ANNEX G**

**Communication matrix**

REDACTED

**ANNEX H**  
**Duty of Care country assessment**

**DFID Sierra Leone Summary Risk Assessment Matrix**

Theme	DFID Risk score	
	January 2016 assessment	June 2016 assessment
Country/Region		
<b>OVERALL RATING<sup>1</sup></b>	<b>3</b>	<b>3</b>
FCO travel advice	3	3
Host nation travel advice	N/A	N/A
Transportation	4	4
Security	2	3
Civil unrest	3	3
Violence/crime	3	3
Terrorism	2	2
War	1	1
Hurricane	1	1
Earthquake	1	1
Flood	2	2
Medical Services	3 <sup>2</sup>	3 <sup>2</sup>

1 Very Low risk	2 Low risk	3 Med risk	4 High risk	5 Very High risk
<b>Low</b>		<b>Medium</b>	<b>High Risk</b>	

<sup>1</sup> The Overall Risk rating is calculated using the MODE function which determines the most frequently occurring value.

<sup>2</sup> In Freetown only. Outside of Freetown the risk rating is a 4  
**June 2016 assessment**