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Department for International Development
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Telephone: 01355 84 4000
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File Ref: PO 5391

Date: 18th October 2015

Contract Amendment No: 6

CONTRACT FOR:
Procurement Support for Social Protection Expansion Programme (SPEP) in Zambia

With reference to the contractual letter dated 5 August 2010 whereby your firm was engaged to support the procurement of goods for the Zambia Social Protection Expansion Programme, and as most recently amended by the letter dated 19th May 2015, I confirm that DFID wishes to make the following amendments to the contract:

Section 1

Paragraph 1.1, Line 2

Delete "31 March 2015" ("the End Date") and substitute with 15th August 2016 ("the End Date")

Section 1

Paragraph 3, Line 1

DELETE "£2,931,833" and INSERT "£3,924,078"

Annex B

DELETE the Annex B in toto and INSERT the Annex B attached.

Annex C

INSERT new Annex C attached.

Annex D

INSERT new Annex D attached.

Annex E

INSERT new Annex E attached.

Annex F

INSERT new Annex F attached.

This amendment relates to an increase in the financial limit of the contract of £992,245.09, to reflect the total values of the phase 3 budget, with an extension in order to allow the payment of the last orders.

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

Please note the provision in the contractual letter that the financial limit of the UK Government's liability to the Supplier 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 Supplier takes 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:

Signature:

Date:

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

Name:

Position:

Signature:

Date:

Annex A

Terms of Reference for the procurement of Goods, Equipment and Services for Zambia Social Protection Expansion Programme (ZSPEP)

Procurement Agent: Crown Agents

ARIES Supplier ID 11085

ARIES Component Code 200625-105

Reviewed 16th October 2015

Introduction

1. DFID Zambia is contracting Crown Agents as its Procurement Agent (PA) to procure goods, equipment and services to support the implementation of the Zambia Social Protection Expansion Programme (ZSPEP) by the Ministry of Community Development Mother and Child Health (MCDMCH). A copy of the estimated budget is attached as annex B.

Background

The Zambia Social Protection Expansion Programme (ZSPEP) provides Social Cash Transfers (SCT) to extremely poor and vulnerable households to improve their standard of living. The Programme is implemented by the Government of Zambia (GRZ) through the Ministry of Community Development Mother and Child Health (MCDMCH). The programme is jointly funded by the GRZ, Department for International Development (DFID), Irish Aid (IA), Finish Embassy and UNICEF. The overarching goal of the proposed expanded Social Cash Transfer programme is to reduce poverty and intergenerational poverty in the districts covered by the programme.

2. In 2014 GRZ scaled up the programme to an additional 31 districts following a 700% budget increase to social cash transfers. The increased funding will allow the programme to expand from 61,000 recipients in 2013 to over 200,000 recipients by end of 2015. The increase in number of districts requires heightened efforts in the procurement of goods, equipment and services as well as timeliness and efficiency in the process.

Objectives

3. To procure goods and equipment, including vehicles, boats, office furniture etc, on time and to the required quality.
4. To demonstrate technical and commercial capacity to deliver Value for Money in the management of the procurement process.

Recipient

5. The recipient of the goods, equipment and services described in these Terms of Reference is the Government of Zambia (GRZ), in particular the Ministry of Community Development Mother and Child Health (MCDMCH).

Scope/Deliverables

6. PA to develop and agree a procurement plan with MCDMCH and DFID including finalising the specifications and amounts to be tendered and agreeing the schedule, work plan and sequence of procurement of goods, equipment and services.
7. PA to undertake the procurement, inspection and delivery of the goods and equipment to MCDMCH

Headquarters in a timely and accountable manner in accordance with the terms and conditions and scope of services of DFID framework and taking into account Whole Life Costing (WLC).

Method

8. The PA will ensure adequate capacity within its office in Zambia to coordinate the effective management and monitoring of the programme in collaboration with DFID and MCDMCH including:
 - a. establishing clear, efficient and effective communication channels and approval processes between the PA staff and offices and between the PA, DFID and MCDMCH. DFID and MCDMCH will be kept informed of all relevant issues that are likely to affect the implementation of the programme. Communication matrix is detailed in Annex D.
 - b. methodology applied to undertake this contract consistent with the scope of the services and terms and conditions of the DFID Framework Contract No.5755. Timing and procurement planning are critical to the successful implementation of this project.
 - c. demonstrating efficiency, effectiveness, accountability and transparency; and measure, record and report to DFID and MCDMCH the associated value added.
 - d. be flexible in their approach and aware that delivery timetables may change in order to adapt to reality on the ground. Instructions to the PA to procure goods, equipment and services will always be in writing and preceded by in-depth discussions between key MCDMCH and DFID officials.

Financial Management

9. Payments will be linked to outputs. Outputs shall be explained in detail in the project plan, along with associated budget and timeframe, as attached in annex B.
10. PA will submit invoices and / or remittance requests for payment to Accounts Payable in Abercrombie House for procurement undertaken as part of this contract.
11. Schedule of prices is detailed in Annex C.

Reporting

12. Monthly narrative progress reports will be submitted to DFID Zambia and MCDMCH by the PA. These will include a full report on progress, detailing deliverables achieved in the preceding month, risks and external issues affecting the procurement and proposed corrective action, measures taken to control costs, and detailed work plans for the next month with expected deliverables.
13. Accurate monthly financial reports, starting in October 2015 will be submitted by the PA to DFID Zambia and MCDMCH including breakdown of costs for goods, equipment, TA, logistics, insurance (if any) and procurement fee, in line with the monthly narrative reporting.
14. In accordance with the Overarching Framework Agreement 4447 Call Down Contract 5755, any procurement which is subject to the EU Directives will be subject to the minimum timescales set out under the relevant EU procedure. The PA will place a Prior Indicative Notice in OJEU wherever possible in order to reduce the minimum timescales. Details of the SLA are attached in Annex E.

Project Evaluation

15. The PA performance will be reviewed at the programme annual review at the end of this contract. At the end of the programme, MCDMCH and DFID will undertake a joint Project Evaluation to confirm the results achieved, Value for Money, success of the programme in delivering outputs, lessons learnt and

challenges encountered. This project evaluation will include a final financial report.

Timing

This contract will start on 16th October 2015 and end on 15th August 2016.

Duty of Care

- 16.** The PA 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.
- 17.** DFID will share available information with the Supplier on security status and developments in-country where appropriate. Annex F details Zambia Duty of Care county assessment.
- 18.** All PA Personnel will be offered a security briefing by the British Embassy on arrival in Zambia. All such Personnel must register with their respective Embassies to ensure that they are included in emergency procedures.
- 19.** A copy of the DFID visitor notes (and a further copy each time these are updated) will be provided to the PA by the British Embassy, which the PA may use to brief their Personnel on arrival in Zambia.
- 20.** The PA is responsible for ensuring appropriate safety and security briefings for all of their Personnel working under this contract and ensuring that their Personnel register and receive briefing as outlined above. Travel advice is also available on the FCO website and the PA must ensure that they and their Personnel are up to date with the latest position.