

CALLDOWN CONTRACT

Framework Agreement with: Charles Kendall and Partners

Framework Agreement for: Procurement Agent and Capacity Development in Partner Government Services

Framework Agreement Purchase Order Number: PO 5758

Contract For: Procurement of Family Planning Commodities in Kenya

Contract Purchase Order Number: 7201

I refer to the following:

1. The above mentioned Agreement dated 1st April 2009

and I confirm that DFID requires you to provide the Services (Annex A), under the terms and conditions of the Agreement which shall apply to this Calldown Contract as if expressly incorporated herein.

1. Commencement and Duration of the Services

- 1.1 The Supplier shall start the Services no later than 15 April 2015 ("the Start Date") and shall be completed by 31st August 2015 ("the End Date") unless the Calldown Contract is terminated earlier in accordance with the terms and conditions of the Agreement.

2. Recipient

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

3. Financial Limit

- 3.1 Payments under this Calldown Contract shall not, exceed £1,984,300.00 ("the Financial Limit") and is exclusive of any government tax, if applicable.

4. DFID Officials

- 4.1 The Project Officer is:

- 4.2 The Contract Officer is:

5. Reports

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

6. Calldown Contract Signature

- 6.1 If the original Form of Calldown 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 5 working days of the date of signature on behalf of DFID, DFID will be entitled, at its sole discretion, to declare this Calldown Contract void.

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

Name:

Position: Procurement manager

Signature:

Date: 27 May 2015

For and on behalf of
**Charles Kendall and Partners
7 Albert Court
Princes Consort Road
London SW7 2BJ**

Name:

Position:

Signature:

Date:

DFID Kenya – Delivering Increased Family Planning Across Rural Kenya

Terms of Reference – Procurement of Family Planning Commodities

Procurement Agent – Charles Kendall and Partners Ltd

Supplier ID 11392

Introduction

1. The United Kingdom's Department for International Development (DFID) is supporting the Government of Kenya's (GOK) efforts towards attaining the country's development goals. DFID's investments in health are primarily targeted at strengthening health systems, preventing malaria and HIV, and improving reproductive health.

DFID is implementing a family planning programme (from 2013 - 2017) aimed at increasing family planning uptake in Kenya. The outcome of the programme will be an increased contraceptive prevalence rate. The impact will be to reduce maternal and newborn deaths. The goal of the programme is to increase uptake of Family Planning (FP) service with specific emphasis on reaching rural women and to increase the proportion of young adolescent girls served (age 15-19 years). This programme will support both public and private sector interventions (which includes services provided by non-governmental organisations).

DFID Kenya is seeking the services of DFID's assigned procurement agent to deliver output 5 of this programme - procurement of family planning commodities.

Objective

2. DFID Kenya's procurement agent, Charles Kendall and Partners Limited (CKP), is to procure family planning commodities at a total cost of up to £1,628,000, excluding procurement agent fees and logistics costs. A complete schedule of prices is on Annex 1.

Recipient

3. The primary recipients of the family planning commodities are the Government of Kenya – Reproductive and Maternal Health Services Unit (RMHSU), through DFID Kenya. Population Services Kenya (PS/K) will be responsible for storage and onward distribution of the commodities.

Scope of Work

4. CKP will procure 291,000 pieces of implanon NXT and provide the full range of services associated with the procurement of the commodities, to remove the procurement burden from DFID Kenya and partners. This will include, but is not limited to:
 - arranging purchasing of the 291,000 pieces of NXT implanon,

- Direct communication with suppliers (including with clearing agents), on behalf of DFID.
- expediting, shipping, insurance and customs clearance of the goods in accordance with DFID guidelines
- Delivery to PS/K Warehouses in Nairobi.
- Quality assurance and inspection to check that the commodities are free of defects.
- Management of all suppliers/service providers contracts and reviewing and issuing supplier/service provider payments.
- Participation in the National Contraceptive Security Committee¹ by joining the committee and sharing the DFID family planning commodity procurement plans
- Safe keeping of all original documents related to the procurement, and handing them over to DFID by the end of the contract.

Requirements

5. CKP will

- Undertake all sourcing as per the terms and conditions of framework agreement 4448/5758 with DFID.
- Ensure that the goods are delivered to the specified address, at the earliest opportunity after the start of the contract (an anticipated date will be provided at the time of providing the Instruction to Proceed) and that they are in the specified quantities² and of good quality in line with the Technical Specifications for Implanon NXT attached as Annex 2, and DFID's Reproductive Health Quality Policy, attached as Annex 3.
- Contract with the supplier with the appropriate Incoterms to ensure that they maintain responsibility of the goods until they are delivered at the PS/K warehouse.

Performance requirements

6. CKP will

- a. Undertake clarification work in order to ensure that the ToR/Goods specification is clear, complete and suitable for the purpose of the procurement
- b. provide a draft service level agreement which details the procurement plan, shipment schedules, schedule of prices, communications, approval and reporting arrangements to facilitate performance management.
- c. submit a risk matrix to DFID detailing the possible risks to the procurement process and mitigating actions. The risk matrix will be updated quarterly until the end of the contract.

7. CKP will also:

¹ To make progress toward contraceptive security in the country, the National Contraceptive Security committee was established by the Ministry of Public Health and Sanitation. The committee uses a collaborative approach to review, discuss, and suggest approaches on how to overcome contraceptive security challenges. CK will be required to. These meetings occur on a quarterly basis, however in some certain circumstances it can occur more frequently.

² Quantities may be rounded up dependent on bulk consignment requirements

- be proactive in communicating any potential late deliveries, putting in place remedial solutions in order for these deliveries not to impact the rest of the project.
 - Where applicable, give advice on the most economical and expedient procurement procedures available
 - Familiarise with local customs clearance and tax waiver procedures, and ensure suppliers/service providers are familiar with the same and carry out all processes efficiently. DFID will provide any necessary documentation to enable duty & tax free Customs clearance.
 - Unless subsequently advised otherwise by DFID K, instruct the supplier to invoice RDL charges and provide CKP with the original RDL payment documents to enable DFID K to process an RDL refund from the Kenyan Government. CKP will advise DFID K, at the time of presenting the Instruction to Proceed, if the supplier is unable to provide this documentation.
 - Demonstrate efforts to maximise cost savings and Value for Money in the procurement process
 - Ensure the right staff with the right commercial and interpersonal skills manage the procurement on behalf of CKP
 - Demonstrate flexibility and a willingness to adapt to unforeseen circumstances. As and when necessary, CKP will present to DFID Kenya a variety of considered solutions to programmatic and management challenges, identifying the advantages and disadvantages of each option, for final decision making.
8. At any stage during the procurement if the goods are found not to be conforming to the product specifications, the contractor shall be liable to replacement with goods acceptable to DFID and RMHSU.

Financial Management

9. Payments will be linked to commodity deliveries to PS Kenya. 100% of the value of the shipment will be payable upon satisfactory receipt at the PS/K warehouse. (Should the supplier reject these payment terms CKP will negotiate the most advantageous for DFID and seek their approval before proceeding). CKP fees will be 3.5% of the value of the procured items.
10. In accordance to the Overarching Framework Agreement 4448/5758, any procurement which is subject to the EU Directives will be subject to the minimum timescales set out under the relevant EU procedure. The procurement agent will place a Prior Indicative Notice in OJEU wherever possible in order to reduce the minimum timescales. Where the EU Directives do not apply, and unless agreed otherwise at the project conception stage and stated in the procurement plan, response times for key procurement activities against which the agents' performance shall be measured as follows:

TYPE OF PURCHASING	SIMPLE PURCHASING (Limited sourcing and technical input, clearly defined requests for off-the-shelf products)	COMPETITIVE QUOTATIONS (more than one source, increased technical input including evaluation, cost >£25,000)	COMPETITIVE TENDERING (complex specification and detailed evaluation report, cost >£113,057)
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From receipt of Indent or Instruction to procure: to Evaluation report to Client/End-User	Up to 5 days	10 -20 days	In accordance with the associated legislative timescales
Order Placement (from date of receipt of approval to award of supply contract)	Up to 5 days	Up to 5 days	Up to 5 days (after mandatory standstill period)
Delivery	In accordance with the terms and conditions of contract and project timeframes	In accordance with the terms and conditions of contract and project timeframes	In accordance with the terms and conditions of contract and project timeframes

Reporting

11. CKP will submit quality bi-monthly reports to DFID K. The reports will include a full report on progress, detailing deliverables achieved in the preceding month and any proposed corrective action, a breakdown of costs for material, each commodity type, logistics, insurance (if any) and procurement fee.
12. The report shall also include detailed work plans for the next month and expected deliverables to be achieved within the month.

Time Frame

13. CK will be contracted for a period commencing not later than 15 April 2015, with the indicative delivery date of 31 July 2015.

DFID Coordination

14. CK will report on technical issues to the Reproductive Health Adviser DFID Kenya and on programme management to the Programme Officer in the first instance and Senior Programme Officer, DFID Kenya . A communication matrix is attached as Annex 4

Delivery Address:

The goods will be delivered to PS Kenya Warehouse, Embakasi, Nairobi.