



**Supply-Chain Management Unit Health Department
Government of Khyber Pakhtunkhwa**

STANDARD FORM OF BIDDING DOCUMENTS

FOR

**“Outsourcing Of Supply-Chain Of Medicines And
Supplies”**

Bid Reference Number:	SMU001-2021-22
Pre-Bid-1 Meeting date and time:	24 Dec 2021 at 10:00 am
Pre-Bid-2 Meeting date and time:	4th Jan 202 at 10:00 am
Last Date/time for submission:	17 jan 2022 at 11:00 am
Bid Opening date and time:	17 jan 2022 at 11:30 am

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Section 1.

Letter of Invitation

Letter of Invitation

Dear Sir/Madam.:

1. The *Khyber Pakhtunkhwa Supply-Chain Management Unit Health Department - SMU* (hereinafter called “Procuring Entity”) invites proposals to provide the following consulting services:

“OUTSOURCING OF SUPPLY-CHAIN OF MEDICINES AND SUPPLIES”

The details regarding the scope of work are provided in the Terms of Reference (TORs).

2. This is an open Request for Proposal (RFP) where no prior shortlisting is adopted as per rule 27 (2) of KPPRA Rule 2014.
3. A firm will be selected under Quality & Cost Based Selection (QCBS) System and procedures described in the attached RFP, in accordance with rule 23 (b) of the KPPRA Rules 2014.
4. The RFP includes the following documents:
 - Section 2 - Instructions to Consultants (including Data Sheet)
 - Section 3 - Technical Proposal - Standard Forms
 - Section 4 - Financial Proposal - Standard Forms
 - Section 5 - Terms of Reference
 - Section 6 - Conditions of Contract
5. The Proposals must be delivered by hand or through courier to the office of the SMU on or **before 24/08/2021 at 11:00 am which** will be opened on the same day at 11:30 am in presence of bidders or their representatives.
6. You are further requested to submit the Bid Security / Earnest Money (Mandatory) of Rupees One Million only (Rs. 1,000,000/-) in the shape of Call Deposit Receipt (CDR)/ SDR/DD/Bank Guarantee in the favor of the Incharge, Supply-Chain Management Unit Health Department in accordance with Bid data sheet.

Please confirm the receipt of letter of invitation in writing to this office

Yours sincerely

Dr. Qadir shah

Incharge

Supply-Chain Management Unit Health Department

HSRU office, HRD Building Khyber road Peshawar.

Section 2.
Instructions to Consultants (ITC)

Instructions to Consultants (ITC)

1. Definitions

- (a) “Procuring Entity (PE)” means the department with which the selected consultant sign the contract for services.
- (b) “Consultant” means a professional institute (as the case may be) who can study, design, organize, evaluate and manage projects or assess, evaluate and provide specialist advice or give technical assistance for making or drafting policies, institutional reforms and includes private entities, consulting firms, legal advisors, engineering firms, construction managers, management firms, procurement agents, inspection agents, auditors, international and multinational organizations, investment and merchant banks, universities, research institutions, government agencies, nongovernmental organizations, and individuals
- (c) “Contract” means an agreement enforceable by law and includes General and Special Conditions of the contract.
- (d) “Data Sheet” means such Part of the Instructions to Consultants that is used to reflect pacific assignment conditions.
- (e) “Day” means calendar day including holiday.
- (f) “Government” means the Government of Khyber Pakhtunkhwa.
- (g) “Instructions to Consultants” (Section 2 of the RFP) means the document, which provides shortlisted Consultants with all information needed to prepare their Proposals.
- (h) “LOI” (Section 1 of the RFP) means the Letter of Invitation sent by the procuring Entity to the Consultant.
- (i) “Proposal” means the Technical Proposal and the Financial Proposal.
- (j) “RFP” means the Request for Proposal prepared by the procuring Entity for the selection of consultants.
- (k) “Sub-Consultant” means any Person or entity to whom the Consultant subcontracts any Part of the Services.
- (l) “Terms of Reference” (TOR) means the document included in the RFP as Section 5 which explains the objectives, scope of work, activities, tasks to be Performed, respective responsibilities of the procuring Entity and the Consultant, and exacted results and deliverables of the assignment.

2. Introduction	2.1	The Procuring Entity named in the Data Sheet will select a consulting firm/organization (the Consultant) from those listed in the Letter of Invitation, in accordance with the method of selection specified in the Data Sheet.
	2.2	The eligible Consultants (shortlisted if so) are invited to submit a Technical Proposal and a Financial Proposal, or a Technical Proposal only, as specified in the Data Sheet. The Proposal will be the basis for contract negotiations and ultimately for a signed Contract with the selected Consultant.
	2.3	Consultants should familiarize themselves with rules / conditions and take them into account while preparing their Proposals. Consultants are encouraged to attend a pre-proposal conference if one is specified in the Data Sheet. Attending the pre-proposal conference is, however optional. Consultants may liaise with procuring Entity’s representative named in the Data Sheet for gaining better insight into the assignment.
	2.4	Consultants shall bear all costs associated with the preparation and submission of their proposals and contract negotiation. The Procuring Entity reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultants.
	2.5	Procuring Entity may provide facilities and inputs as specified in Data Sheet
3. Conflict of Interest	3.1.1	Consultants are required to provide professional, objective, and impartial advice and holding the Procuring Entity interest Paramount. They shall strictly avoid conflict with other assignments or their own corporate interest. Consultants have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of the Procuring Entity, or that may reasonably be perceived as having such effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of its Contract.

	3.1.2	<p>Without limitation on the generality of the foregoing, Consultants, and any of their affiliates, shall be considered to have a conflict of interest and shall not be recruited, under any of the circumstances set forth below:</p> <p>(i) A consultant that has been engaged by the procuring Entity to provide goods, works or services other than Consulting services for a project, any of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, any of its</p>
		<p>affiliates, shall be disqualified from subsequently providing goods or works or services other than consulting services resulting from or directly related to the firm’s consulting services for such preparation or implementation.</p> <p>(ii) A Consultant (including its Personnel and Sub Consultants) or any of its affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant to be executed for the same or for another Procuring Entity.</p> <p>(iii) A Consultant (including its Personnel and Sub Consultants) that has a business or family relationship with a member of the Procuring Entity’s staff who is directly or indirectly involved in any Part of (i) the preparation of the Terms of Reference of the Assignment, the selection process for such assignment, or (iii) supervisions of the Contract</p>
Conflicting Relationships	3.2	<p>Government officials and civil servants may be hired as consultants only if:</p> <p>(i) They are on leave of absence without Pay;</p> <p>(ii) They are not being hired by the Entity they were working for six months prior to going on leave; And</p> <p>(iii) Their employment would not give rise to any conflict of interest</p>

4. Fraud & Corruption		<p>It is Government's policy that Consultants under the contract(s), observe the highest standard of ethics during the procurement and execution of such contracts. In pursuit of this policy, the Procuring Entity follows the instructions contained in Khyber Pakhtunkhwa Public procurement Rules 2014 which defines:</p> <p>“Corrupt and fraudulent practices” includes the offering, giving, receiving, or soliciting, directly or indirectly of anything of value to influence the act of another Party for wrongful gain or any act or omission, including misrepresentation, that knowingly or recklessly misleads or attempt mislead a Party to obtain a financial or other benefit or to avoid an obligation;</p>
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<p>5. Integrity Pact</p>		<p>Rule 44 of KPPR 2014, “The PE can inter-alia blacklist Bidders found to be indulging in corrupt or fraudulent practices.</p> <p>Such barring action shall be duly publicized and communicated to the KPPRA. Provided that any supplier or contractor who is to be blacklisted shall be accorded adequate opportunity of being heard”.</p> <p>Pursuant to section 16(2)(3) of KPPRA Act 2012 Consultant undertakes to sign an Integrity Pact in accordance with prescribed format attached hereto for all the procurements estimated to exceed Rs. 2.5 million.</p>
<p>6. Eligible Consultants</p>	<p>6.1</p>	<p>If short listing process has been undertaken through REOI, as outlined under Rule 25 and 26 of KPPR 2014 for the Contract(s) for which these RFP documents are being issued, those firms - in case of Joint Ventures with the same Partner(s) and Joint Venture structure - that had been pre-qualified are eligible</p>
	<p>6.2</p>	<p>Short listed consultants emerging from request of expression of interest are eligible</p>
<p>Eligibility of Sub Consultants 10. Only One Proposal</p>		<p>A shortlisted Consultant would not be allowed to associate with Consultants who have failed to qualify the short listing process. Shortlisted Consultants may only submit one proposal. If a Consultant submits or Participates in more than one proposal, such proposals shall be disqualified. Participation of the same Sub Consultant, including individual experts, to more than one proposal is not allowed.</p>
<p>9. Proposal Validity</p>	<p>9.1</p>	<p>The Data Sheet indicates Proposals validity that shall not be more than 90 days in case of National Competitive Bidding (NCB) and 120 days in case of International competitive Bidding (ICB). During this Period, Consultants shall maintain the availability of Professional staff nominated in the Proposal. The Procuring Entity will make its best effort to complete negotiations within this period. Should the need arise; however, the Procuring Entity may request Consultants to extend the validity period of their proposals. Consultants who agree to such extension shall confirm that they maintain the availability of the Professional staff nominated in the Proposal, or in their confirmation of extension of validity of the Proposal, Consultants may submit new staff in replacement, who would be considered in the final evaluation for contract award. Consultants who do not agree have the right to refuse to extend the validity of their Proposals.</p>

10. Clarification & Amendment in RFP Documents	10.1	Consultants may request for a clarification of contents of the bidding document in writing, and procuring Entity shall respond to such queries in writing within three calendar days, provided they are received at least eight calendar days prior to the date of opening of proposal. The procuring Entity shall communicate such response to all
		Parties who have obtained RFP document without identifying the source of inquiry. Should the PE deem it necessary to amend the RFP as a result of a clarification, it shall do so
	10.2	The Procuring Entity may amend the RFP five days before the closing date by issuing an addendum/ corrigendum in writing. The addendum shall be sent to all Consultants and will be binding on them. Consultants shall acknowledge receipt of all amendments. To give Consultants reasonable time in which to take an amendment into account in their Proposals the Procuring Entity may, if the amendment is substantial, extend the deadline for the submission of Proposals.
11. Preparation of Proposals	11.1	In preparing their Proposal, Consultants are exacted to examine in detail the documents comprising the RFP. Material deficiencies (deviation from scope, experience and qualification of Personnel) in providing the information requested may result in rejection of a Proposal.
	11.2	The estimate number of professional staff months or the budget required for executing the assignment should be shown in the data sheet, but not both. However, proposal shall be based on the professional staff month or budget estimated by the consultant.
12. Language		The Proposal as well as all related correspondence exchanged by the Consultants and the Procuring Entity shall be written in English However it is desirable that the firm's Personnel have a working knowledge of the national and regional languages of Islamic Republic of Pakistan

<p>13. Technical Proposal Format and Content</p>	<p>3.1</p>	<p>While preparing the Technical Proposal, consultants must give Particular attention to the following</p> <ul style="list-style-type: none"> (i) If a consultant considers that it does not have all the expertise for the assignment, it may obtain a full range of expertise by associating with individual consultant(s) and/or other firms or entities in a joint venture or sub-Consultancy, as appropriate. The international consultants are encouraged to seek the Participation of local consultants by entering into a joint venture with, or subcontracting Part of the assignment to, national consultants (ii) For assignments on a staff-time basis, the estimated number of professional staff-months is given in the Data Sheet. The proposal shall, however, be based on the number of professional staff-months estimated by the firm. For fixedbudget-based assignments, the available budget is given in the Data Sheet, and the Financial Proposal shall not exceed this budget. (iii) It is desirable that the majority of the key professional staff proposed be Permanent employees of the firm or have an extended and stable working relationship with it.
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		<ul style="list-style-type: none"> (iv) Proposed professional staff must, at a minimum, have the experience indicated in the Data Sheet, preferably working under similar geographical condition. (v) Alternative professional staff shall not be proposed, and only one curriculum vitae (CV) shall submitted for each position.
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	13.2	<p>The Technical Proposal shall provide the following information using the attached Standard Forms (Section 3):</p> <ul style="list-style-type: none"> (i) A brief description of the consultant organization and an outline of recent experience on assignments (Section 3B) of a similar nature. For each assignment, the outline should indicate, inter alia, the profiles of the staff, duration of the assignment, contract amount, and firm's involvement. (ii) Any comments or suggestions on the Terms of Reference and on the data, a list of services, and facilities to be provided by the PE (Section 3C). (iii) The list of the proposed staff team by specialty, the tasks that would be assigned to each staff team member, and their timing (Section 3E). (iv) CVs recently signed by the proposed professional staff and the authorized representative submitting the proposal (Section 3F). Key information should include number of years working for the consultant and degree of responsibility held in various assignments during the last_(PE may give number of years as Per their requirement) years. (v) Estimates of the total staff input (professional and support staff; staff time) needed to carry out the assignment, supported by bar chart diagrams showing the time proposed for each professional staff team member (Sections 3E and 3G). (vi) A detailed description of the proposed methodology, work plan for Performing the assignment, staffing, and monitoring of training, if the Data Sheet pacifies training as a major component of the assignment (Section 3D). (vii) Any additional information requested in the Data Sheet
	13.3	The Technical Proposal shall not include any financial information.
14. Financial Proposals	14.1	<p>The Financial Proposal shall be prepared using the attached Standard Forms (Section 4). It shall list all costs associated with the assignment, including (a) remuneration for staff (in the field and at the Consultants' office), and (b) reimbursable expenses indicated in the Data Sheet (if applicable). Alternatively, Consultant may provide their own list of cost. If appropriate, these costs should be broken down by activity. All activities and items described in the Technical Proposal must be priced separately; activities and items described in the Technical Proposal but not priced, shall be assumed to be included in</p>
		the prices of other activities or items

15. Taxes	15.1	The Consultant will be subject to all admissible taxes including stamp duty and service charges at a rate prevailing on the date of contract agreement unless exempted by relevant tax authority
16. Submission, Receipt, & Opening of Proposals	16.1	Proposal shall contain no interlineations or overwriting. Submission letters for both Technical and Financial Proposals should respectively be in the format of TECH-1 of Section 3, and FIN-1 of Section 4. All Pages of the original Technical and Financial Proposals will be initialed by an authorized representative of the Consultants (Individual Consultant). The authorization shall be in the form of a written power of attorney accompanying the Proposal.
	16.2	All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original governs.
	16.3	The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked “Technical Proposal” Similarly, the original Financial Proposal (if required under the selection method indicated in the Data Sheet) shall be placed in a sealed envelope clearly marked “Financial Proposal” followed by name of the assignment, and with a warning “Do Not Open With The Technical Proposal ” If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive
	16.4	The Proposals must be sent to the address indicated in the Data Sheet and received by the PE no later than the time and the date indicated in the Data Sheet, or any extension to this date. Any proposal received by the PE after the deadline for submission shall be returned unopened. In order to avoid any delay arising from the postal or PE’s internal dispatch workings, Consultants should ensure that proposals to be sent through couriers should reach a day before the deadline for submission.
17. Proposal Evaluation	17.1	<p>From the time the Proposals are opened to the time the Contract is awarded, the Consultants should not contact the PE on any matter related to its Technical and/or Financial Proposal. Any effort by Consultants to influence the PE in the examination, evaluation, ranking of Proposals, and recommendation for award of Contract may result in the rejection of the Consultants’ Proposal</p> <p>Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.</p>

<p>18. Evaluation of Technical Proposals</p>	<p>18.1</p>	<p>The evaluation committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria, and point system specified in the Data Sheet. Each responsive Proposal will be given a technical score (St). A Proposal shall be rejected at this stage if it fails to achieve the minimum technical score indicated in the Data Sheet</p> <p>In the case of Quality-Based Selection, Selection Based on</p>
		<p>Consultant's Qualifications, and Single-Source Selection, the highest ranked consultant or firm selected on a single-source basis is invited to negotiate its proposal and the contract on the basis of the Technical Proposal and the Financial Proposal submitted</p> <p>Opening and Evaluation of Financial Proposals: (LCS, QCBS, and Fixed Budget Selection Methods Only)</p>
<p>19. Evaluation of Financial Proposals</p>	<p>18.2</p>	<p>After the technical evaluation is completed, the PE shall notify in writing Consultants that have secured the Minimum qualifying marks, the date, time and location, allowing a reasonable time, for opening the Financial Proposals. Consultants' attendance at the opening of Financial Proposals is optional.</p> <p>Financial proposals of those consultants who failed to secure minimum qualifying marks shall be returned unopened</p>
	<p>19.1</p>	<p>Financial Proposals shall be opened publicly in the presence of the Consultants' representatives who choose to attend. The name of the Consultants and the technical scores of the Consultants shall be read aloud. The Financial Proposal of the Consultants who met the minimum qualifying mark will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened, and the total prices read aloud and recorded. Copy of the record shall be sent to all Consultants</p>
	<p>19.2</p>	<p>The Evaluation Committee will correct any computational errors. When correcting computational errors, in case of discrepancy between a Partial amount and the total amount, or between word and figures the formers will prevail. In addition to the above corrections, activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items.</p>
	<p>19.3</p>	<p>In case of Least Cost Selection LCS Method, the bid found to be the lowest evaluated bid shall be accepted.</p>

	19.4	In case of Quality and Cost Based Selection QCBS Method the lowest evaluated Financial Proposal (Fm) will be given the maximum financial score (Sf) of 100 points. The financial scores (Sf) of the other Financial Proposals will be computed as indicated in the Data Sheet. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; T + P = 1) indicated in the Data Sheet: $S = St \times T\% + Sf \times P\%$. The firm achieving the highest combined technical and financial score will be invited for negotiations.
	19.5	In the case of Fixed-Budget and Quality Based Selection, the Procuring Entity will select the firm that submitted the highest ranked Technical Proposal.
20. Negotiations	20.1	Negotiations will be held at the date and address indicated in the Data Sheet. The invited Consultant will, as a pre-requisite for attendance at the negotiations, confirm availability of all Professional staff. Failure in satisfying such requirements may result in the PE proceeding to

		negotiate with the next-ranked Consultant. Representatives conducting negotiations on behalf of the Consultant must have written authority to negotiate and conclude a Contract
21. Technical Negotiations	21.1	Technical Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan, organization and staffing, and any suggestions made by the Consultant to improve the Terms of Reference. The PE and the Consultants will finalize the Terms of Reference, staffing schedule, work schedule, logistics, and reporting. These documents will then be incorporated in the Contract as “Description of Services”. Minutes of negotiations, which will be signed by the PE and the Consultant, will become Part of Contract Agreement
22. Financial Negotiations	22.1	If applicable, it is the responsibility of the Consultant, before starting financial negotiations, to contact the local tax authorities to determine the tax amount to be Paid by the Consultant under the Contract. The financial negotiations will include a clarification (if any) of the firm’s tax liability, and the manner in which it will be reflected in the Contract; and will reflect the agreed technical modifications in the cost of the services. Consultants will provide the PE with the information on remuneration rates described in the Appendix attached to Section 4 (i.e. Financial Proposal - Standard Forms of this RFP

23. Availability of Professional Staff /Experts	23.1	Having selected the Consultant on the basis of, among other things, an evaluation of proposed Professional staff, the PE expects to negotiate a Contract on the basis of the Professional staff named in the Proposal. Before contract negotiations, the PE will require assurances that the Professional staff will be actually available. The PE will not consider substitutions during contract negotiations unless both Parties agree that undue delay in the selection process makes such substitution unavoidable or for reasons such as death or medical incapacity. If this is not the case and if it is established that Professional staff were offered in the proposal without confirming their availability, the Consultant may be disqualified. Any proposed substitute shall have equivalent or better qualifications and experience than the original candidate and be submitted by the Consultant within the period of time specified in the letter of invitation to negotiate
24. Award of Contract	24.1	After completing negotiations, the Procuring Entity shall award the Contract to the selected Consultant within seven days after letter of acceptance or award has been issued. Procuring Entity shall publish on the website of the Authority and on its own website, if such a website exists, the result of the bidding process, identifying the bid through procuring identifying number, if any and the following information, evaluation report, form of contract and letter of award, bill of quantity or schedule of requirement, as the case may be. However, the procuring entity shall announce the final results of a bid evaluation giving justifications for acceptance or rejection of bids at least ten days prior to the award of a contract and place the same on its and authority website
	24.2	After publishing of award of contract consultant required to submit a Performance security at the rate indicated in data sheet.
	24.3	The Consultant is expected to commence the assignment on the date and at the location specified in the Data Sheet
25. Confidentiality	25.1	Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Consultants who submitted the Proposals or to other Persons not officially concerned with the process, until the publication of the award of Contract. The undue use by any Consultant of confidential information related to the process may result in the rejection of its Proposal

DATA SHEET

Paragraph Reference ITC		
1.1	Name of the Assignment is:	“Outsourcing Of Supply-Chain Of Medicines And Supplies”
	The Name of the PE’s official (s):	Procuring Entity (PE)” means Supply-Chain Management Unit Health Department .
	Address:	HSRU office, HRD Building Khyber road Peshawar.
	Telephone:	
	Facsimile:	
	E-mail:	
1.2	The method of selection is:	Quality & Cost based selection (QCBS)
	The Edition of the Guidelines is:	<ul style="list-style-type: none"> • Supply-Chain Management Unit Health Department • KPPRA Act 2012 & Rules 2014 • The Drugs Act 1976 & DRAP Act 2012 • All other applicable Act and Rules
1.3	Financial Proposal to be submitted together with Technical Proposal: Yes	<p>As mentioned in ITC 16.3 i.e. The Technical Proposal shall be placed in a sealed envelope clearly marked “Technical Proposal” Similarly, the original Financial Proposal shall be placed in a sealed envelope clearly marked “Financial Proposal” followed by name of the assignment, and with a warning “<i>Do Not Open with the Technical Proposal</i>” and both these envelopes shall be placed in a single envelope marked as Technical & Financial proposal.</p> <p>Note:</p> <ul style="list-style-type: none"> • If the Financial Proposal is not submitted in, a separate sealed envelope duly marked as indicated above, this would constitute grounds for declaring the Proposal non-responsive. • The Bid Security in the shape of Pay order (PO) will not be accepted

1.4	The PE will provide the following inputs and facilities:	<ul style="list-style-type: none"> The Procuring Entity will also share the information with regard to Budget available at Annex-A
		<ul style="list-style-type: none"> Service Delivery Package. Annex-B All the relevant parties will provide inputs from time to time during the execution of the contract as per terms of reference given for each party in RFP.
1.5	The Proposal submission address	HSRU office, HRD Building Khyber road Peshawar, Peshawar.
	Proposals must be submitted no later than the following date and time:	24 Aug 2021 at 11:00 am
1.6	Expected date for commencement of consulting services	Soon after the award of Contract subject to security clearance
	at:	HSRU office, HRD Building Khyber road Peshawar, Peshawar.
9.1	Proposal's validity	Proposals must remain valid for 120 days after the submission date.
10.1	Clarifications may be requested not later than five days before the submission date.	Pre-Bid-1 Meeting will be held on 24 th Dec 2021 at 10:00 am Pre-bid-2 4 th Jan 2022 at 1000 hrs
	The address for requesting clarifications is:	HSRU office, HRD Building Khyber road Peshawar,
	Facsimile: E-mail:	
12	Proposals shall be submitted in the following language:	English
6.1	Shortlisted Consultants may associate with other shortlisted Consultants: No	NO
11.2	The estimated number of professional staff-months required for the assignment is: or:	NA

13.1	The format of the Technical Proposal to be submitted is: FTP or STP	Full Technical Proposal
13.2(vii)	Training is a specific component of this assignment: No	YES
14.1	[List the applicable Reimbursable expenses in foreign and in local currency. sample list is provided below	NA

for guidance: items that are not applicable

Should be deleted, others may be added. If the PE wants to define ceilings for unit prices of certain Reimbursable expenses, such ceilings should be indicated in this Section]

- 1) a Per diem allowance in respect of Personnel of the Consultant for every day in which the Personnel shall be absent from the home office and, as applicable, outside the beneficiary country for purposes of the Services;
- 2) cost of necessary travel, including transportation of the Personnel by the most appropriate means of transport and the most direct practicable route;
- 3) cost of office accommodation, investigations and surveys;
- 4) cost of applicable international or local communications such as the use of telephone and facsimile required for the purpose of Consulting Services;
- 5) cost, rental and freight of any instruments or equipment required to be provided by the Consultants for the purposes of Consulting Services
- 6) cost of printing and dispatching of the reports to be produced for Consulting Services

	7) other allowances where applicable and provisional or fixed sums (if any); and Covered in the foregoing.	
15.1	Amounts Payable by the PE to the Consultant under the contract to be subject to local taxation, stamp duty and service charges, if applicable : _____	Yes
6.3	Consultants to state local cost in the national currency (in case of ICB only): Yes___ No _____	NA
6.2	Consultant must submit the original and one copy of the Technical Proposal, and the original of the Financial Proposal.	Bidders must submit the original and one copy of the Technical Proposal, and the original of the Financial Proposal
13.1	TECHNICAL EVALUATION CRITERIA Attached at Annex C	
20.1	The single currency for price conversions is: PKR	
24.2	Successful consultant is required to submit 10% Performance security in form of CDR, demand draft or bank guarantee amounting contract validity period.	
24.3	As per work plan (which is part of the technical proposal.	
5.1	Consultant undertake to sign Integrity Pact for the procurement estimated to exceed Pak Rs.2.5 million	

Outsourcing of Supply-Chain of Medicines And Supplies”

Mandatory documents:

1. Registration of the Organization. 2. NTN number
3. Registration with Khyber Pakhtunkhwa Revenue Authority.
4. Affidavit that Organization is not blacklisted
5. Bid Security

Method of Selection	<p>Technical Evaluation Criteria for Service Provider's Qualification/s Method</p> <p>1) Presence at International, National, provincial and local level.</p> <ol style="list-style-type: none"> I. International Level = 10 marks II. National Level = 7 III. Provincial Level = 3 IV. Regional/Divisional Level = 2.
Evaluation Criteria	<p>a) Experience – 30%</p> <p>Warehouse construction/Operations/Supervision/Management Experience. More weightage would be given to the service provider experience with Health sector.</p>
Evaluation Method and Minimum Technical Score	<p>Financial Capabilities (10%)</p> <p>Turnover in Millions of Last one year (Attached Audit Report)</p> <ul style="list-style-type: none"> • Rs. 1000 million onwards =9 marks • Rs. 500 million to Less than 1000 M = 6 marks • Rs. 200 Million to Less than 500 million =4 marks • SECP registration = 1 mark <p>b) Methodology – 30% (visit to warehouse) quality standards. As per TECH-4</p> <ul style="list-style-type: none"> • Technical Approach and Methodology = 10 • Work Plan and schedule to meet submission deadlines = 5 • Resources = 5 • Quality Control Plan = 3 • IT based approach = 3 • Innovation = 4 <p>c) IT based Inventory management system experience (10%)</p> <p>d) Physical Inspection of existing facility operated under the management of firm 10%</p> <ul style="list-style-type: none"> • The inspection shall be carried out through proforma i.e. enclosed at Annex- • Key Personnel and Capacity– • Relevant expertise of the Service Provider • The firms/ consortium should have at least two warehouse management experts on its team. • Experience of staff assigned to this service contract. <p>Minimum Technical Score</p> <p>Total points for all criteria 1) and 2) = 100</p> <p>Minimum Technical Score required to pass = 70</p>

	<p>Weighting to be applied to proposals evaluated</p>
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Weights to be applied to the Technical and Financial Scores are:

Outsourcing of warehousing services						Mark s	Answers/C omments	
Marks will be converted to 30% as per evaluation criteria weightage of experience								
No.	Requirement	Marks Bifurcation	Evaluation					
	Company Profile		A	B	C=	D=		
			= 2 5	= 1 5	= 10	= 5		
1	Number of Successfully Completed projects of warehousing (verifiable proof to be provided)10 million.	If >=10, then 'A' If >= 7 & <10, then 'B' If >= 5 & <7, then 'C' If <5, then 'D'						
2	Number of Successful Completed projects in Public Sector (verifiable proof to be provided)	If >=3, then 'A' If 2, then 'B' If 1, then 'C' If 0, then 'D'						
3	Number of Successful Completed projects in Health Sector (verifiable proof to be provided)	If >=3, then 'A' If 2, then 'B' If 1, then 'C' If 0, then 'D'						
4	In the Business of Warehousing (Construction, Operations & Management of warehouse (Documentary Proof is must)	10 years and above =A 8 yrs to <10 yrs = B 3 yrs to <8yrs = C Less than 3 yrs = D						

Criteria of Net Worth & Turnover

Firm is required to provide the financial strength data on this format

A	Turnover PKR	Required Documents
1	Annual Turn Over of lead bidder/JV Partner for any of the last two Financial Years accumulatively i.e.	To be verified from the submitted Income Tax Returns from FBR/Audit Reports
	Status	Eligible/Not Eligible

Note: Values should be duly certified by statutory body like Chartered Accountant or Independent Auditors who are competent to do so as recognized by the Govt.

Signature of the Bidder:

Stamp of Bidder:

(Separate sheet to be filled for each Project Experience)

S.N	Particulars	
1	Name of Project/ Facility	
2	Date of Establishment	
3	Project Cost (In Millions)	
4	Role of Applicant Owner Operator Service Provider	<i>Explain the Role of Applicant</i>
5	Years of Experience as Owner/Operator/ Service Provider	

Note: - Applicant shall submit supporting documents/ evidence e.g. completion certificate/ copy of contract agreement/certifications etc. for size of the project / services offered in support of relevant experience claimed in the above Form-3.

a) Only those assignments shall be considered for which consultant has provided services as lead member (in case that work has been done by a Joint Venture).

b) Each assignment shall be supported by following details:

i) Name of Overall assignment: _____

ii) Location of Overall assignment: _____

iii) Owner's Name and Address: _____

iv) Completion (Actual/Estimated vis-a-vis Stipulated): _____

v) Description of assignment: _____

vi) Description of Services provided by the firm:

c) Decision of Evaluation committee in ascertaining "similar nature" and "similar assignment" will be final.

Signature of the Bidder:

Stamp of Bidder:

Total Marks (Technical Criteria + Financial Criteria): $TM: 70 + 30 = 100$ **Financial Evaluation of Proposal:**

Financial proposals of those consultants who failed to secure minimum qualifying marks in the technical evaluation shall be returned un-opened.

The lowest evaluated Financial Proposal (F_m) will be given the maximum financial score (S_f) of 100 points. The financial scores (S_f) of the other Financial Proposals will be computed as indicated in the Data Sheet. Proposals will be ranked according to their combined technical (S_t) and financial (S_f) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; $T + P = 1$) indicated in the Data Sheet: $S = S_t \times T\% + S_f \times P\%$. The firm achieving the highest combined technical and financial score will be invited for negotiations.

Section 3.
Technical Proposal - Standard Forms

Section 3. Technical Proposal - Standard Forms

[Comments in brackets] provide guidance to the shortlisted Consultants for the preparation of their Technical Proposals; they should be deleted from the Technical Proposals to be submitted.]

Form TECH-1. Technical Proposal Submission Form	26
Form TECH-2. Consultant’s Organization and Experience	27
A - Consultant’s Organization	27
Form TECH-3. Comments and Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be Provided by the PE	28
A - On the Terms of Reference	28
Form TECH-4. Description of Approach, Methodology and Work Plan for Performing the Assignment	29
Form TECH-5. Team Composition and Task Assignments	30
Form TECH-6. Curriculum Vitae (CV) for Proposed Professional Staff	31

FORM TECH-1. TECHNICAL PROPOSAL SUBMISSION FORM

[Location, Date]

To:

Incharge,
Supply-Chain Management Unit Health Department
Peshawar.

Dear Sir:

We, the undersigned, offer to provide the consulting services for *[Insert title of assignment]* in accordance with your Request for Proposal dated *[Insert Date]* and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in the Data Sheet, we undertake to negotiate on the basis of the proposed staff. our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in the Data Sheet.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature *[In full and initials]* ' _____

Name and Title of Signatory: _____

Name of Firm: _____ Address: _____

For FTP Only

Form TECH-2. Consultant's Organization and Experience

A - Consultant's Organization

[Provide here a brief (two Pages) description of the background and organization of your firm/entity].

B - Consultant's Experience

[Using the format below, provide information on each assignment carried out **in the last 3 years** for which your firm was legally contracted either individually or as a corporate entity or as one of the major companies within an association, for carrying out consulting services similar to the ones requested under this assignment.

<p>Assignment name:</p> <p>Country: Location within country:</p> <p>Name of PE:</p> <p>Address:</p> <p>Start date (month/year): Completion date (month/year):</p> <p>Name of associated Consultants, if any:</p> <p>Narrative description of Project:</p> <p>Description of actual services provided by your staff within the assignment:</p>	<p>Approx. value of the contract:</p> <p>Duration of assignment (months):</p> <p>Total No of staff-months of the assignment:</p> <p>:</p> <p>No of professional staff-months provided by associated Consultants:</p> <p>Name of senior professional staff of your firm involved and functions Performed (indicate most significant profiles such as Project Director/Coordinator, Team Leader):</p>
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Firm's Name:

For FTP Only Form TECH-3. Comments and Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be

Provided by the PE

A - On the Terms of Reference

[Present and justify here any modifications or improvement to the Terms of Reference you are proposing to improve Performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions should be concise and to the point, and incorporated in your Proposal.]

Form TECH-4. Description of Approach, Methodology and *Work Plan*
for Performing the Assignment

a) *Technical Approach and Methodology,*

b) *Work Plan, and*

c) *Organization and Staffing,*

a) *Technical Approach and Methodology.* *In this chapter you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the exact output, and the degree of details of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.*

b) *Work Plan.* *In this chapter you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the PE), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan.*

c) *Organization and Staffing.* *In this chapter you should propose the structure and composition of your team. You should list the main disciplines of the assignment, the key expert responsible, and proposed technical and support staff.]*

FORM TECH-5. TEAM COMPOSITION AND TASK ASSIGNMENTS

Professional Staff				
Name of Staff	Qualification	Area of Expertise	Positions Assigned	Tasks Assigned

FORM TECH-6. CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

1. Proposed Position *[only one candidate shall be nominated for each position]*: _____
2. Name of Firm *[Insert name of firm proposing the staff]*: _____
3. Name of Staff *[Insert full name]*: _____
4. _____ Date of Birth: _____
_____ Nationality: _____
5. _____ Education *[Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment]*: _____
6. Membership of Professional Associations: _____
7. Other Training *[Indicate significant training since degrees under 5 - Education were obtained]*: _____
8. Countries of Work Experience: *[List countries where staff has worked in the last ten years]*:
9. Languages *[For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing]*:
10. Employment Record *[Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held.]*:

From *[Year]*: ____ To *[Year]*:

Employer: ____

Positions held: _____

<p>11. Detailed Tasks Assigned</p> <p><i>[List all tasks to be Performed under this assignment]</i></p>	<p>12. Work Undertaken that Best Illustrates Capability to Handle the Tasks Assigned</p> <p><i>[Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under point 11.]</i></p> <p>Name of assignment or project: Year: Location: PE: Main project features: Positions held: Activities Performed:</p>
---	---

13. Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes me, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

_____ Date: _____
[Signature of staff member or authorized representative of the staff] *Day/Month/Year*

Full name of authorized representative: _____

Section 4. Financial Proposal - Standard Forms

Section 4. Financial Proposal - Standard Forms

[Comments in brackets [] provide guidance to the shortlisted Consultants for the preparation of their Financial Proposals; they should be deleted from the Financial Proposals to be submitted.]

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal according to the instructions provided under Para. 3.6 of Section 2. Such Forms are to be used whichever is the selection method indicated in Para. 4 of the Letter of Invitation.

[The Appendix “Financial Negotiations - Breakdown of Remuneration Rates” is to be only used for financial negotiations when Quality-Based Selection, Selection Based on Qualifications, or Single-Source Selection method is adopted, according to the indications provided under Para. 6.3 of Section 2.]

Form FIN-1. Financial Proposal Submission Form	35
Form FIN-2. Summary of Costs	36

To:
Incharge,
Supply-Chain Management Unit Health Department,
.

Dear Sir,

We, the undersigned, offer to provide the consulting services for **Outsourcing of Supply-Chain of Medicines and Supplies**. In accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures¹].

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Paragraph Reference 1.12 of the Data Sheet.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]': _____

Name and Title of Signatory: _____ Name

of Firm: _____

Address' _____

1 Amounts must coincide with the ones indicated under Total Cost of Financial proposal in Form FIN-2.

FORM FIN-2 SUMMARY OF COSTS

Component	Sub component	Indicative unit	Unit Price	Total Price
Warehouse	Ambient	50,000 sq. ft		
	25-30 degree Celsius	70,000 sq.ft		
	2-8 Celsius	5000 sq.ft		
Transportation (The indicative unit may be changed in transportation only and final payment shall be made on actual KM)	Temp controlled 20'	10,000 Km		
	Non- Temp controlled 20'	15000 Km		
	Temp controlled shahzur	25000 Km		
	Non- Temp controlled shahzur	30000 Km		
Repacking	Carton (nxm)	10,000		
Software				

Note:

1 cubic feet =1 ft²

1 pallet = 13.333 square feet

The costs should be broken down by activity which should be attached with Fin-2 All activities and items described in the Technical Proposal must be priced separately; activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items

**SECTION-05:
TERMS OF REFERENCE (TOR)**

Terms of Reference (TOR) “Outsourcing of Supply-Chain of Medicines And Supplies

INTRODUCTION:

Supply-Chain Management Unit Health Department Khyber Pakhtunkhwa is mandated to
Component 1: Protocol-Compliant warehousing of the Medicine & Equipment

Objective:

To establish a fully integrated, efficient, robust and protocol-compliant system for storage and warehousing of medicine and equipment throughout the province with complete data visibility at each level of the supply-chain

Rationale:

Current storage facilities at provincial and district levels are nonexistent/inadequate in terms of space and infrastructure to cater to storage needs vis-à-vis volumes of commodities being procured. Inventory management at all levels of the supply-chain can be improved using technology.

Strategy:

The Department of Health Plans to outsource the end-to-end supply chain services including Provision of Space, Transportation, Insurance, Security, Loading/Unloading, Management etc. to one or more 3rd parties hired through competitive process in line with KPPRA. The department proposes to establish 7 warehouses in following regions; however, the number and size of warehouse may vary within the over-all financial and space provision. The cost estimation for the warehousing space has been done on the basis of area required for warehousing because there is a dearth of service providers who have previously built warehouses with storage racks in these regions. The setting up of storage racks is an expensive proposition and may not be feasible for the service provider in case of contracts pertaining to 2 years. However, the SMCC may solicit bids simultaneously both on the basis of area and space requirements and decide to move on with the most cost-effective solution. The Districts which are proposed to be attached with the Regional Warehouse are mentioned against Each Regional Warehouse.

List of Warehouses & Attached Districts		
Sr No	Regional Warehouse	Districts
1	Peshawar	Peshawar
		Charssada
		Nowshera

		Mardan
		Swabi
		Mohmand
		Khyber
2	Kohat	Kohat
		Hangu
		Orakzai
		Kurram
3	Bannu	Bannu
		Karak
		North Waziristan
4	DI Khan	DI Khan
		Tank
		Lakki Merwat
		South Waziristan
5	Mansehra	Mansehra
		Abbotabad
		Haripur
		Batagram
		Kohistan
		Kolai Palas
		Torgar
6	Malakand	Malakand
		Upper Dir
		Lower Dir
		Chitral (Lower & Upper)
		Bajour
7	Swat	Swat
		Shangla
		Buner

The estimated space requirements calculated on pro-rata basis with regards to population is given below:

Regional Warehouses	Regional Population (in millions)	Total Estimated Area Requirement (2021-22)	Total Estimated Area Requirement (2022-23) @ 3% increase
Peshawar	12.867	76,242	78,529
Kohat	2.5	14,813	15,258
Bannu	3.3	14,221	14,648
DI Khan	2.8	21,924	22,582
Mansehra	5.7	33,629	34,638
Malakand	4.1	26,784	27,588
Swat	4.4	23,701	24,413

Total	35.667	211,315	217,654
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Scope of Services:

The Service Provider will be required to provide following services:

1. Protocol Compliant Warehousing Services
2. Utilities Including Staffing
3. Insurance of the Stock
4. Protocol Compliant Transportation & Distribution
5. Security & Janitorial Works of the Warehouses
6. Receipt & Dispatch of Inbound and Outbound Inventory
7. Management Information System
8. Record Maintenance
9. Loading, Unloading and Touch-Points etc
10. Any other service required by SMCC

Protocol Compliant Warehousing Services:

- The SMCC may decide to outsource all warehouses as one group or further package down the warehouses depending upon the market studies. The service provider shall be required to provide protocol compliant warehousing services in one or more of the proposed 7 regions.
- Warehousing space shall be according to the prescribed conditions including but not limited to temperature control for storage of medicine and equipment to be notified by Supply-chain Management and Coordination Cell (SMCC).
- The service provider shall be required to employ all good supply chain practices which may not be limited to fulfilment of its contractual obligations only.
- The service provider shall be required to comply the storage requirements of the medicine and equipment. In case of items to be stored in ambient temperature, the service provider will ensure compliance through using air conditioners. In case of cold-chain items, the service provider will ensure the maintenance of cold-chain through arrangements approved in advance by SMCC

Utilities and Staffing

- The Service provider shall be responsible for building maintenance, provision of utilities for water, gas and electricity during the contract terms. Service provider shall also be responsible for all required warehouse equipment in space (forklifts/pallet lifter, material handling equipment, etc.). Phone service and internet access will also be the responsibility of the Service provider.
- The Service provider shall obtain all necessary licenses, fees and/or permits required to perform this work under Federal and Provincial laws.
- The Service provider shall employ necessary staff for performance of this project. The Service provider shall assign a project team lead by and experience Project Manager. The team shall be responsible for fulfilment of all contractual obligations under the project including but not limited to inventory management, transportation, warehousing, security, managing warranty claims.
- The service provider will be responsible for the security and janitorial services of the warehouses and vehicles including Fire and burglar alarm (s), CCTV Cameras, Power Backup

Insurance of the Premises & Stock

- The Service provider shall be responsible for the insurance of the premises, medicine and or equipment/goods stored at the warehouse & transported at destination sites across KP on such rates as is prevalent in the Industry.
- The service provider shall provide all insurance details to the Department of Health. The Government of KP shall be entitled to insurance claims in case of any mishap and the service provider shall provide all possible facilitation for the fulfilment of all such claims.

Protocol Compliant Transportation & Distribution

- The service provider will be responsible to provide transportation and distribution services of the medicine, vaccines and equipment in protocol compliant vehicles to the delivery nodes across the province. The details are added in Part 6.4.3.

Security & Janitorial Works of the Warehouses

- Providing janitorial services necessary to maintain the warehouse shall also be the responsibility of the service provider
- Service provider shall be responsible for cleanup and debris removal created by warehousing process.

Receipt & Dispatch of Inbound and Outbound Inventory

- The Service Provider shall be responsible for packaging and safe delivery of outbound goods and shall ensure safe delivery of items at the designated locations.
- The service provider shall be responsible for protection of materials and equipment prior to delivery and/or equipment assembly at destination locations.

Management Information System

- The Service Provider will be required to provide an MIS system. The details of the MIS component are given in Part 6.4.4.

Record Maintenance

- The service provider shall be responsible for the maintenance of record of all inbound and outbound inventory. The record shall include but not be limited to:
 - i. Copy of the Purchase Order/ Contract for specific Manufacturer/Importer,
 - ii. Copy of Bill of Lading/Airway Bill (if any),
 - iii. Copy of Packing Lists,
 - iv. Copy of Receiving Report and exceptions report for specific deliveries.
 - v. Delivery Challans
 - vi. Inspection Reports/Notes
 - vii. Test/Analysis Reports issued by various Laboratories (if received at the warehouse). Warranties Provided under Drugs Act 1976/DRAP Act 2012 & Rules framed thereunder
 - viii. Any other Document required under law and/or required by DOH.
- Upon receipt of delivery, the service provider shall be responsible for visibly inspecting all items, stock count and matches with bill, noting any discrepancies with driver/dispatcher and obtain driver/ dispatcher signature. He shall also compare packing slip and match description to goods received.
- Any discrepancies, partial shipments etc. shall be noted and reported to Monitoring Committee or sub monitoring committee and also coordinate with supplier/manufacturer for resolution.
- Service Provider shall provide receiving report for each delivery compared against purchase order / Contract. This report to be maintained with correlating purchase order / Contract, bill of lading/airway bill/Delivery Challan, packing slips, and storage location.
- After initial inspection of all the items, if any defect is found then the service provider shall be responsible for damages and pay penalties to DOH equivalent to the full cost of the item so damaged.

Loading, Unloading and Touch-Points:

- The service provider shall provide the Loading & Unloading Services not only at the warehouse but also at the destination sites.
- In case of delivery at multiple destination sites (Touch Points) by a single vehicle/container, loading & unloading at each Touch Point shall be the responsibility of the service provider.

Any other service required by SMCC

- Service provider can be entrusted any other service including operations of existing warehouses of DOH, as decided by the SMCC.

Warehousing Management:

- Suitable office space for monitoring committee shall be provided at warehouse location for at least two (2) employees, if required, by DOH.

Monitoring & Evaluation:

- Monitoring committee shall carry out technical administration of the contract, communication, coordination and for gauging and determining the adequacy of the service provider's performance. He shall provide unhindered real time access to the DOH and its representatives to premises', inventory and other related record.

Component 2: Protocol-Compliant Distribution System of the Medicine & Equipment**Objective:**

To establish a fully integrated, optimized, and robust system for the distribution of medicine and equipment to all the health facilities through-out the province with complete data visibility at each level of the supply-chain

Rationale:

There is currently no system for distribution of medicine and equipment to health facilities in the province. The health facilities and end-users are left on their own for collection of medicine from central stores or the

medicine supplier delivers the medicine to the health facilities without an appropriate roster. A lot of efficiency can be brought in the system by introducing an outsourced Distribution System. The system will also improve the inventory controls at all levels of the supply-chain by the use of technology.

Strategy:

Under the project, the Department of Health plans to outsource the transportation and distribution services as well. The location of 7 regional warehouses has been planned with view to make the solution optimal and cost-effective on the basis of their mutual distances and time-required to travel between the warehouse and its spoke district.

Basic Data						
S.No	District	Population (in millions)	Population (Approximate)	Status of District	Average Distance between Hub and Spoke Districts (Adjusted for Within District Commuting)	Time-Taken between Hub-Spoke Districts (in minutes)
1	Peshawar	4.3	4,300,000	Hub	25	75
2	Charssada	1.6	1,600,000	Spoke	50	45
3	Nowshera	1.5	1,500,000	Spoke	50	35
4	Mardan	2.4	2,400,000	Spoke	50	30
5	Swabi	1.6	1,600,000	Spoke	90	75
6	Mohmand	0.5	467,000	Spoke	90	160
7	Khyber	1	1,000,000	Spoke	50	215
8	Kohat	1.1	1,100,000	Hub	25	160
9	Hangu	0.5	500,000	Spoke	55	225
10	Orakzai	0.3	300,000	Spoke	75	280
11	Kurram	0.6	600,000	Spoke	160	240
12	Bannu	1.2	1,200,000	Hub	25	85
14	Karak	0.7	700,000	Spoke	75	80
15	North Waziristan	0.5	500,000	Spoke	85	180
16	DI Khan	1.7	1,700,000	Hub	25	110
17	Tank	0.4	400,000	Spoke	75	110
13	Lakki Merwat	0.9	900,000	Spoke	110	30
18	South Waziristan	0.7	700,000	Spoke	175	215
19	Mansehra	1.6	1,600,000	Hub	25	30
20	Abbotabad	1.3	1,300,000	Spoke	30	60
21	Haripur	1	1,000,000	Spoke	80	85
22	Batagram	0.5	500,000	Spoke	75	90
23	Kohistan	0.8	800,000	Spoke	200	225
24	Kolai Palas	0.3	275,461	Spoke	125	
25	Torgar	0.2	200,000	Spoke	80	110
26	Malakand	0.7	720,295	Hub	25	
32	Upper Dir	0.9	900,000	Spoke	175	330
28	Lower Dir	1.4	1,400,000	Spoke	90	150
33	Chitral (Lower & Upper)	0.4	400,000	Spoke	250	480
29	Bajaur	1.1	1,100,000	Spoke	100	160

30	Swat	2.3	2,300,000	Hub	25	140
31	Shangla	0.8	800,000	Spoke	50	230
27	Buner	0.9	900,000	Spoke	125	170
			35,662,756		2745	

- The service provider shall be responsible to transport the medicine and equipment from the warehouse to the final destinations.
- All transportation vehicles/containers shall be closed and covered for safe & secure delivery.
- As there are two type of medicine as far as their temperature sensitivity is concerned. Most of those require only ambient temperature. The service provider shall be responsible to transport such medicine and equipment in covered ambient temperature vehicles.
- However, there are few medicines which require refrigerated transportation vehicles. In case of refrigerated transportation, the service provider shall ensure their transportation in temperature controlled refrigerated vehicles having temperature logging system available.
- The temperature logging system should be such as which cannot be tampered with.
- The service provider shall be responsible for safety, security, insurance, management, loading and unloading of inventory at all locations within the given time-frame.
- The payment to the service provider shall be calculated on the basis of distance given by the Google Map

Cost:

The estimated Cost of the component for 30 months is approximately Rs 33.175 million. The details of Cost Estimates are attached in Annexures.

Component 3: Supply-chain Management Information System

Objective:

Enable decision makers at all levels make evidence based, informed decisions for all supply-chain functions.

Rationale:

Different health programs maintain standalone MIS systems, most of which do not cover logistics functions, including: forecasting and supply planning, warehousing, and stock requisitioning. The LHW, MNCH, EPI, DHO, THQ hospital, Hepatitis and Nutrition program MIS have very limited logistics information which is not sufficient to measure overall supply-chain performance.

Strategy:

A component of Supply-Chain Management Information System has been included as a part of the project which will be developed by the service provider. The service provider may either develop the MIS itself or through a 3rd Party. However, the Service provider shall indemnify DOH against any claims, suits or any other legal proceeding arising out of third-party contracts made by the service provider.

- i. The SMU shall develop complete functional specification of the Supply-Chain MIS and get it approved by the SMCC.
- ii. A post of MIS officer has been included in the SMU for steering the MIS initiative.
- iii. The MIS shall be a web-based system having capacity to work offline in case of internet disconnections or Power-Failures.
- iv. The functional specifications shall be comprehensive and these shall included but not be limited to the functional ability of the MIS of inbound & outbound inventory management, fleet management, Placement of Orders, Sample Testing, Submission of Invoices etc.
- v. The functional specifications of the MIS and the MIS templates, Reporting Forms shall be approved by the SMCC.
- vi. The forms including the medicine order forms, medicine inbound and outbound challans, stock inventory reports, total ordered medicine and total received medicine, point wise medicine delivery-status, medicine wise orders and deliveries, financial value of ordered medicine, Authorized Medicine Ordering Entity wise reports etc shall be reviewed by the SMU and approved by the SMCC.
- vii. MIS shall have 360 degree reporting feature of each activity undertaken through it. It shall generate automatic intimations of orders by AMOEs, inbound supplies of medicine and equipment, samples of medicine drawn for testing by DTLs, Clearance reports by DTLs and batches of medicines ready to be delivered and delivered etc.
- viii. Director General, Health Services, KP will continue to circulate Medicine and/or equipment Framework Contract or lists as the case may be for ordering of medicine and also list of Authorized Medicine Ordering Entities (AMOEs) having their complete details, name, designation, addresses, phone numbers and email addresses etc.

- ix. The MIS shall also include the updated Medicine and Equipment Framework Contract issued by the Office of Director General, Health Services, KP in such a manner that authorized medicine ordering entities can punch in orders using drop down menu etc.
- x. The MIS system developed and deployed by the service provider must be capable of seamless integration with the various existing MIS deployed by the DOH and/or its program
- xi. The MIS must be capable to capture exact locations of each Pallet & Carton in the Warehouse utilizing Barcode Technology.
- xii. The MIS shall be able to capture complete Carton-Wise & Batch-Wise details of Stocked Inventory, Issued Inventory, Inbound Inventory & Out bound Inventory in real time.
- xiii. The Service Provider shall be responsible to train SMU staff and the field staff on the functioning of the MIS.
- xiv. After development and deployment of the Supply-Chain MIS, authorized medicine ordering entities shall be able to place order digitally through the MIS as well as in the traditional manner to the manufacturer/supplier.
- xv. All the Authorized Medicine Ordering Entities (AMOE) and listed manufactures/suppliers shall be issued logins and passwords as decided by SMCC. The SMCC shall decide total number of delivery points of medicines in respect of each Authorized Medicine Ordering Entity.
- xvi. The Authorized Medicine Ordering Entity (AMOE) shall be authorized to place orders only within their approved budget.
- xvii. Authorized Medicine Ordering Entities (AMOE) shall punch in the medicine itemized order through MIS deployed by service provider which will be available online 24/7, 365 days a year. After punching in the order, healthcare establishment will get a print out of the same order sheet, affixes signatures and stamp thereon and transmits the same electronically via MIS as well as through regular traditional manner to the manufacturer/supplier.
- xviii. Manufacturer/supplier shall generate a confirmation mail within 24 hours of receiving of medicine order through MIS.
- xix. The Service Provider shall maintain record both in soft and hard form of these orders and subsequent verification process along with the hard copy of signed and stamped order sheet

dispatched by Authorized Medicine Ordering Entity and received by service provider via regular postal mail.

- xx. The Service Provider shall receive the medicine supply by manufacturer on behalf of the Authorized Medicine Ordering Entity and intimate Authorized Medicine Ordering Entity, head of monitoring committee and DGHS within 24 hours of the receiving. Supply of medicine can be received by the service provider during any hour of a day.
- xxi. The Service Provider shall arrange for the physical inspection of supplied medicine by teams notified by DGHS in respect of each regional warehouse and collection of samples for sending to Drug Testing Labs within 3 working days from the date on which the medicine supply was received in the warehouse maintained by Service Provider.
- xxii. Once DTL clears certain batch, the Service Provider shall deliver the medicine to the designated point within shortest possible time under requisite conditions.
- xxiii. Authorized Medicine Ordering Entity can have the option of staggered delivery of medicine by Service Provider. In such a case, Authorized Medicine Ordering Entity shall intimate point wise delivery schedule to Service provider at the time of ordering of medicine. This facility of warehousing of medicine under ambient condition is made available on the pretext that many healthcare establishments especially primary healthcare establishments lack basic storage facility.
- xxiv. The MIS along with the Source Code, IT hardware and the data shall be the exclusive property of the Department of Health, Government of KP. After the currency of the contract and service provider shall handover the same to DGHS at the culmination of the contract. DOH also has the option to deploy MIS (developed through the service provider) to its any other location or warehouse.
- xxv. The Service provider shall not be authorized to utilize any data, information, projections or report etc that he has been collected, compiled, gathered in performance of the contract to his benefit other than in performance of the instant contract or to improve service delivery under the instant contract.

Section-6
Conditions of Contract

General Conditions of Contract

1. GENERAL PROVISIONS

1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- a. “Applicable Law” means the Khyber Pakhtunkhwa Public Procurement Act, thereunder Rules 2014.
- b. “Procuring Entity PE” means the implementing department which signs the contract
- c. “Consultant” means a professional who can study, design, organize, evaluate and manage projects or assess, evaluate and provide specialist advice or give technical assistance for making or drafting policies, institutional reforms and includes private entities, consulting firms, legal advisors, engineering firms, construction managers, management firms, procurement agents, inspection agents, auditors, international and multinational organizations, investment and merchant banks, universities, research institutions, government agencies, nongovernmental organizations, and individuals
- d. “Contract” means the Contract signed by the Parties and all the attached documents listed in its Clause 1, that is General Conditions (GC), the Special Conditions (SC), and the Appendices.
- e. “Contract Price” means the price to be Paid for the Performance

		<p>of the Services, in accordance with Clause 6;</p> <p>f. “Effective Date” means the date on which this Contract comes into force and effect pursuant to Clause GC 2.1.</p> <p>g. “Foreign Currency” means any currency other than the currency of the PE’s country.</p> <p>h. “GC” means these General Conditions of Contract.</p> <p>i. “Government” means the Government of Khyber Pakhtunkhwa.</p> <p>j. “Local Currency” means Pak Rupees.</p> <p>k. “Member” means any of the entities that make up the joint venture/consortium/association, and “Members” means all these entities.</p> <p>l. “Party” means the PE or the Consultant, as the case may be, and “Parties” means both of them.</p> <p>m. “Personnel” means Persons hired by the Consultant or by any Sub Consultants and assigned to the Performance of the Services or any Part thereof.</p> <p>n. “SC” means the Special Conditions of Contract by which the GC may be amended or supplemented.</p> <p>o. “Services” means the consulting services to be performed by the Consultant pursuant to this Contract, as described in the Terms of References.</p> <p>p. “Sub-Consultants” means any Person or entity to whom/which the Consultant subcontracts any Part of the Services.</p> <p>q. “In writing” means communicated in written form with proof of receipt</p>
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<p>1.2 Law Governing Contract</p>		<p>This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the applicable law</p>
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1.3 Language		This Contract is executed in the language specified in the SC, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract
1.4 Notices	1.4.1	Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in Person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the SC.
	1.4.2	A Party may change its address for notice hereunder by giving the other Party notice in writing of such change to the address specified in the SC
1.5 Location		The Services shall be performed at such locations as are specified in special condition of contract and, where the location of a Particular task is not so specified, at such locations, whether in the Government's country or elsewhere, as the PE may approve
1.6 Authority of Member in Charge		In case the Consultant consists of a joint venture/ consortium/ association of more than one individual firms, the Members hereby authorize the individual firms or specified in the SC to act on their behalf in exercising all the Consultant's rights and obligations towards the PE under this Contract, including without limitation the receiving of instructions and Payments from the PE
1.7 Authorized Representatives		Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the PE or the Consultant may be taken or executed by the officials specified in the SC
1.8 Taxes & Duties		The Consultant, Sub-Consultants, and their Personnel shall Pay such direct or indirect taxes, duties, fees, and other impositions levied under the Applicable Law as specified in the SC, the amount of which is deemed to have been included in the Contract Price
1.9 Fraud & Corruption		<p>If the PE determines that the Consultant and/or its Personnel, subcontractors, sub-consultants, services providers and suppliers has engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices, in competing for or in executing the Contract, then the PE may, after giving 14 days' notice to the Consultant, terminate the Consultant's employment under the Contract, and may resort to other remedies including blacklisting/disqualification as provided in KPPR 2014</p> <p>Any Personnel of the Consultant who engages in corrupt, fraudulent, collusive, coercive, or obstructive practice during the execution of the Contract, shall be removed in accordance with Sub-Clause 4.2. Integrity Pact</p> <p>A. If the Consultant or any of his Sub-consultants, agents or</p>

		<p>servants is found to have violated or involved in violation of the Integrity Pact signed by the Consultant as Appendix-G to this Form of Contract, then the Client shall be entitled to:</p> <p>(a) recover from the Consultant an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by the Consultant or any of his Sub-consultant, agents or servants;</p> <p>(b) terminate the Contract; and</p> <p>(c) Recover from the Consultant any loss or damage to the Client as a result of such termination or of any other corrupt business practices of the Consultant or any of his Sub-consultant, agents or servants. On termination of the Contract under Sub-Para (b) of this Sub Clause, the Consultant shall proceed in accordance with Sub Clause 1.9 A. Payment upon such termination shall be made under Sub-Clause 1.9 A after having deducted the amounts due to the Client under 19 B SubPara (a) and (c).</p>
2. COMMENCEMENT, COMPLETION, MODIFICATION & TERMINATION OF CONTRACT		
2.1 Effectiveness of Contract		This Contract shall come into effect on the date the Contract is signed by either Parties or such other later date as may be stated in the SC. The date the Contract comes into effect is defined as the Effective Date.
2.2 Commencement of Services		The Consultant shall begin carrying out the Services not later than the number of days after the Effective Date specified in the SC.
2.3 Expiration of Contract		Unless terminated earlier pursuant to Clause GC 2.6 hereof, this Contract shall expire at the end of such time period after the Effective Date as specified in the SC.
2.4 Modifications or Variations		Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.
2.5 Force Majeure		The failure on the Part of the Parties to Perform their obligation under the contract will not be considered a default if such failure is the result of natural calamities, disasters and circumstances beyond the control of the parties.

	2.5.1	<p>No Breach of Contract</p> <p>The failure of a Party to fulfill any of its obligations under the contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event</p>
	2.5.2	<p>Extension of Time</p> <p>Any period within which a party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such party was unable to Perform such action as a result of Force Majeure</p>
	2.5.3	<p>Payment</p> <p>During the period of their inability to Perform the Services as a result of an event of Force Majeure, the Consultant shall be entitled to continue to be Paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Services and in reactivating the Service after the end of such period</p>
2.6 Termination		<p>The PE may terminate this Contract in case of the occurrence of any of the events specified in Paragraphs (a) through (f) of this Clause GC</p>

2.6.1 By PE
 In such an occurrence the PE shall give a not less than thirty (30) days' written notice of termination to the Consultant, and sixty (60) days' in the case of the event referred to in (e).

- a. If the Consultant does not remedy the failure in the Performance of their obligations under the Contract, within thirty (30) days after being notified or within any further period as the PE may have subsequently approved in writing
- b. If the Consultant becomes insolvent or bankrupt.
- c. If the Consultant, in the judgment of the PE has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.
- d. If, as the result of Force Majeure, the Consultant(s) are unable to perform a material portion of the Services for a period of not less than sixty (60) days.
- e. If the PE, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.
- f. If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GC 8 hereof

2.6.2 By the Consultant
 The Consultants may terminate this Contract, by not less than thirty (30) days' written notice to the PE, such notice to be given after the occurrence of any of the events specified in Paragraphs (a) through (c) of this Clause GC 2.6.2

- a. If the PE fails to pay any money due to the Consultant pursuant to this Contract without consultants fault.
- b. Pursuant to Clause GC 7 hereof within forty-five (45) days after receiving written notice from the Consultant that such Payment

- is overdue.
- c. If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.
- d. If the PA fails to comply with any final decision reached as a result of arbitration pursuant to Clause GC 8 hereof.

	2.6.3	<p>Payment upon the Termination</p> <p>Upon termination of this Contract pursuant to Clauses GC 2.6.1 or GC. 2.6.2, the PE shall make the following Payments to the Consultant:</p> <ul style="list-style-type: none"> a. Payment pursuant to Clause GC 6 for Services satisfactorily Performed prior to the effective date of termination b. except in the case of termination pursuant to Paragraphs (a) through, and (f) of Clause GC 2.6.1, reimbursement of any reasonable cost incident to the prompt and orderly termination of the Contract, including the cost of the return travel of the Personnel and their eligible dependent's.
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3. OBLIGATIONS OF THE CONSULTANT		
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3.1 General	3.1.1	<p>Standard of Performance</p> <p>The Consultant shall Perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as faithful advisers to the PE, and shall at all times support and safeguard the PE's legitimate interests in any dealings with Sub-Consultants or third parties.</p>
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3.2 Conflict of Interest		<p>The Consultant shall hold the PE's interests Paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests</p>
	3.2.1	<p>Consultants not to Benefit from Commissions, Discounts, etc.</p> <p>The Payment of the Consultant pursuant to Clause GC 6 shall constitute the Consultant's only Payment in connection with this Contract or the Services, and the Consultant shall not accept for their own benefit any trade commission, discount, or similar Payment in connection with activities pursuant to this Contract or to the Services or in the discharge of their obligations under the Contract, and the Consultant shall use their best efforts to ensure that the Personnel, any Sub-Consultants, and agents of either of them similarly shall not</p>

		<p>receive any such additional Payment</p>
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	3.2.2	Prohibition of Conflicting Activities The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, as well as any Sub-Consultants and any entity affiliated with such Sub-Consultants, shall be disqualified from providing goods, works or services (other than consulting services) resulting from or directly related to the Consultant's Services for the preparation or implementation of the project
	3.2.3	Prohibition of Conflicting Activities The Consultant shall not engage, and shall cause their Personnel as well as their Sub-Consultants and their Personnel not to engage, either directly or indirectly, in any business or professional activities which would conflict with the activities assigned to them under this Contract.
3.4 Confidentiality		Except with the prior written consent of the PE, the Consultant and the Personnel shall not at any time communicate to any Person or entity any confidential information acquired in the course of the Services, nor shall the Consultant and the Personnel make public the recommendations formulated in the course of, or as a result of, the Services.
3.5 Consultant's Actions Requiring PE's Prior Approval		The Consultant shall obtain the PE's prior approval in writing before taking any of the following actions: (a) entering into a subcontract for the Performance of any Part of the Services, (b) appointing such members of the Personnel not listed, and (c) any other action that may affect the contract directly or indirectly
3.6 Reporting Obligations		a. The Consultant shall submit to the PE the reports and documents specified in in TOR hereto, in the form, in the numbers and within the time Period set forth in the said TOR. b. Final reports shall be delivered in CD ROM in addition to the hard copies specified in said TOR.
3.7 Documents Prepared by the Consultant to be the Property of the PE		(a) All plans, reports, other documents and software submitted by the Consultant under this Contract shall become and remain the property of the PE, and the Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the PE, together with a detailed inventory thereof.
3.8 Professional liability of consultant	3.8.1	The consultant shall be liable for consequence of errors or omissions on its part. The extent of liability of the consultant in no case should be less than consideration of the contract.

	3.8.2	The consultant shall be held liable for all losses or damages and shortcomings in deliverables etc, suffered by the procuring entity as a result of misconduct or inadequate services in performing the consulting services
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	3.8.3	In case of poor/unsatisfactory performance or failure to complete any of the deliverables/output, the procuring entity will have the right to deduct the same amount allocated for the said deliverables/output from the contract price and may terminate the contract or shall impose both
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3.10 Monitoring and Evaluation	3.10.1	The Consultant shall submit the report along with the attendance to the Supply-Chain Management Unit Health Department . The PE shall monitor and evaluate and visit the consultant business place each month. The Consultant shall facilitate the PE for inspection of the relevant records and the consultant shall produce the relevant records on demand of PE for evaluation.
	3.10.2	If the consultant failed to provide the relevant records to the PE, the PE shall have the right to terminate the contract and impose the penalty of not less than the consideration of the contract as the case may be.

4. CONSULTANT’S PERSONNEL

4.1 Description of Personnel		The Consultant shall employ and provide such qualified and Personnel experienced Personnel as are required to carry out the Services. The titles, agreed job descriptions, minimum qualifications, and estimated Period of engagement in the carrying out of the Services of the Consultant’s Key Personnel are described in Section 3 & TOR. The Key Personnel listed by title as well as by name in proposal are hereby approved by the PE.
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4.2 Removal and/or Replacement of Personnel		<ul style="list-style-type: none"> a. Except as the PE may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Consultant, such as retirement, death, medical incapacity, among others, it becomes necessary to replace any of the Key Personnel, the Consultant shall provide as a replacement a Person of equivalent or better qualifications. b. If the PE finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the Performance of any of the Personnel, then the Consultant shall, at the PE’s written request specifying the grounds thereof, provide as a replacement a Person with qualifications and experience acceptable to the PE c. The Consultant shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.
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5. OBLIGATIONS OF THE PE

5.1 Assistance and Exemptions		The PE shall use its best efforts to ensure that the Government shall provide the Consultant such assistance and exemptions as the PE can provide.
5.2 Change in the Applicable Law Related to Taxes and Duties		If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties, the PE will deduct all the taxes and duties as per prevailing applicable tax laws.
5.3 Services and Facilities		The PE shall make available free of charge to the Consultant the Services and Facilities listed under Appendix F
6. PAYMENTS TO THE CONSULTANT		
6.1 Lump-sum Payment		The total Payment due to the Consultant shall not exceed the Contract Price which is an all-inclusive fixed lump-sum covering all costs required to carry out the Services described in TOR and Scope of Services, the Contract Price may only be increased above the amounts stated in Clause If the Parties have agreed to additional Payments in accordance with Clause 2.4
6.2 Contract Price		The contract price shall be lump sum and payment shall be made in Pak Rupees
6.3 Payment for Additional Services		For the purpose of determining the remuneration due for additional services as may be agreed under Clause 2.4, a breakdown of the lump sum price shall be provided..
6.4 Terms and Conditions of Payment		Payments will be made to the account of the Consultant and according to the Payment schedule and terms and conditions stated in the TORs
7. GOOD FAITH		
7.1		The parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.
8. SETTLEMENT OF DISPUTES		
8.1 Amicable Settlement		The parties agree that the avoidance or early resolution of disputes is crucial for a smooth execution of the Contract and the success of the assignment. The parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.

8.2 Dispute Resolution		Any dispute between the parties as to matters arising pursuant to this Contract that cannot be settled amicably within thirty (30) days after receipt by one party of the other Party's request for such amicable settlement may be submitted by either party for settlement in accordance with the provisions specified in the SC
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III. Special Conditions of Contract

GCC Ref No	
1.1	Supply-Chain Management Unit Health Department Khyber Pakhtunkhwa Public Procurement Rules The Drugs Act 1976 DRAP Act 2012
1.3	The language is English
1.4	The addresses are: Procuring Entity: Khyber Pakhtunkhwa Supply-Chain Management Unit Health
1.5	Department Attention: Incharge E-mail:
1.7	The Authorized Representatives are: For the PE: _____ For the Consultant: _____
2.1	The duration of the contract shall be 5 years.
2.2	The date for the commencement of Services is [soon after signing of contract].
2.4	<ul style="list-style-type: none"> • The duration of the contract shall be 5 years • The PE in consultation with stake holders will review the contract and amend if deem necessary at any time during execution and/or periodically after 2years. • The PE has right to monitor the activities of the institution in accordance to contracts at any time on mutually agreed indicators. In case of any breach of agreement to provide the services agreed the contract may be terminated after warning. • The Institution after negotiation with PE in light of provision of KPPRA Act and Rules shall submit the negotiated amended proposal as integral part of contract agreement if declared as successful bidder. • The consultant will ensure the NOC from TDP secretariat before award of the contract.
2.5.3	Extension of Time: this contract cannot be extended beyond 5 years. However, the PE may re-advertise in which the same institution /consultant may apply.

2.6	<p>Termination of Contract: In following conditions, the contract shall stand terminated;</p> <ul style="list-style-type: none"> • If the consultant fails to comply with the clauses of contract agreement and this RFP. • Fails to maintain the standard of services for which they have been selected at the time of selection.
	<ul style="list-style-type: none"> • Major deviation from technical & financial proposal • Found indulged in any sought of corrupt practices. • Found to be the source of misinformation or false claims in submitted bid/s to PE.
3.5	<p>The Institution shall seek permission prior to</p> <ul style="list-style-type: none"> • Any deviation from the policy document of the health department/Govt of KP • Any Major change in the infrastructure of the respective health facility • Any change in the agreed scope of work •
8.2	<p>Disputes shall be settled as per redressal committee through Grievance Redressal as per KPPRA Rules 2014</p> <p>The Procuring Agency and / or Purchasing Agency, as the case may be, and the Supplier/bidder/institution shall make every effort to resolve amicably by direct negotiation any disagreement or dispute arising between them under or in connection with the contract / supplies.</p> <p>However, despite such negotiation if the Purchasing Agency& Supplier have been unable to resolve amicably a contract dispute, either party may refer the case to KP Supply-Chain Management Unit Health Department Khyber Pakhtunkhwa, Health Department, Peshawar for decision and that will be final which cannot be challenged in a court of law.</p>

Appendix A

(INTEGRITY PACT)

**DECLARATION OF FEES, COMMISSION AND BROKERAGE ETC.
PAYABLE BY THE SUPPLIERS OF GOODS, SERVICES & WORKS IN
CONTRACTS WORTH RS. 10.00 MILLION OR MORE**

Contract No. _____ Dated _____

Contract Value: _____

Contract Title: _____

[name of Supplier] hereby declares that it has not obtained or induced the procurement of any contract, right, interest, privilege or other obligation or benefit from Government of Khyber Pakhtunkhwa (GoKP) or any administrative subdivision or Entity thereof or any other entity owned or controlled by GoKP through any corrupt business practice.

Without limiting the generality of the foregoing, [name of Supplier] represents and warrants that it has fully declared the brokerage, commission, fees etc. Paid or Payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from GoKP, except that which has been expressly declared pursuant hereto.

[name of Supplier] certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with GoKP and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

[name of Supplier] accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other rights and remedies available to GoKP under any law, contract or other instrument, be voidable at the option of GoKP.

Notwithstanding any rights and remedies exercised by GoKP in this regard, [name of Supplier] agrees to indemnify GoKP for any loss or damage incurred by it on account of its corrupt business practices and further Pay compensation to GoKP in an amount equivalent to ten time the sum of any commission, gratification, bribe, finder's fee or kickback given by [name of Supplier] as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever form from GoKP.

Name of Buyer:

Signature: Name of Seller/Supplier: ... [Seal] Signature:

.....

[Seal]

Appendix-B
AGREEMENT

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Annex-A: Scope of Services

The Second Party shall provide, manage, and operate a fully equipped temperature-controlled warehousing facility comprising of 20,000 Sq. Ft. The facility shall be used for the central storage and trackable disbursement of medicines, consumables, and equipment to healthcare facilities in Khyber Pakhtunkhwa, and shall be arranged in accordance with National Drug Laws (Drugs Act 1976/DRAP Act 2012 & rules framed thereunder) as a complete turnkey solution for the First Party. This warehouse is located at “[location/address]”, by the name of “[organization name]”. All services referred to hereunder shall remain available 24/7 throughout the duration of the contract period (i.e., 12 months). The Second Party shall provide necessary warehousing and logistics requirements as agreed in the contract. Any equipment, installation, documentation, and other labour not specified herein but required for a complete, turnkey supply-chain solution shall be considered as part of this specification.

1. Warehousing Space

Component	Sub component	Indicative unit	Humidity Required	Maximum value of stock to be kept at warehouse ¹
Warehouse	Ambient	50,000 sq. ft	35-65% RH	PKR 1000 Million
	25-30 degree Celsius	70,000 sq.ft		
	2-8 Celsius	5000 sq.ft		
Transportation (The indicative unit may be changed in	Temp controlled 20’	10,000 Km		
	Non- Temp controlled 20’	15000 Km		
	Temp controlled shahzur	25000 Km		

¹ The referred to quantity in this column is given for the purpose of bid comparison and contract award. Efforts have been made to keep the given quantities as realistic as possible. However, actual payments shall be made on the basis of actual utilization multiplied with the unit rate quoted by the Second Party.

transportation only and final payment shall be made on actual KM)	Non- Temp controlled shahzur	30000 Km		
Repacking	Carton (nxm)	10,000		
Software				

- a. The total space required for the Central Warehouse is estimated at 20,000 Sq. Ft. This includes 15,000 Sq. Ft. for medicines and consumables (including refrigerated), and 5,000 Sq. Ft. for equipment.
- b. Stacking and storage must be done by the Second Party in a way that maximises space utilization and adds capacity so that if at any given point during the contract duration, a surge in stock levels occurs, it must be accommodated for within the warehouse.
- c. The Second Party shall provide pallets either made of wood or plastic (preferred). If the Second Party chooses to use wooden pallets, these must be treated for termites and all other relevant treatments required.
- d. The Second Party shall ensure insurance of the premises and stock kept there during the contract period. The maximum value of stock to be kept at the warehouse has been estimated at PKR 1000 Million. This amount should be used for insurance calculations.
- e. Warehouse shall be clean, dry, dust free and provided with the following minimum requirements:
 - Fire alarm with adequate trainings imparted to the staff,
 - Fire sprinkler duly verified by a reputed company,
 - Monitored burglar alarm linked with security agencies,
 - CCTV camera surveillance system, as approved and monitored by the First Party,
 - Climate/temperature-controlled area (as specified above) for sensitive items as per manufacturer/ vendor’s requirement.
 - Appointment of a dedicated POC who shall maintain a liaison with the First Party, at all times
- f. Second Party shall be responsible for building maintenance, provide utilities (i.e., water, gas, and electricity) during the contract term. Phone service and internet access will also be the responsibility of the Second Party.
- g. Second Party shall be responsible for all required warehouse equipment in space (racks, forklifts, material handling equipment, etc.).

- h. Second Party shall obtain all necessary licenses, fees and/or permits required to perform this work.
- i. Second Party shall take all reasonable precautions necessary to protect persons and property from injury or damage during the performance of this contract. Second Party shall be responsible for any injury to himself/herself, his/her employees, as well as for any damage to personal or public property that occurs during the performance of this contract that is caused by his/her employee's fault or negligence and shall maintain personal liability and property damage insurance having coverage for a limit as required by the applicable laws.
- j. Payment to the Second Party shall be made based on actual utilisation only, maintaining a minimum of ~20,000 Sq. Ft. (+/- 5,000) warehousing space for the duration of the contract. The per Sq. Ft., rate quoted to us, must therefore be inclusive of all costs against the requirements given above.

2. Warehousing Operations

- a. Second Party shall be responsible for inventory management including, but not limited to, the following:
 - Provide web-based inventory control system database that keeps exact locations of all items utilizing barcode technology. This means each carton/piece of equipment that is delivered to and from the warehouse shall be given a barcode and subsequently scanned for all movements. This does not imply barcoding individual packs of medicines, only cartons.
 - Complete details of stocked inventory, issued inventory, inbound inventory will be available online in real time.
 - On delivery order from the First Party, requested items will be dispatched from the warehouse.
 - The First Party will have the access to track and trace delivery orders.
 - Stock in hand/ Re-order level Report shall be made available online.
 - Details of delivery order and delivery confirmation of approved delivery orders should be accessible to the First Party.
 - All equipment/medicine and other inventory would be required to be stored in designated areas, with batch and expiration date pasted on the item.
 - To provide customized storage racks for specific needs (if required).
- b. To conduct scheduled scrutiny and stock take of all items daily
- c. Providing janitorial services necessary to maintain the warehouse shall also be the responsibility of the Second Party
- d. The Second Party shall be responsible for clean-up and debris removal created by the warehousing process

- e. The Second Party shall provide unhindered access to the First Party and its representatives of premises, inventory, and other related records on prior 30 minutes notice
- f. Second Party shall ensure a strong and continuous chain of custody.
- g. The Second Party shall be responsible for security of all items in warehouse until items are delivered and final signoff achieved. This shall include, but is not limited to:
 - Second Party shall provide 24/7 breach-proof electronic surveillance and monitoring system to prevent and thwart any loss of property from fire, theft, and loss.
 - All the spaces should be covered with CCTV monitoring for 24/7 and it shall be accessible to the First Party
 - Warehouse and management thereof shall comply with all safety and quality codes.
- h. Payment to the Second Party shall be made based on actual utilisation only, maintaining a minimum of ~20,000 Sq. Ft. (+/- 5,000) warehousing space for the duration of the contract. The per Sq. Ft., rate quoted to us, must therefore be inclusive of all costs against the requirements given above.

3. Equipment/Goods Receiving Requirements

- a. Second Party shall be responsible for receiving, warehousing, and placement of all items delivered to the warehouse. The Second Party shall also provide adequate space, utilities, and other specifications for the purpose of storage, assembly, and inspections by relevant parties.
- b. The Second Party shall apply bar code stickers on all incoming stock:
 - For medicines, each carton shall have 1 barcode sticker
 - For equipment, each piece of equipment shall have 1 barcode sticker

For all outgoing and incoming stock, and at all times during transit of stock, the barcode readers shall be capable of tracking the stock 'journey'.

- c. The First Party shall give six (6) hours prior notice to the Second Party and upload a file (of predetermined format) containing specifications pertaining to inbound stock.
- d. The Second Party shall keep following record for inbound stock:
 - Copy of the Purchase Order for specific manufacture,
 - Copy of Bill of Lading (if any),
 - Copy of Packing lists,
 - Copy of Receiving Report and exceptions report for specific deliveries.

- e. Upon receipt of delivery, Second Party shall be responsible for visibly inspecting all items, and stock count against the bill of lading (if any), noting any discrepancies with driver/dispatcher and obtain driver/ dispatcher signature. Second Party shall also compare packing slip and match description to goods received. Any discrepancies, partial shipments etc. shall be noted and provided to the First Party to coordinate with appropriate parties for resolution.
- f. Second Party shall provide receiving report for each delivery compared against purchase order. This report to be maintained with correlating purchase order, bill of lading, packing slips, and storage location.
- g. Trained pharmacist(s) must be available in case any items/cartons are required to be opened and repackaged for delivery to a particular facility, according to the following repackaging requirements:

Minimum requirement (per carton/ per month)	Maximum requirement ² (per carton/per month)	Single carton dimensions (inches)
0	300	30" x 30" x 30"

- Repackaging shall be required for a maximum of 300 cartons per month, with each carton having the dimensions 30 inches x 30 inches x 30 inches. The Second Party shall ensure trained pharmacist(s) are available at any given time within the warehouse for repackaging.
 - Repackaging will only be needed if the demand of supplies for a particular facility (BHU, RHC or DHQ) differs from the typical or standard delivery of supplies. In the case that repackaging is needed, the specifics will be made available prior to the scheduled delivery.
 - The following example is provided for illustration purposes **only**: *a typical BHU may require 50 cartons of medicine for a given time period. 47 of these cartons may be shipped as is, without any repackaging. However, for the remaining 3, one carton may be used to accommodate 3 types of syrups, as the full amount of each syrup may not be needed. Only instances such as these would necessitate repackaging.*
- h. Payment to the Second Party shall be made based on actual utilisation only, for the duration of the contract. The repackaging rate quoted to us, must therefore be inclusive of all costs, including packaging materials, labour, and all other related costs against the requirements given above.

² It is reiterated that the referred to quantities in this column are given only for the purpose of bid comparison and contract award. Efforts have been made to keep the given quantities as realistic as possible. However, actual payments shall be made on the basis of actual utilization multiplied with the unit rate quoted by the Second Party.

4. Reporting Requirements

- a. Weekly and Monthly status report for the commodities in the warehouse to the First Party detailing stock in hand by product and batch number at the beginning of the month, stock issued and received during the month, ending balance for the month, number of deliveries received that month, and number of orders packed and tendered that month.
- b. Signed receiving reports for all inbound deliveries noting quantities received and any damages, losses, or discrepancies.
- c. Copies of all signed issue vouchers for shipments packed and tendered during the month.
- d. Copies of any insurance claim filed on behalf of the First Party for products lost or stolen from the warehouse.
- e. Copy of a valid insurance certificate(s); which must also include fidelity and all risk insurance including but not limited to collusion, theft, robbery, acts of terrorism, vandalism and arson covering goods in the warehouse.
- f. Value of stock at the beginning and closing of every month.
- g. The First Party may request an inventory audit or need to be in attendance for monthly inventory.
- h. Any other report as and when required.
- i. Payment to the Second Party for the provision of these services shall be made based on actual utilisation only, for the duration of the contract. The per Sq. Ft., rate quoted to us, must therefore be inclusive of all costs against the reporting requirements given above.

5. Logistics arrangements

- a. In addition to the details below, the First Party shall provide the Second Party with a file containing the description of items to be stored, and destinations pertaining to outbound stock.
 - i. Delivery destinations shall comprise of BHUs, RHCs, and CDs; and DHQ Hospitals
 - ii. The First Party shall give notice to the Second Party and upload a file (of predetermined format) containing description of items and destinations pertaining to outbound stock
 - iii. The Second Party shall coordinate in advance the use of dock, elevators, storage areas, etc., needed for delivery.
 - iv. As per agreed delivery schedule, the Second Party shall deliver items to designated locations within 24 hours of instruction by the First Party
 - v. While the total number of facilities is ~300, due to differences in refrigeration requirements and terrain, transportation vehicles needed will vary

- vi. Transportation vehicles for normal, refrigerated, or challenging terrain shall be [insert mutually agreed upon vehicles here],
 - vii. Each facility is to receive a delivery every two months, providing them with two months' worth of stock.
 - viii. The first deliveries to facilities are tentatively expected to be at the end of June 2021.
 - ix. All delivery/transport vehicles should be trackable online.
 - x. All transportation vehicles/containers shall be closed and covered for safe & secure delivery
 - xi. In case of refrigerated transportation, the temperature shall be controlled as required, (as Manufacturer/Vendor's requirement)
 - xii. Loading & Unloading services shall be provided by the Second Party not only at the warehouse but also at the destination sites.
 - xiii. The insurance of goods during transit shall be the responsibility of the Second Party
 - xiv. As soon as the Second Party agrees to the delivery schedule with the concern person at the delivery location (BHU, RHC or DHQ), they shall notify the First Party about the expected delivery
 - xv. In case of ad-hoc dispatches/deliveries the order must be dispatched within 24-72 hours of receiving the order warehouse. Whereas usual deliveries shall be scheduled in advance according to a pre-determined schedule, mutually agreed upon with the Second Party.
 - xvi. Unloading will be 'from vehicle directly onto warehouse dock' by Second Party staff. In the event that additional/special equipment is required to carry out the off-loading; this manpower will be arranged by the Second Party.
 - xvii. First Party representative(s) will liaise with the Second Party operations staff to arrange a scheduled receiving time for off-loading of the delivery vehicle(s)
- b. Receipt Confirmation:
- i. The Second Party will provide on a daily basis to the First Party, a formal Receipt Confirmation Report that will be signed by an authorized Second Party employee.
 - ii. This report will detail the quantities received along with the volume (in a mutually agreed metric) of the goods that will be utilized for storage charge calculations.
- c. Damages, Shortages, etc.:
- i. The Second Party will check all packages for external damages. Any damages or discrepancies (short/over, etc.,) will be included in a Receipt Confirmation report and communicated to the First Party
 - ii. Priority of orders will be shared by the First Party at the time of order sharing
 - iii. First Party will also confirm the final delivery plans at the time of order sharing
 - iv. In case of any order cancellation the First party will communicate this to designated warehouse staff
 - v. The detail of stock returns from distributors will be shared by the Second Party next day after stock arrives at the warehouse

d. Inventory Checks:

- i. Second Party will operate a continuous process of 'cycle counting' of stock throughout the year to ensure accuracy of the records
- ii. The First Party may book stock reconciliation on any working day as and when need arises
- iii. If the First Party desires a cycle count at any other time, a request will be sent via email and will be conducted upon mutual agreement with the Second Party.
- iv. The Second Party will share auto generated reports including detailed stock reports, batch wise, and in-hand inventory with expiry details and distributor wise dispatch summaries

e. Returns:

- i. Returns will not be a part of routine operational procedures, however, where the return is absolutely essential and genuine it must be preapproved by appointed authorized personnel of the First Party
- ii. Returns are categorized into two main types:
 - Complete Shipment Order Returns for re-delivery within a maximum of 1 day. Such returns will be stacked inside the warehouse waiting for re-delivery instructions and storage will be charged as per mutual agreement.
 - Returns for receiving back in the stock. Such returns could be for regular items in good condition, damaged and/or expired items or goods that were erroneously ordered by the end user.
- f. Payment to the Second Party for the provision of these services shall be made based on actual utilisation only, for the duration of the contract. The transportation costs quoted to us, must therefore be inclusive of loading/unloading, fuel, and all other related costs against the requirements given above.

6. Insurance

- a. The Second Party shall ensure insurance of the premises and stock kept there during the contract period.
- b. Second Party shall take all reasonable precautions necessary to protect persons and property from injury or damage during the performance of this contract. Second Party shall be responsible for any injury to himself/herself, his/her employees, as well as for any damage to personal or public property that occurs during the performance of this contract

that is caused by his/her employee's fault or negligence and shall maintain personal liability and property damage insurance having coverage for a limit as required by the applicable laws.

- c. Copies of any insurance claim filed on behalf of the First Party for products lost or stolen from the warehouse.
- d. Copy of a valid insurance certificate(s); which must also include fidelity and all risk insurance including but not limited to collusion, theft, robbery, acts of terrorism, vandalism and arson covering goods in the warehouse.

The insurance of goods during transit shall be the responsibility of the/ Second Party

- e. Service provider shall provide copy of insurance certificate

7. Procurement details

This contract is for the procurement of a fully outsourced supply-chain solution that includes both Warehousing and Logistics (transportation) to ensure safe and secure storage and delivery of medicines, consumables, and equipment. Please note the following details pertaining to the procurement of these services:

- a. **The Procured Services:** A fully outsourced supply-chain solution against the scope of services laid out in this document
- b. **The Second Party/Service Provider:** The contractor who shall be capable of providing the abovementioned supply-chain solution
- c. **The Donor Organization:** This project is a donor-funded project. The donor for this project is the Bill and Melinda Gates Foundation (BMGF). As it is BMGF funds that shall be used, strict adherence to KPPRA rules need not apply.
- d. **Goods/Supplies to be Stored or Transported:** Medicines, consumables, and equipment that is the property of the Government of Khyber Pakhtunkhwa. It is these goods that are to be stored and transported by the Second Party.
- e. **The Procurement Entity:** A local implementing partner of the Bill and Melinda Gates Foundation will be the procuring entity.

8. Key Performance Indicators

The Second Party shall attempt to provide the Services required, adhering to the below measures of performance. The First Party maintains the right to impose penalties in the case of non-compliance with the following:

- a. The Second Party shall make all goods available in the WMS/MIS system for ordering within 24 hours of receipt at the warehouse.
- b. All primary healthcare facilities (BHUs, RHCs) shall be served once every 2 months with a standard delivery load.
- c. Hours of Operation: Normal warehouse timings shall be Monday to Saturday, 07:00 AM-05:00 PM.
- d. All goods must be unloaded and safely secured within 6 hours of arrival at the warehouse.
- e. Complete stock count shall be done at the month end with 2 days prior notice.
- f. Temperature and humidity must be controlled at the specified conditions and logged data must be maintained and available for view at any time by First Party personnel. In the case that logged data is unavailable for viewing by the First Party, penalties may be imposed.
- g. Receiving Times shall be as per warehouse timings agreed mutually. Penalties will be imposed for the non-receipt of goods during normal warehouse timings unless prior written notice is given and mutually agreed upon by both parties.
- h. The Second Party will dispatch orders 24-48 hours after receipt from the First Party

9. Mechanism of Evaluation

- a. The performance of the Second Party will be evaluated by the First Party through random inspections of the warehouse/transportation vehicles etc, by the team or committee assigned by the First Party. The team or committee shall evaluate the performance of the Second Party strictly, in accordance with the agreed Scope of Services and other terms and conditions of the Contract.
- b. With regards to warehousing space and operations, the Second Party may be assessed across the following areas: handling of warehouse stock in all forms (palletized, in cartons etc.),

temperature control, and digital inventory management, etc (refer to Annex-A for detailed KPIs).

- c. For logistics and transportation, the Second Party may be assessed across the following areas: efficient and timely delivery of stock, adherence to distribution plans, temperature control, track, and trace ability of transport vehicles, loading and unloading services at destination sites etc.,
- d. Evaluation of the Second Party 's performance may be conducted by the First Party using information and insights made available via the WMS installed in the warehouse by the Second Party.

10. Penalties/Liquidated damages

- a. In case of the Second Party's failure to provide services:
 - In the case that the awarded Second Party fails to start the services as per the signed contract within the stipulated times given, a penalty at the rate of **0.1% per day** of the contract amount shall be imposed.
 - In the case that the awarded Second Party fails to provide the services mutually agreed upon based on the Scope of Services provided, a penalty at the rate of **0.1%–10%** of the monthly value of the contract amount shall be imposed, depending on the nature of discrepancy found.
 - In case of damage to goods during warehousing or transportation due to negligence on part of the Second Party, a penalty equal to the value of the goods damaged shall be imposed.
 - The maximum amount of liquidated damaged for the whole contract is equivalent to the contract amount.
- b. Safeguards:
 - The Second Party shall comply with all applicable Environmental, Health, and Safety Laws. A penalty at the rate of **0.1% per day** of the contract amount shall be imposed in case of non-compliance.
 - The Second party shall obtain and follow all of the terms and conditions of all permits, licenses, and other authorizations which are required hereunder to provide the Services. A penalty at the rate of **0.1% per day** of the contract amount shall be imposed in case of non-compliance.

- The First party shall not have any liability in the case that any present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim, or demand is made against the Second party for damage to the warehousing site, or for any illness or personal injury to any employee or other individual, or for any reason under any Environmental, Health, and Safety Law.

Appendix-C

Warehouse audit proforma