



**TENDER NO. AMREF/14/06/2021/008**

**TERMS OF REFERENCE FOR CONSULTANCY TO  
UNDERTAKE THE NATIONAL TREASURY GLOBAL  
FUND BUSINESS PROCESS REVIEW (BPR) AND  
FINALIZATION OF THE OPERATIONS MANUAL FOR  
GLOBAL FUND GRANTS IN KENYA 2021**

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**28<sup>TH</sup> JUNE 2021**

## I. Background

The Global Fund to fight HIV/AIDS, Tuberculosis and Malaria (GF) is a partnership of Governments, civil society, technical agencies, the private sector and people affected by the three diseases; that pools the World's resources to invest strategically in programmes to end the HIV/AIDS, TB and malaria as epidemics. As an international organization, the GF mobilizes and invests more than USD 4 billion annually to support disease control programmes in more than 100 priority low and middle income countries.

The Global Fund uses a system of performance-based funding, whereby each grant disbursement may be reduced, suspended, or cancelled due to poor grant performance. Funds are released to beneficiary countries upon review of results and once the Global Fund is satisfied with both the programmatic and financial performance.

The Global Fund is a valued Partner to the Government of Kenya. Since 2002, Kenya has benefitted from GF support in excess of USD 1 billion as a contribution to national programmes for the control of the three diseases. The GF resources have been invested in disease control advocacy, prevention and management interventions.

## II. Context

The in-country structures involved in the implementation of Global Fund grants comprise:

1) Kenya Coordinating Mechanism (KCM) – is a country-level public-private partnership and whose role is, among others, to coordinate the development of Concept Note(s) to the Global Fund for relevant Programme(s) based on priority needs at the national level; nominate Principal Recipients and oversee the implementation of Programme Activities

2) Principal Recipient (PR)/Grantee – The National Treasury (TNT) is the in-country institution that is legally responsible for programme administration, results and financial accountability in accordance with the Grant Agreement. TNT has signed the Grant Agreements with the Global Fund. For operational purposes, the Global Fund Programme Management Unit (PMU), a part of The National Treasury, is the representative of the PR for Grants executed by The National Treasury. The key functions of the PR comprise Grant management and implementation, partnership coordination, technical coordination, procurement and supply chain management oversight, financial management, and monitoring and reporting

4) Sub-Recipients (SR) – This is a recipient who receives Grant Funds directly or indirectly from the PR and undertakes to implement certain Programme Activities. For the current Grants executed by The National Treasury, the SRs are the Ministry of Health (MOH) technical units responsible for HIV/AIDS, TB and Malaria control; namely NASCOP, NACC, NTLD and DNMP. In addition, through a separate contractual arrangement, The National Treasury has identified Kenya Medical Supplies Authority (KEMSA) to be the procurement agent to fulfill procurement obligations under the terms of the grant agreement – in this arrangement, TNT remains accountable for compliance with obligations set out in the grant agreement.

5) Local Fund Agent (LFA) – A Local Fund Agent provides assurance to the Global Fund in countries where Global Fund grants are implemented. The LFA is engaged by the Global Fund to provide oversight, verification and/or reporting services to the Global Fund concerning Program implementation in Kenya. The current LFA is Price Waterhouse Coopers (PwC).

## **Business Processes of the PR**

In order to execute its functions and therefore fulfill its obligations in the management of GF grants, the PR is responsible for a diverse range of processes. The main processes include, but not limited to:

### 1) Primary processes

- *Financial management*: Financial management ensures an effective and efficient fund management system, including speedy flow of funds to the implementers and the timely submission of financial reports. The core sub-processes include disbursement requests, disbursements, expenditure management including recording, financial reporting, fraud prevention, external audit and risk management.
- *Programmatic performance and monitoring and evaluation*: This process provides programmatic results that form the basis for continued financial disbursements, which in turn affects the pace and scale of implementation of the grant activities within the context of Performance-Based Funding model of the GF. Further, the M & E process provides information and data required for indicators agreed in the grant Performance Framework. The main components under this process include data collection and analysis, data quality audits, and data management.
- *Technical support and coordination*: This process focuses on the technical leadership to ensure quality, timeliness and efficiency of programme activities and results. Some of the activities under the process include provision of technical expertise in implementation of Programme Activities; identification of technical assistance needs; networking and linkages for sustainability.
- *Procurement and supply management (PSM)*: The scope of this process is wide, and includes procurement planning, forecasting and quantification, contracting, contract management, quality assurance, inventory management, distribution, tax exemptions, insurance of goods etc.
- *Performance reporting*: Recipients of GF grant funds are obligated to prepare and submit periodic reports to various entities - Sub-recipient reports to PR; Quarterly Financial Reports (QFR) to GF; Stock status and Price & Quality Reporting (PQR) Reports to GF; Principal Recipient Dashboards to KCM; and Progress Update and Disbursement Request Reports (PUDR) to GF, among others.

2) Management and administrative processes – these relate to annual budgeting, domestic resource mobilization, coordination for grant implementation, internal and external relationships management and dispute resolution.

3) Support processes – these relate to human resource performance management, information, communication and technology (ICT), transport services, operational research and knowledge management.

## **III. Statement of the problem**

The PR has encountered a wide range of challenges in the course of implementation of Global Fund grants. These challenges have manifested in several forms such as sub-optimal utilization of grant funds, ineffective implementation of Programme Activities and frequent fiduciary issues.

A review of the current processes to adapt to the changing external and internal environments, including technological advances, and finalization of the PR grant operations manual will improve efficiency and effectiveness in the overall management of Global Fund grants.

#### **IV. Purpose of the assignment**

The overall purpose of this assignment is to carry out a systematic review of the processes undertaken by the PR (and its sub-grantees) in the management of Global Fund grants (Business Process Review). This review will inform the ongoing ERP development process in particular, and overall improvement of performance of Global Fund grants.

Specifically, the assignment seeks to:

- a) Identify and map out current business processes, including persons (subject-matter experts) and steps involved
- b) Conduct systematic analyses of business processes to determine current state, and identify gaps/problems (including magnitude and impact of the gap/problem related to steps in the processes) in relation to best practices and benchmarks on internal controls, having regard to, amongst others, the COSO framework.
- c) Provide recommendations and develop tools to operationalize improved business process flows, including an overall action plan
- d) Develop an amended grant operations manual, as appropriate, for managing the Global Fund's grants that is aligned with the Government of Kenya's regulatory framework on processes that impact the Global Fund's grants.

#### **V. Scope of the assignment**

The methodology for the assignment will largely entail in-depth interviews of all persons involved in the business processes (subject-matter experts) from the PR; SRs as key beneficiaries of services provided by PR, and any other relevant stakeholders. Engagement of SRs and other customers has potential to provide insight into problems identified with the current processes.

Activities to be undertaken include:

- a) Desk review of Global Fund Policy documents, Global Fund grants (2018 – 2021), (Draft) Operational Manual for Global Fund Grants in Kenya, First Edition, December 2008 revised in 2012, Programme Based Budgeting Manual, and MOH Strategic Plans for HIV/AIDS, TB and Malaria control among other relevant documents;
- b) Conduct one-on-one interviews with GF grants implementation stakeholders, including The National Treasury GF PMU, KCM Secretariat, Kenya Medical Supplies Authority (KEMSA), MOH authorities and GF teams at disease control programmes (NAS COP, NACC, NTL P and NMCP) among others;
- c) Conduct one-on-one interviews with ERP development team members, including at AMREF;
- d) Organize business process review (BPR) team meetings and workshops comprising of:
  - Initial stakeholder meeting to define roadmap for BPR
  - Workshop for subject-matter experts to determine the current processes and sub-processes; and identify gaps/problems in relation to global best practices and benchmarks

- Workshop for stakeholders and subject-matter experts to develop an overall business process improvement action plan, and specific tools -technical recommendations and inputs to ERP system and Operation Manual for Global Fund Grants in Kenya

e) Organize Operations Manual development validation workshops

## VI. Deliverables

1. An inception report which includes:

- A write up on the Consultant’s understanding of the assignment
- An elaboration of data collection methods and tools to be applied for the assignment
- A documentation of key business processes applied by PR for Global Fund grant management

2. Final report on Business Processes Review and overall plan of action

3. Technical recommendations and inputs to the ERP system

4. Operations Manual for Global Fund Grants in Kenya 2021 Edition (Final Version)

## VII. Duration of assignment including write up

No	Deliverable	Days	Wk 1	Wk 2	Wk 3	Wk 4	Wk 5	Wk 6	Wk 7	Wk 8	Wk 9
1	Final inception report	5									
2	Initial stakeholder meeting	3									
3	Subject matter expert workshop	5									
4	Business process improvement action plan development workshop	5									
5	Finalization of BPR report and related deliverables – overall action plan, technical recommendations and inputs to ERP system & GF Operations Manual	5									
6	Development of grant Operations Manual Draft 1	8									
7	Development of grant Operations Manual Draft 2	5									
8	Final Version of grant Operations Manual	4									

## VIII. Reporting

The consultancy service provider will report to the Global Fund Coordinator at The National Treasury and Planning; or a designated nominee.

## IX. Consultant qualifications

1) The service provider should demonstrate at least five years’ experience in management consultancy services in organization, business and financial management scope of work areas outlined, either as an organization or as individuals.

2) Experts deployed to carry out the assignment should have a diverse range of proficiencies in organization management and development, public financial and procurement, public health programme implementation, monitoring and evaluation; and must possess at least Master's degree level qualifications in relevant fields of expertise. In addition, possession of professional accounting qualifications (such as CPA, CA, ACCA, Fédération des Experts Comptables Européens or equivalent) among the team of experts assigned will be required.

3) Experience in the following will be an added advantage:

- Demonstration of hands-on practical experience in conducting similar work within the international development sector, preferably in challenging operating environments
- Demonstrable experience in development of ERP systems
- Understanding of public financial management, and public procurement
- Experience in working with health sector in Kenya, in general, and with development partners in particular.

4) Skills and competencies required:

- Fluency in English
- Leadership;
- Integrated approach to service delivery;
- Strategic approach to service delivery;
- Relationship management;
- Facilitation of technical team processes;
- Diplomacy;
- Cultural sensitivity;
- Ability to synthesize and summarize results;
- Strong project management and analytical skills
- Proficiency in the use of computerized office applications (word, power point and excel)
- Ability to work under timelines specified and on budget
- Teamwork and team building skills.

## X. Requirements and Evaluation criteria

The interested organizations shall be expected to provide mandatory as well as technical requirements with their submission. Proposals received will be evaluated taking into account the following mandatory and technical criteria;

	<b>MANDATORY REQUIREMENTS</b>	<b>SCORE</b>	<b>REMARKS</b>
<b>1.</b>	Company Profile	<b>1 OR 0</b>	
<b>2.</b>	Copy of valid Organization's registration/ incorporation certificate	<b>1 OR 0</b>	
<b>3.</b>	Valid Organization's tax compliance certificate	<b>1 OR 0</b>	
<b>4.</b>	CVs of lead consultant, accountant and procurement specialist to work with	<b>1 OR 0</b>	
<b>5.</b>	Attach a list of at least 2 references	<b>1 OR 0</b>	

<b>(Bids missing any of the above requirements shall be disqualified at this stage.)</b>			
	<b>TECHNICAL REQUIREMENTS</b>	<b>MAX SCORE</b>	<b>SCORE</b>
<b>1.</b>	Methodology of Undertaking the Assignment <b>[50 marks]</b>	<b>50 marks</b>	
<b>2.</b>	Academic and professional qualifications of persons assigned to undertake the task <b>[10 marks]</b>	<b>10 marks</b>	
<b>3.</b>	Professional and work experience in public financial management, and experience in public procurement; preferably in Kenya <b>[15 marks]</b>	<b>20 marks</b>	
<b>4.</b>	Knowledge in management of donor funded projects in the health sector in Kenya. Knowledge on on-budget projects will be an added advantage <b>[20 marks]</b>	<b>20 marks</b>	
<b>TOTAL MARKS</b>		<b>100 marks</b>	

***NB: The passmark for technical evaluation will be 70%. Bidders who score below the pass mark will be considered non-responsive and will not move to the next evaluation stage (financial evaluation).***

### ***Financial proposal***

<b><i>Description</i></b>	<b><i>Amount in Kshs</i></b>
Financial Quotation - Indicative budget to accomplish the task Detailed cost proposal in US\$ or equivalent in KSH (specify exchange rate) for the consultancy <b>[Will Not be Rated]</b>	

Complete application documents (curriculum vitae with details of qualifications, experience, current contact information, email address and names of two referees) with the position reference and name clearly marked on top should be deposited in the small tender box at the Amref Kenya Country Office main reception or delivered to the address below so as to be received by **12 Noon on or before Monday 28<sup>th</sup> June 2021.**

**Group Chief Finance Officer  
Amref Health Africa  
P. O. BOX 30125-00100,  
NAIROBI**

**Amref Health Africa reserves the right to accept or reject any or all bids and is not bound to give reasons for its decision. Late bids will be rejected.**