



**Millennium Challenge Account - Malawi**

**CLARIFICATION#1**

**to**

**REQUEST FOR CONSULTANT'S QUALIFICATIONS**

**Issued February 2, 2018**

**THE MILLENNIUM CHALLENGE CORPORATION**

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**PROCUREMENT OF CONSULTANT SERVICES**

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**PROCUREMENT OF SENIOR FINANCIAL MANAGEMENT  
ADVISOR FOR MCA-MALAWI**

**Ref: PA/MCA-MW/MCC/ADA/ITQ/116/2018**

## Clarification 1

### Senior Financial Officer

Clarification	Response
<p><b>Duration of Assignment</b></p> <ul style="list-style-type: none"> <li>• Is the assignment for 8 weeks (4 x 2 weeks i.e. time spent on site in Malawi) or is the Advisor expected to be available on a fee paying/chargeable basis for 4 months (including 8 weeks in Malawi)?</li> <li>• Is the working week for 5 days (Monday to Friday) or for longer (6/7 days)?</li> <li>• As the assignment will require 4 visits, is there any provision for travel time?</li> </ul>	<ul style="list-style-type: none"> <li>• This is a fixed price lump sum contract, so all costs are to be covered in the priced financial proposal. Work is expected for the four month period, with 8 weeks of that taking place in Malawi..</li> <li>• 5 day week</li> <li>• No, all travel days are to be included as part of the fixed base price</li> </ul>
<p><b>. Financial Proposal</b></p> <ul style="list-style-type: none"> <li>• Will hotel accommodation and <i>per diem</i> be provided for 8 weeks in Lilongwe or should one's Financial Proposal include provision for this?</li> <li>• If one's Financial Proposal should include provision for hotel and <i>per diem</i>, it would be helpful to know the prevailing rates in Malawi.</li> <li>• Will local transport be provided in Malawi?</li> <li>• What class of air travel will be reimbursed?</li> <li>• Section 3, Financial Proposal Submission Form states: "<i>Commissions and gratuities paid or to be paid by us to agents relating to this Proposal</i>"</li> </ul>	<ul style="list-style-type: none"> <li>• This is a fixed price lump sum contract, so all costs are to be covered in the priced financial proposal</li> <li>• A range within the US State Department per diems</li> <li>• Only necessary travel beyond Lilongwe will be covered by MCA-Malawi</li> <li>• As above – your price is to include all costs – there are no reimbursables</li> <li>• This is a standard MCC Invitation, all of which include this provision. It is</li> </ul>

<p><i>and Contract execution, if we are awarded the Contract, are listed below". Please explain/elaborate briefly on this.</i></p>	<p>there as a safeguard to ensure relevant Compacts are aware of how funds will be expended.</p>
<p><b>Fiscal/Procurement Agent Team</b></p> <ul style="list-style-type: none"> <li>• Please clarify the size/composition of the Fiscal/Procurement Agent Team.</li> <li>• Are Fiscal/Procurement Agency personnel provided through a Contracting Company?</li> </ul>	<ul style="list-style-type: none"> <li>• The teams compose of a Team Leader and supporting personnel. In all 18 staff members.</li> <li>• Yes</li> </ul>
<p><b>Recruitment: Director of Finance and Administration (DFA)</b></p> <ul style="list-style-type: none"> <li>• Has he/she been recruited, or is the recruitment process ongoing?</li> <li>• If the recruitment process is ongoing, what is the person's likely/tentative start-date?</li> </ul>	<ul style="list-style-type: none"> <li>• Yes and started in January 2018</li> </ul>
<p><b>Present Status of Project Implementation</b></p> <ul style="list-style-type: none"> <li>• To facilitate proposal preparation, it would be helpful to have access to any reports on the present status/performance of project implementation (including any issues, challenges, constraints and opportunities)?</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to the Annex below as a summary of the Compact's activities.</li> </ul>
<p><b>. Application Procedure: Approach and Work Methodology</b></p> <ul style="list-style-type: none"> <li>• Under the Application Procedure, the LOI states: <i>"The approach and work methodology presented by the Consultant <b>shall not be evaluated</b>, however if Consultant</i></li> </ul>	<ul style="list-style-type: none"> <li>• As stated, the consultant is expected to work with the new DAF. The pace at which the new DAF takes to learn about the environment and stand on her own feet will determine the actual</li> </ul>

<p><i>is selected, the approach and work methodology shall be discussed with the Consultant to align the task of the consultant with the objective of the assignment". It would be helpful if you could elaborate briefly on this.</i></p>	<p>approach and work methodology the consultant will take to ensure that adequate support and effort is focused on areas of need (gaps).</p>
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**Annex 1**



# Malawi Compact

As of December 2017

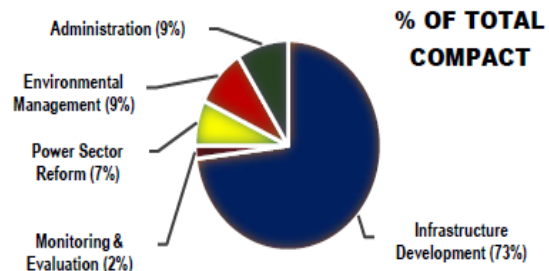


## The Compact

The five-year \$350.7 million MCC investment aims to revitalize Malawi's power sector by upgrading electricity infrastructure and improving the performance of key institutions responsible for the electrical power sector. The program is intended to reduce outages and system losses, improve efficiency of hydropower generation, improve service delivery to electricity consumers, and create an enabling environment for private sector investment and expansion of electrification. MCC's investment is expected to reduce energy costs to enterprises and households, and enhance productivity and employment opportunities in key economic sectors. The Government of Malawi, through the Millennium Challenge Account (MCA)-Malawi Trust, implements the Compact. With ten months of implementation remaining, MCA-Malawi has committed nearly 90 percent of the budget, disbursed over 50 percent, and is on track to complete major activities prior to the compact end date.

### COMPACT AT A GLANCE

Compact Signed	04-07-2011
Entry into Force	09-20-2013
Compact End Date	09-20-2018
Compact Total	\$350,700,000
Amount Disbursed	\$220,349,000
Est. Program Beneficiaries (up to 20 years)	982,729
Est. Increase in Household Income (up to 20 years)	\$567,200,000



### Infrastructure Development Project

Compact infrastructure investments address the most urgent rehabilitation, upgrade, and modernization needs of Malawi's power system that will preserve and increase generation at the Nkula A hydropower plant (first commissioned in 1966), increasing its stability and capacity from 24 MW to 36 MW, and more than double the throughput capacity of the transmission and distribution network to move power more efficiently from the south to the central and northern regions. To achieve this, compact funding is being used to construct and rehabilitate 25 substations and to install over 400 km of high voltage transmission lines, including two 400 kV substations in Nkhoma and Phombeya and a 175 km line connecting these two substations that will allow for future interconnection with the Southern African Power Pool via Zambia and Mozambique. Completion is expected in July 2018.



**Budget:** \$255.7M  
**Disbursed:** \$146.6M

### Power Sector Reform Project

Power sector reform is creating an enabling environment for future expansion of the power sector by strengthening sector institutions and enhancing regulation and governance of the sector. With compact support, the Government has helped transform the Electricity Supply Company of Malawi (ESCOM) into a well-managed utility – receiving its first investment grade BBB credit rating in January 2016. The compact has helped develop a regulatory environment and unbundled Malawi's Electricity Generation Company (EGENCO) to support public and private investment in order to increase generation capacity and expand access. The power sector reform project continues to provide technical assistance to ESCOM in transitioning Malawi toward a cost-reflective tariff for electricity and in the implementation of the utility's new management information system.



**Budget:** \$25.6M  
**Disbursed:** \$16.7M

### Environmental and Natural Resources Management Project

This project aims to mitigate the problems of aquatic weed infestation and excessive sedimentation in the Shire River Basin that have resulted in costly disruptions to Malawi's hydropower generation. The compact is funding the manufacture of dredgers and a weed harvester to better manage these problems. Excessive sedimentation of the Shire River is largely caused by unsustainable farming practices and deforestation due to demand for firewood and charcoal. A compact funded pilot grant program for 11 non-governmental organizations works with local communities to improve land management and prevent undue sedimentation of the river. Activities include implementing sustainable farming practices, planting of trees to improve soil retention, introducing fuel-efficient cook stoves, providing literacy, numeracy and business skills training to assist community members in



**Budget:** \$28.0M  
**Disbursed:** \$21.5M