



Nepal Health  
Sector Support  
Programme



## **Department for International Development - Nepal Health Sector Support Programme (DFID-NHSSP)**

### **Request for Proposal**

Nepal Health Sector Support Programme (NHSSP) is a technical assistance programme to the Ministry of Health and Population (MoHP), funded by the UK Government through the Department for International Development (DFID) under Nepal Health Sector Programme-3. It is designed to support the goals of Nepal Health Sector Strategy (2015/16-2020/21) and contribute to the MoHP's efforts to provide quality health services leaving no one behind.

**DFID - NHSSP is seeking to contract an Organization to Strengthen the e-CAPP Module of Transaction Accounting and Budget Control System (TABUCS) through activities – 1) Data Entry in Electronic Consolidated Annual Procurement Plan (e-CAPP) System and 2) Contract Management Module Development and Integration.**

Your offer comprising of technical proposal and financial proposal, in separate sealed envelopes, should reach the following address no later than **17.00 hours on 24th December 2019**. The proposal should respond to the terms of reference as specified in detail in NHSSP Website [www.nhssp.org.np](http://www.nhssp.org.np). In addition, as a pre-qualification requirement, the organization should also submit the (a) Registration documents, (b) PAN/VAT certificate and (c) Tax clearance certificate for FY 2075/76.

#### **Nepal Health Sector Support Programme**

Oasis Complex, First Floor, Room # 204

Patan Dhoka, Lalitpur, Nepal

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***NHSSP reserves all rights to reject any or all quotations/proposals  
without assigning any reason whatsoever.***

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DFID/Nepal Health Sector Support Programme (NHSSP-3)

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**TERMS OF REFERENCE OF E-CAPP MODULE RESTRUCTURING UNDER TABUCS**

**1. BACKGROUND**

The Nepal Health Sector Strategy (NHSS, 2015–20) addresses the health challenges of Nepal to ensure access to free basic health care services that are quality assured, transparent and accountable to the people. In order to implement this strategy, MoHP is engaged to develop the capacity of its departments, councils, academies, centers, hospitals and other entities to be involved in procurement proceedings. Under this strategy, MoHP has endorsed the Financial Management Improvement Plan (FMIP, 2016-2021) and Procurement Improvement Plan (PIP, 2017–2021). Both of these documents outline the importance of improving procurement practices in the health sector by implementing reform initiatives in the issues related to the procurement cycle. Consolidated Annual Procurement Plan (CAPP) is the first tool, by which every actions on procurement can be better forecasted, managed and monitored for retaining Value for Money (VfM) in expenditure. To clutch this motto, a CAPP Monitoring Committee (CAPP-MC) has been established at the Department of Health Services (DoHS) in August 2017. The Department of Drugs Administration (DDA) and Department of Ayurveda and Alternative Medicine (DoA) are also committed to develop their respective Annual Procurement Plan (APP)/CAPP Monitoring Committee and making them monitored through the Public Financial Management (PFM) Committee of MoHP.

The Nepal Health Sector Support Programme (NHSSP) is funded by the UK Department for International Development (DFID) and is committed to supporting MoHP in achieving the strategic goals of the NHSS. Public Financial Management (PFM), one of the components of NHSSP-3, is being engaged to develop more streamlined, efficient, accountable and transparent procurement systems in order to establish good procurement management practices. The PIP planned to step towards consolidation of all APPs of Procuring Entities (PEs) under the MoHP. Therefore, the federal CAPP 2018/19 (F-CAPP) had been prepared comprehensively, incorporating all PEs under the MoHP so that all procurement-related disbursements from the MoHP to its federal PEs are tracked in order to ensure effective monitoring and VfM. However, manual efforts to prepare F-CAPP were time-consuming and cumbersome.

To overcome the time consuming job, MoHP has now prepared CAPP 2019/20 by using an Electronic CAPP (e-CAPP) module in the Transaction Accounting and Budget Control System (TABUCS). It is an online system, where all the PEs can prepare their APP on the web based system linking their Annual Work Plan and Budget (AWPB) entered in the Line Ministry Budget Information System (LMBIS). Thus the system has compiled and consolidated the APPs for F/Y 2019/20 of all the 47 federal PEs including several cost centers, which has been endorsed in August 2019.

## **2. RATIONALE**

The use of procurement planning is not only for forecasting future actions on procurement, but it is also a powerful monitoring tool so that the required goods, works and services are acquired in time, with quality and within the estimated cost. An effective execution of procurement plan assures procurement with economy, efficiency, transparency and fairness resulting in improved VfM.

The other components of the procurement plan are necessary updates and revisions of the APP and CAPP. The relevant PEs have to review and monitor the progress made in the implementation of e-CAPP. Similarly, the MoHP also needs to know the progress on procurement activities by the federal PEs and track disbursement of fund through the suppliers' payment. It requires an institutional home under the PFM Committee to monitor e-CAPP implementation. The delays in procurement actions and deviations on the components of e-CAPP must be alerted to the respective PEs.

Another facade of CAPP is execution of the contract smoothly and timely so that the supply chain part of procurement management should not be hindered. The objective of e-CAPP shall not be achieved only by signing of contract in time. Rather, it needs successful management of contract up to receipt of goods, works and services complied with the pre-defined quality, quantity; and timely payment to the supplier/contractor.

## **3. PURPOSE AND OBJECTIVES**

The purpose of this services is to strengthen the e-CAPP module of TABUCS that will efficient to record and monitor periodically to all the procurement activities from planning to receiving of goods, works and services by the PEs though on-line e-CAPP system. On the reflex the recording will be used to retrieve various periodic and consolidated annual reports by procurement type, method, amount, number, cost centers etc. The data will also present the individual as well as summary status of procurement execution by the 48 PEs. In this way the individual PEs, the MoHP and Departments can obtain monitor and oversight of the procurement activities.

## **4. TASKS AND DELIVERABLES**

Under these broad purpose and objectives, the e-CAPP strengthening activities within TABUCS are proposed in following tasks:

### **A. Data entry in e-CAPP system**

All the individual PEs must enter each activity listed in their APPs which need training and workshops as well individual coaching of on-the-job learning by doing. The focus will be on entering data from all 48 PEs of procurement document preparation, cost estimation, approval, invitation to bids etc. to contract signing in the one façade; and on the other façade the contract will be entered including key data in the contract itself and until the goods, works and services procured was delivered and accepted by the PE. The payment recommendation will be connected to the TABUSC and voucher preparation with cheque issued/payment transferred by the accounts section (e-Payment) will be recorded by the system.

## B. Contract Management Module development and integration

As an extension of the e-CAPP module within TABUCS after contract signing stage, contract management and monitoring system shall be developed within this module. The module should follow the same design structure as in e-CAPP database. It should also be designed so that at a later point in time, allows for further data fields to be included in the future, as well as allowing for generating more analyses and query reports as per the requirements. The Contract Management System sub-Module shall include following;

- Data in the Contract document: Contract ID No., date, quantity, unit price, total price, currency, delivery schedule and milestones;
- Received quantity/amount, remaining quantity/amount with aging calendar;
- Received date(s), delivery place, delayed/earlier receipt days;
- Information pertaining to performance security and advance payment guarantee;
- Information pertaining to advances and L/C;
- Liquidated damage and other deductions, payment calculations and recommendations (Bill of Invoice, Payment and Reports);
- Contract amendment, variation, contract extension and price adjustments.

## C. PAYMENT DELIVERABLES

No	Deliverables	Milestones Due by	Means of Verification	Value %
1	CAPP current data entry progress towards objectives and tasks of the ToR, focusing on e-CAPP execution on current context.	15th January, 2020	Current data update upto December, 2019 and output of Monitoring Report as agreed with TL	15%
2	Restructuring CMS sub-module in e-CAPP module outlining progress towards objectives and tasks of the ToR.	30th January, 2020	Sub-modular Structure of CMS which to be agreed with TL	25%
3	Capacity Building to generating of Regular Monitoring Report of e-CAPP module of DoHS/MoHP Officials on the base of SOP and user Guideline	15th February 2020	System Monitoring Reports, Trainings, SOPs and Guidelines of which to be agreed with TL	40%
4	Final Report of e-CAPP module restructuring and capacity building	30th February 2020	Endorsement by MoHP	20%

## D. Expected Outcome

- The task is associated with the work flow of the 48 PEs and results the better monitoring outputs. Outcomes of the task are to produce monthly and quarterly status reports of procurement and supply chain activities as needed by the supervisor and the oversight

person/organization. It is also expected to ease the oversight organization, PEs and MoHP to produce Management Information System (MIS) on procurement vis-a-vis expenditures.

- A web based sub-module of Contract Management System integrated with e-CAPP module within TABUCS will be in function.

**5. COMPLETION PERIOD: WITHIN 60** days starting from 1<sup>st</sup> January, 2020 to the end of February, 2020

**6. REPORTING:** S/he will be responsible to report to the Senior Procurement Adviser NHSSP.