



**Form SSP10**

## **Service contract**

between:

***Centre for the Development of Enterprise (CDE)–Private Sector Development  
Programme (PSDP), Botswana***  
Southern Africa Regional office  
Private Bag 00148 Gaborone

and:

*Mr Jonathan Landrey, PhytoTrade Africa, 5 Calvert Avenue, London E2 7JP, UK.  
Tel: (+44) 207 739 8822 Fax: (+44) 207 739 7648*

(hereinafter referred to as the contractor)

**Contract n°:**

**CDE file n° : BWP/1414/01**

### **1. TITLE OF PROJECT AND COUNTRY**

*Opportunity Study for the Development of Honey and Marula Products for Local and Export Markets*

### **2. OBJECTIVE AND NATURE OF SERVICES**

The **contractor** shall perform the following services, as defined in detail in the attached Terms of Reference (Annex 3) to the highest professional standards:

*The main objective of this study is to promote access to European markets for honey and marula products from Botswana*

### **3. DURATION OF SERVICES, WORK PROGRAMME**

The service will start on the date when the last of the two parties signs and will be terminated in September 2014.

The work programme will be carried out according to the Terms of Reference, the Activity Plan, Section 5 of this contract (Cost of services) and the budget details given in Annex 4.

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The **contractor** will make mission arrangements in close consultation with CDE (and the beneficiary, where applicable).

The **contractor** shall be responsible for taking the steps needed to obtain visas and for making any other necessary travel arrangements, as appropriate.

This contract shall enter into force on the date when the last of the parties signs and shall expire upon satisfactory completion of the services described in this contract, and upon acceptance of the final report, but **not later than 30 September 2014**.

#### 4. CONSULTATIONS AND REPORTS

The **contractor** and the **CDE-PSDP, Botswana** shall inform each other immediately of any events that may affect the execution of the contract.

The contractor will submit to CDE-PSDP, Botswana a final report in *English*.

The final report shall be in line with the requirements defined in the Terms of Reference. It shall detail all actions undertaken, as well as the results obtained and recommendations. It shall also contain **a concise executive summary** with main activities, findings, results and recommendations.

This contract shall enter into force on the date when the last of the parties signs and shall expire upon satisfactory completion of the services described in this contract, and upon acceptance of the final report, but **not later than 30 September 2014**.

Reports shall be submitted as follows:

- Inception report: Summary of key findings related to desk review of honey and marula products in Botswana to be submitted not later than **15 May 2014**
- Interim report: Draft Opportunity Study Report and Action plan to be submitted not later than **30 June 2014**
- Final report: Updated Opportunity Study Report and Action plan to be submitted not later than **15 August 2014**
- For all reports, comments by CDE (and possibly the Beneficiary) must be given to the contractor within **30 calendar days** after receipt of the draft report. Failure by CDE and the Beneficiary to submit comments indicates consent with the draft report, which then becomes final.

The type and number of copies shall be as follows:

<u>Recipient:</u>	<u>Draft report</u>	<u>Final report</u>
<b>PSDP, Botswana</b>	1 electronic copy	1 electronic copy with CD Rom Number of hard copies: 5

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## 5. COST OF SERVICES

This contract is fee-based. The cost of the services to be provided is as follows:

Description	Total (in Euro)
<b>Expert fees + Lump sum</b>	
Team leader – Natural products expert (EUR 500 x 26 days)	€13,000
Honey market expert ( EUR 350 x 20 days)	€7,000
Direct costs (Telecommunications and mail)	€100
<b>Reimbursable costs</b>	
International travel (visits to Gaborone: EUR 550 x 2 missions x 2 experts)	€2,200
Local travel (visits to 3 regions: EUR 290 x 3 regions x 2 experts )	€1,740
Per diem (EUR 209 x 26 days) <ul style="list-style-type: none"><li>&gt; Team leader (First mission: EUR 209/night x 10 nights)</li><li>&gt; Honey market expert: (First mission: EUR 209/night x 10 nights)</li><li>&gt; Team leader: (Final mission : EUR 209/night x 3 nights)</li><li>&gt; Honey market expert: (Final mission: EUR 209/night x 3 nights)</li></ul>	€5,434
Other (Lump sum - 1 workshop package for 25 participants)	€500
<b>Grand Total</b>	<b>€29,974</b>

\* Fees shall be paid for each day actually worked up to the maximum budgeted, and according to the timesheet to be submitted. The fees include all salary costs of the experts, taxes and social charges, visa costs, and the margin of the contractor (see document GEN14, 'Eligible costs and supporting documents required').

\*\* Per diem shall be paid for each overnight stay in the country of mission (for maximum per diems, see website <http://ec.europa.eu/comm/europeaid/perdiem>)

\*\*\* All costs not specifically mentioned under the categories direct costs and reimbursable costs are part of the fees.

NB The conversion rate for local currency will be at the monthly rate in which expenses have been made as published on the CDE website: <http://ec.europa.eu/budget/inforeuro/index>

The above-indicated prices are fixed and shall not be revised.

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## 6. PAYMENT OF SERVICES

Payments by the CDE, Botswana to the contractor will be made upon receipt of the appropriate invoices and supporting documents, on the following amount and schedule:

<b>Advance payment :</b> <b>8,992.20 euro</b>	Upon receipt of the payment request for advance payment (or invoice for advance payment), copy of the signed original contract and confirmation from the contractor that the intervention has started.  Amount equal to maximum 30% of the total approved budget.
<b>Interim payment:</b> <b>8,992.20 euro</b>	Upon receipt of the invoice justifying the advance payment and the interim payment, submission of the progress reports (Inception report and Detailed Capacity Building Action plan), timesheets and summary expense data.  Amount equal to maximum 30% of the total approved budget.
<b>Final payment:</b> <b>11,989.60 euro</b>	Upon receipt of the final invoice, receipt and acceptance of the final report by the CDE, submission of the original supporting documents justifying all fees and expenses (see CDE guide on 'eligible cost and supporting documents required'). 40% of total approved budget.

For all payments, the contractor must submit an official invoice according to the (tax) laws of its country. CDE-PSDP Botswana does not pay VAT or similar taxes.

CDE-PSDP Botswana retains the right to perform 'in-situ' verification at the address of the contractor. CDE-PSDP Botswana may also enlist an auditor to do so.

The payments due to the contractor by the CDE-PSDP, Botswana will be made by **bank transfer** to the account below, which **shall be mentioned by the contractor** on the invoices including **account number – IBAN or SWIFT code and full address of the bank:**

**Account name:** PhytoTrade Africa  
**Account Number:** 906 000 152 6087  
**Bank:** Stanbic Bank  
**Swift code:** SBICBWGX  
**IBAN:** Commerce Bank Swift COBADEFF  
**BRANCH ADDRESS:** 1st floor, Acacia House Plot 5435, New CBD, Gaborone, Botswana

All invoices should be addressed to the Director, for the attention of the Accounts Department in Gaborone. In order to be eligible, the invoice should indicate the following:

- the mention "INVOICE" on the company's letter-headed paper;
- an invoice number;
- the amount to be paid and the currency;
- the date of issue;
- the CDE PSDP project and commitment numbers;
- the bank account details (IBAN format, with BIC code for foreign payments) as stipulated in this contract;
- a heading.

Electronic invoices should be sent to the address [cdesaf@cde.int](mailto:cdesaf@cde.int) and should include the mention "this invoice is in conformity with the original" to be eligible.

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CDE-PSDP Botswana makes payments within **45 calendar days** from the receipt of the complete and correct payment request with supporting documents, and depending of the type of payment, 45 calendar days after approval of the related report.

Excess amounts paid to the contractor and reclaimed by CDE-PSDP Botswana will be refunded by the contractor within **45 calendar days** of receiving such request.

Any payments to the contractor by other parties are subject to **separate agreements** and are excluded from CDE-PSDP Botswana liability.

## **7. GENERAL PROVISIONS AND CODE OF CONDUCT FOR PSDP CONSULTANTS AND EXPERTS**

See annexes 1 and 2.

## **8. ADDITIONAL SERVICES**

CDE-PSDP Botswana may request the service provider to extend / repeat the services under the same contractual conditions and with the same Terms of Reference. The request for additional services will be made no later than six months after the end of the mission. The value of the additional services may not exceed the value of the initial contract. Such additional services will be formalised through a contract addendum.

## **9. OTHER STIPULATIONS**

### **Contact Details:**

**Roger N'Guessan**

**PSDP Botswana Coordinator**

**SAF RFO**

**Email:** [roger.nguessan@cde.int](mailto:roger.nguessan@cde.int)

Data given in CDE PSDP Botswana's standard 'enterprise/project form' must be checked/updated and confirmed (see also Terms of Reference: description of tasks).

All deliverables (final reports, manuals, publications) resulting from this contract shall be clearly marked with an appropriate statement acknowledging the assistance provided by the CDE-PSDP Botswana, e.g. this assistance/ study/ etc. 'has been supported with a contribution of the Centre for the Development of Enterprise (CDE), ref. [www.cde.int](http://www.cde.int).'

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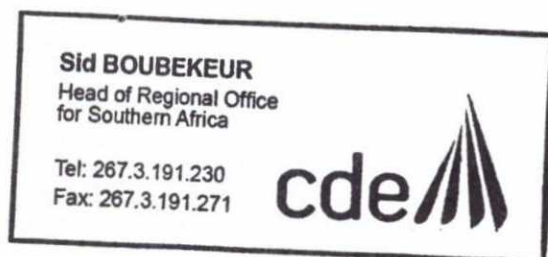
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## 10. SIGNATURES

Authorized officer of CDE	Contractor
<p><i>Name, title and signature:</i></p> <p><b>Name: Sid Boubekeur</b></p> <p><b>Title:</b> Head CDE Southern Africa Regional Office</p> <p><b>Signature:</b></p>  <p><i>Date and place of signature:</i></p> <p><b>Date:</b> 07/05/2014</p> <p><b>Place:</b> Gaborone, Botswana</p>	<p><i>Name, title and signature:</i></p> <p><b>Name: Jonathan Landrey</b></p> <p><b>Title:</b> Corporate Services Manager, PhytoTrade Africa</p> <p><b>Signature:</b></p>  <p><i>Date and place of signature:</i></p> <p><b>Date:</b> 14/05/2014</p> <p><b>Place:</b> Harare, Zimbabwe</p>

Annexes to this contract:

- Annex 1: General provisions for consulting services < Form **SSP11**>
- Annex 2: Code of conduct for consultants and experts < Form **SSP12**>
- Annex 3: Terms of Reference < Form **SSP13**>
- Annex 4: Budget Template < Form **SSP14**>
- Annex 5: Instruction to contractors and beneficiaries regarding Invoice / Payment request < Form **GEN12**>
- Annex 6: Eligible costs and supporting documents required < Form **GEN14**>



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**ANNEX 1 - GENERAL PROVISIONS FOR CDE CONSULTING SERVICES****1. OBLIGATIONS OF THE CONTRACTOR**

The contractor shall perform the services under the contract with due care, efficiency and diligence, in accordance with the best professional practice. As the contractor is an advisor for CDE, the contractor shall not have decision-making responsibility.

The contractor shall respect and abide by all laws and regulations in force in the Beneficiary country and shall ensure that its personnel, their dependants, and its local employees respect and abide by all such laws and regulations. The contractor shall indemnify the CDE against any claims and proceedings arising from any infringement by the contractor, its employees and their dependants of such laws and regulations.

The contractor undertakes to observe the accepted laws of industrial and commercial confidentiality. The contractor will at all times protect the reputation and interests of the CDE and will ensure that any representations made are those of the contractor and its staff as private individuals and do not necessarily reflect the views of CDE.

The contractor shall comply with instructions given by the CDE. Where the contractor considers that such instruction go beyond the contractual requirements, it shall notify CDE explaining its opinion.

The contractor shall treat all documents and information received in connection with the contract as private and confidential, and shall not, save in so far as may be necessary for the purposes of the performance thereof, publish or disclose any particulars of the contract without the prior consent in writing of the CDE and the Beneficiary.

If the contractor is a consortium of two or more persons, all such persons shall be jointly and severally bound to fulfil the terms of the contract. The person designated by the consortium to act on its behalf for the purposes of this contract shall have the authority to bind the consortium.

**2. RECORD KEEPING**

The days and hours of work of the contractor and its personnel in the Beneficiary country shall be fixed by the laws, regulations and customs of the Beneficiary country and the requirements of the services. The contractor shall keep full accurate and systematic records and accounts in respect of the services in such form and detail as is sufficient to establish accurately that the number of working days and the reimbursable expenditure identified in the contractor's invoice(s) have been duly incurred for the performance of the services.

For fee-based contracts, timesheets recording the days worked by the contractor's personnel must be maintained by the contractor. The timesheets must be approved by the CDE or any person authorised by the CDE on a monthly basis. The amounts invoiced by the contractor must correspond to these timesheets. Time spent travelling exclusively and necessarily for the purpose of the Contract, by the most direct route, may be included in these timesheets.

**3. INSURANCE, SOCIAL CHARGES, LOSSES AND DAMAGES**

For the period of implementation of the tasks, the contractor shall obtain medical insurance for all persons employed or hired under the contract. The CDE shall be under no liability in respect of the medical expenses of the contractor.

Under no circumstances does CDE become a party to expenses incurred by the contractor in respect of insurance, fiscal and social charges or medical care. Any loss damage or injury suffered by the contractor in connection with the performance of the contract shall be borne exclusively by him.

**4. PROPERTY RIGHTS**

Except otherwise provided for, the results of the services under the present contract shall be the property of all parties that contributed to its financing. No party may dispose of the result of the services provided by the contractor to the detriment of another party. However, if within six months after the date of execution of the contract no action to exploit the results thereof has been undertaken by the sponsors, CDE will be entitled to freely use these results for any other action it may envisage.

**5. SUB-CONTRACTING**

The contractor may not without the prior and express consent of CDE transfer or assign all or any part of the rights and obligations deriving from the contract nor enter into sub-contracts concerning the performance of the

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study or of a part thereof, nor allow third parties to replace him de facto to any of these ends. Any authorisation from the CDE entitling the contractor to sub-contract part of the work shall not discharge the contractor from his obligations to CDE under the contract. Save as expressly otherwise authorised by the CDE, the contractor shall include in sub-contracts all necessary provisions to enable CDE to enjoy and exercise the same rights and guarantees in relation to the sub-contractors as it enjoys and exercises in relation to the contractor himself.

## **6. PERSONNEL**

The contractor shall not make changes to the agreed personnel without the prior written approval of the CDE. The contractor must on its own initiative propose a replacement in the following cases:

- (a) In the event of death, in the event of illness or in the event of accident of a member of staff.
- (b) If it becomes necessary to replace a member of staff for any other reasons beyond the contractor's control (e.g. resignation, etc.).

Moreover, in the course of performance, and based on a written and justified request, the CDE can ask for a replacement if it considers that a member of staff is inefficient or does not perform its duties under the contract. Where a member of staff must be replaced, the replacement must possess at least equivalent qualifications and experience. The remuneration to be paid to the replacement cannot exceed that received by the member of staff who has been replaced. Where the contractor is unable to provide a replacement with equivalent qualifications and/or experience, the CDE may either decide to terminate the contract, if the proper performance of it is jeopardised, or, if it considers that this is not the case, accept the replacement, provided that the fees of the latter are renegotiated to reflect the appropriate remuneration level.

## **7. DELAYS AND NON-PERFORMANCE**

In the event of non-performance by the contractor of any obligations arising from the contract, CDE may serve on the contractor by registered mail a notice requiring completion of the contract. If within one month of such notification completion of the contract has not taken place, CDE shall be entitled irrespective of the consequences provided for by the law applicable to the contract to terminate the contract without further formality. The contractor shall in good time inform CDE of any delay in the execution of the contract and simultaneously submit evidence for appraisal by CDE that the delay is justified. If the contractor fails to comply with this obligation or if the justifications given are not considered adequate, CDE reserves the right to apply a 1% penalty per day of delay on payments already made for the services not rendered. In case of inadequate performance of the services provided for in the contract, CDE reserves the right to deduct from the total cost of the contract an amount corresponding to those parts of the tasks that in the judgement of CDE were not performed.

## **8. TERMINATION OF THE CONTRACT**

The CDE may terminate the contract after giving 7 calendar days notice to the contractor in any of the following cases:

- (a) the contractor fails to carry out the services in accordance with the contract;
- (b) the contractor fails to comply with the instructions given by the CDE;
- (c) the contractor becomes bankrupt or is being wound up, is having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters, or is in any analogous situation;
- (d) the contractor has been convicted of a criminal or civil offence, corruption, fraud, money laundering or similar situation that may be detrimental to the financial interests and reputation of the CDE;
- (e) the contractor has been guilty of grave professional misconduct proven by any means which the CDE can justify;
- (f) any other legal disability hindering performance of the contract occurs;
- (g) where after the award of the contract, the award procedure or the performance of the contract is shown to have been subject to substantial errors, irregularities or fraud.

The contractor may, after giving 7 calendar days notice to the CDE, terminate the contract if:

- (a) CDE fails to pay the contractor the amounts due within thirty days of submitting a correct and uncontested invoice;
- (b) CDE consistently fails to meet its obligations after repeated reminders;
- (c) the Beneficiary of the service contract fails to make available its contribution, to the extent that performance of the consulting contract is impossible.



Neither party shall be considered to be in breach of its obligations under the contract if the performance of such obligations is prevented by any circumstances of force majeure that arise after the date of notification of the award or the date when the contract becomes effective. The term 'force majeure', as used herein shall mean acts of God, strikes, lock-outs or other industrial disturbances, acts of war, whether declared or not, blockades, insurrections, riots, epidemics, landslides, earthquakes, storms, lightning, floods, washouts, civil disturbances, explosions, and any other similar unforeseeable events, beyond the control of either party and which by the exercise of due diligence neither party is able to overcome. If this situation persists for 90 calendar days, either party has the right to cancel the contract. The contractor will be paid an amount proportional to services delivered.

If the contractor is a natural person, the contract shall be automatically terminated if that person dies. The heirs of the contractor will be paid an amount proportional to services delivered.

#### **9. ETHICS CLAUSES / CORRUPTIVE PRACTICES**

CDE reserves the right to suspend or terminate the contract if corrupt practices of any kind are discovered at any stage of the award process or during the implementation of the contract. 'Corrupt practices' are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or implementation of a contract already concluded with the CDE.

Contractors found to have paid unusual commercial expenses on contracts funded by the CDE are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving CDE funds.

#### **10. ARBITRATION**

Any dispute about this contract that cannot be solved by the contracting parties by an amicable conciliation shall be submitted to arbitration in Brussels by a single arbitrator agreed to by both parties. Should the parties be unable to agree on a single arbitrator within thirty days of the request of arbitration, then each party shall proceed to appoint one arbitrator and the two arbitrators thus appointed shall agree on a third. Failing such agreement, either party may request the appointment of the third arbitrator by the Chairman of the ACP/EC Committee of Ambassadors. The arbitrator shall rule on the costs that may be divided between the parties. The decision rendered in the arbitration shall constitute final settlement of the dispute.

*For further detail refer to: Decision No 3/90 of the ACP-EEC Council of Ministers of 29 March 1990 adopting the general regulations, general conditions and procedural rules on conciliation and arbitration for works, supply and service contracts financed by the European Development Fund (EDF) and concerning their application (Official Journal L 382, 31/12/1990 P. 0001 - 0107)*

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<b>ANNEX 2 - CODE OF CONDUCT FOR CONSULTANTS AND EXPERTS</b>
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Experts or consultants engaged under contract by CDE shall observe and be bound by the following code:

1. Their relations with CDE and its clients shall be governed strictly by the principles of mutual trust and good faith, and the fees to which they are entitled shall constitute their only remuneration for the work undertaken, except as provided for by clauses below.
2. The consultants and experts shall take all necessary measures to prevent or end any situation that could compromise the impartial and objective performance of the Contract. Such *conflict of interests* could arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest. Any conflict of interests that could arise during performance of the Contract must be notified in writing to CDE without delay.
3. Consultants and experts shall refrain from any contact that would compromise their independence or that of its personnel. They shall not accept, without the approval of CDE, any financial inducement, trade commission, allowance or other indirect remuneration in connection with the work for which they are engaged.
4. They shall not, without disclosing the fact in writing to CDE and its clients, be directors or employees, or shareholders in, or act as agents for, any contracting or manufacturing company, or firm or business, with which they may have occasion to deal on behalf of CDE and its clients, or have any financial interest in such business.
5. They shall not receive, directly or indirectly, any royalty, gratuity or commission on any patented or protected article or process used in work which they are carrying out for CDE and its clients, unless and until such royalty, gratuity or commission has been authorised in writing by CDE.
6. Consultants or experts, while working for CDE, must present themselves as consultants or experts engaged by CDE for a specific mission. They must not therefore introduce themselves as representatives dispatched on behalf of their own companies. They shall at all times protect the reputation and interests of CDE and shall make it clear that any views they may express are their own private views, and not necessarily those of CDE.
7. They shall not solicit CDE's clients for new missions as independent advisers or consultants, either directly or through an agent, and shall not pay anyone, whether by way of commission or otherwise, to help them obtain such work.
8. They shall not act as intermediaries for payments made on behalf of CDE or its clients, unless so requested by CDE and its clients; nor shall they place contracts or orders in connection with work that CDE has employed them to undertake, except with the authority of, and on behalf of, CDE and its clients.
9. They shall neither communicate to anyone nor publish any information or matter, not previously known to them or not in the public domain, which has been communicated to them in confidence by CDE and its clients, without the express authority of the latter two parties.
10. They shall accept responsibility for all work carried out by them, or under their supervision or direction, and shall take all reasonable steps to ensure that persons working under their authority are competent to carry out the tasks assigned to them.
11. They shall not work for more than one client at a time on the same matter or problem without disclosing this fact to both or all of the clients with a common or conflicting interest therein who have retained their services or entered into a contract with them in connection with the said matter or problem.
12. If, in accordance with the terms of their contract, they sub-contract part of the work involving professional advice, or interpretation, or experimental work, to a third party, they shall indicate to CDE and its clients which part of the work has been sub-contracted and to whom (or to what organisation).
13. They shall observe this Code at all times; however, if the Code appears to be in conflict with recognised practices in the country in which they are employed under their contract, they shall bring this fact to CDE's notice for guidance.
14. Any study or report prepared under a consultancy contract shall be the property of CDE and its client(s) and may not therefore be used by anyone else, not even by the consultant(s) or expert(s) who prepared it, except with CDE's specific approval, and even then only if it has not been acted upon within six months of its completion.
15. They shall not employ minors or work for or with companies where minors are employed. They shall report any findings of this kind immediately to the CDE. The definition of a minor is determined by the laws of the country of the assignment.

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## ANNEX 3 - TERMS OF REFERENCE

### 1 INTRODUCTION

#### 1.1 PRESENTATION OF THE PROGRAMME

Under the framework of the Private Sector Development Strategy (PSDS), the Ministry of Trade and Industry (MTI) and Botswana Confederation of Commerce, Industry and Manpower (BOCCIM) in partnership with the EU and the CDE, developed the PSDP which was launched on the 23 May 2013 in Gaborone, Botswana.

The PSDP is meant to address some key areas of the PSDS. The PSDP which will run for duration of 3 years has a budget of €2.3 million and aims to stimulate and sustain growth through diversification of the economy while building the capacities of institutions and human resources that support the private sector. Other funding partners promoting specifically Women Entrepreneurship provide additional complementary support. The EU is the contracting authority for the PSDP, the MTI is the supervising agency, CDE is the executing agency, and BOCCIM is responsible for monitoring and evaluation of PSDP.

Key private sector development partners which played a vital role during formulation of the PSDP and will be involved in the programme are BOCCM, Botswana Investment and Trade Centre (BITC), Local Enterprise Authority (LEA), Citizen Entrepreneurial Development Agency (CEDA), Botswana Exporters and Manufacturers Association (BEMA), Botswana Bureau of Standards (BOBS), Botswana National Productivity Centre (BNPC), Hospitality and Tourism Association of Botswana (HATAB), Botswana Tourism Organisation (BTO) and Botswana Innovation Hub (BIH).

#### 1.2 BACKGROUND AND CONTEXT

The Main objective of this study is to promote access to European Markets for Honey and Marula products.

### 2 SCOPE OF THE WORK

The overall objective of the assignment is to undertake an **"Opportunity Study for the Development of Honey and Marula Products for Local and Export Markets"**.

The assignment will therefore consist on the following tasks:

#### **Task 1: Desk Work (2 weeks)**

- (i) Assess relevant policy and technical documentations related to honey and marula development in Botswana
- (ii) Benchmarking good practices in 3 countries of SADC, namely: Namibia, South Africa, and Zimbabwe
- (iii) Identify key players in the European market for consideration as distributors of honey and marula products
- (iv) Determine minimum required quality standards set in the European market for imported goods, with special emphasis on honey and marula products
- (v) Locate champion producers of honey and marula products in Botswana
- (vi) Identify local structures/bodies that provide support production of honey and marula products

**Output 1:** Summary of key findings related to desk review of honey and marula products in Botswana

## **Task 2: Opportunity Study (4 weeks)**

- (i) Prepare a mission to Botswana to meet the key players of the honey and marula products
- (ii) Undertake a field visit to the selected regions in Botswana (Maun, Kasane, Francistown, etc.) to discuss key issues faced by SMEs in developing honey and marula products for local and export market
- (iii) Undertake data collection
- (iv) Quantities of honey and marula, including by-products produced locally
- (v) Establish quantities imported, especially honey and its by-products
- (vi) Establish production methods/processing technology used by local producers versus those used in other SADC countries
- (vii) Costs of production and price
- (viii) Technical Assessment
- (ix) Assess the opportunity offered for the production of honey and marula products for local and international markets
- (x) Recommend best production methods/processing technology used by other producers of similar products
- (xi) Identify any policies to support production of honey and marula products for export market
- (xii) Economic and Financial Analysis
- (xiii) Conduct an economic analysis and assess the cost-effectiveness of potential investment
- (xiv) Establish current average returns made by local producers versus imported products
- (xv) Determine growth potential of both products in the local and EU markets
- (xvi) Determine the magnitude of financial assistance required by selected companies to export to EU market

**Output 2:** Draft Opportunity Study Report and Action Plan (including implementation plan, training modules, budget and schedule)

## **Task 3: Draft Report and Validation workshop (2 weeks)**

- (i) Prepare the draft Opportunity Study Report including an Action Plan and resources indication for developing honey and marula products for the local and export markets;
- (ii) Organise and hold a validation workshop with key stakeholders;
- (iii) Record and review comments and inputs from stakeholders;
- (iv) Prepare the final Opportunity Study Report including an updated Action Plan for developing honey and marula products in Botswana for the local and export markets. The final report should incorporate responses to comments from the CDE-PSDP and the workshop.

**Output 3:** Final Opportunity Study Report

## **3 DURATION OF THE ASSIGNMENT AND REPORTING**

### **3.1 DURATION**

The assignment will be carried out for a total duration of 4 months. The draft Final Report should be submitted 3 months after the start of the assignment. The Final Report is due by the end of 4<sup>th</sup> month of the assignment. It is expected that the assignment will begin in March and completed in July 2014.

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### 3.2 REPORTING

All reports shall be in the English language, printed on A4 paper. The draft and final reports (including all supporting documentation) shall also be provided on soft copy on word format.

The following are reporting requirements for this assignment.

Report title	Recipient	Number of Copies
Inception Report and Work Plan <i>Deadline:</i> The report should be presented 0.5 month after the start of the assignment and containing the key findings of Phase 1 (Desk work)	CDE-PSDP Coordinating Unit	5
Draft Opportunity Study Report including an Action Plan and resources indication <i>Deadline:</i> Submitted 1.5 months after the approval of Inception report	CDE-PSDP Coordinating Unit	5
Final Opportunity Study Report <i>Deadline:</i> 0.5 month after the approval of the draft report	CDE-PSDP Coordinating Unit	5

### 4 PROFILE AND QUALIFICATION OF THE CONSULTANT

The Consultant should meet the following criteria:

- ✓ Hold minimum an advanced degree in natural resources management, agricultural engineering, economics/finance or any related discipline.
- ✓ Have at least 10 years experience in market analysis, trade promotion related to agricultural and natural products
- ✓ Have knowledge of Botswana agricultural sector including working with community based organisations (CBOs) on agro-added value products development, in particular honey and marula.
- ✓ Have proven track record in working collaboratively with a number of private sector key stakeholders involved in SME development, with concrete references to assignments conducted.
- ✓ Relevant experience in capacity building of agro-industry SMEs and CBOS is an advantage.
- ✓ Experience with market research, market analysis, feasibility studies and evaluation of opportunity on natural ingredients for food, cosmetics and pharmaceuticals, intended for producers from developing countries aiming to export to the EU is an advantage
- ✓ Good communication and capacity building skills and good command of English will be an asset.

## **5 BUDGET FOR THE INTERVENTION**

### **5.1 FEE RATES**

The level of effort is estimated to a minimum of 40 working days.

### **5.2 REIMBURSABLE COSTS**

The Consultant is requested to give an estimate of his/her expenses related to the assignment for the following items.

- ✓ Transport and per diem for 2 missions (Inception mission and final mission) based on CDE rates.
- ✓ 1 workshop package costs for the validation meeting for 25 participants including conference room, catering, IT equipment and printing.

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## ANNEX 4 - BUDGET FOR SERVICE CONTRACT

BUDGET FOR SERVICE CONTRACT					
N°	Type of Cost	Unity	Unit Cost (Euros)	Qty	Total Cost (Euros)
<b>1</b>	<b>HUMAN RESOURCES</b>				
<b>1.1</b>	<b>Experts' fees</b>				
1.1.1	Team leader - Natural Products expert PTA	man/day	500	26	13,000.00
	Honey market expert	man/day	350	20	7,000.00
	<b>TOTAL HUMAN RESOURCES</b>				<b>20,000.00</b>
<b>2</b>	<b>DIRECT COSTS</b>				
2.1	Telecommunications and mail	Lump sum			100.00
2.2	miscellaneous cost	Lump sum			0.00
	<b>TOTAL DIRECT COSTS</b>				<b>100.00</b>
<b>3</b>	<b>REIMBURSABLE COSTS</b>				
<b>3.1</b>	<b>Transport costs for expert</b>				
3.1.1	International travel (Inception and final missions)	Trip	550	4	2,200.00
3.1.2	Local travel (3 regions to be visited)	Trip	290	6	1,740.00
<b>3.2</b>	<b>Per diem for expert*</b>				
3.2.1	Inception mission (20 days)	Day	209	20	4,180.00
3.2.2	Final mission (5 days)	Day	209	6	1,254.00
<b>3.3</b>	<b>Other reimbursable costs</b>				
3.3.1	Workshop conference package (25 participants)	Lump sum	500	1	500.00
3.3.2	Specify	Day			
	<b>TOTAL REIMBURSABLE COSTS</b>				<b>9,874.00</b>
				<b>TOTAL</b>	<b>29,974.00</b>

Consultant Team Leader: Jonathan Landrey

Date: 22<sup>nd</sup> March 2014


## **ANNEX 5 - INVOICE / PAYMENT REQUEST - INSTRUCTIONS TO CONTRACTORS**

The invoice / payment request must contain at least the following information.

### ***For request for initial payment (pre-financing):***

- A description of the object of payment (i.e. description of the services, supplies, cost-sharing or grant contract)
- The type of payment (initial / interim / final balance due)
- Name and address of the contractor / beneficiary
- Date
- Invoice number
- Contract number
- Amount, separated by categories according to the contract
- Bank details (Bank name and address, IBAN / SWIFT ...), as in the contract
- For cost-sharing and grant contracts, results of market consultations (ex ante or ex post control)

The invoice must always comply with the (fiscal) legislation of the country of registration of the contractor. However, CDE being an international organisation is exempted from VAT.

### ***For interim payments:***

As above, accompanied by:

- The original supporting documents, unless it is agreed that these will be verified by an external auditor
- For services, cost-sharing and grants: the approved interim report, if applicable, and signed and certified timesheets
- For supplies: copy of the certificate of acceptance of partial delivery (by CDE), and certificate of factory warranty by the supplier (if applicable)

### ***For payment of final balance due:***

As above, accompanied by:

- For services, cost-sharing and grants:
  - Evaluation and / or impact assessment if foreseen or deemed necessary by the OiC
  - Evaluation of CDE assistance by Beneficiary (if applicable)

The cost categories in the invoice must always correspond to the budget categories (budget line items), and not exceed the available budget.

All invoices and payment requests must be addressed to the person that signed the contract on behalf of CDE.

CDE retains the right to perform 'in-situ' verification at the address of the contractor. CDE may also enlist a certified auditor to do so.

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**ANNEX 6 - ELIGIBLE COSTS AND SUPPORTING DOCUMENTS REQUIRED*****A. Eligible costs (strictly according to the contract budget)***

	Eligible costs	Explanatory note	How to fill in the budget	Supporting documents to be produced
<b>1</b>	<b>Human resources</b>			
1.1	Fees for <u>external</u> experts contracted	<p>The fees cover:</p> <ul style="list-style-type: none"> <li>- the actual remuneration of the expert per day or per month of work. Working days are defined by the customs and practices of the beneficiary country. Travel days are always considered working days, unless the shortest travel route is not followed or unneeded stops are made</li> <li>- all related costs: fiscal charges, social security, medical cover, family benefits, insurance, holiday rights, pension payments etc</li> <li>- office costs of the contractor, including internet and regular telecommunication costs</li> <li>- general overhead costs of the contractor</li> <li>- the margin of the contractor</li> </ul> <p><u>Note:</u> service providers (but not necessarily experts employed by them) must be nationals of ACP or EU countries eligible for EDF funding.</p> <p>The fees for these external experts vary in relation to their level of training, expertise, professional experience etc. The rates may not exceed those generally accepted on the market in question and the selection procedure must conform to the CDE regulation on market consultation (see point E).</p>	Use one budget line per category of expert.	<p>Original invoice of the external service provider with timesheet duly signed by expert and project Supervisor (CDE staff or Beneficiary)</p> <p>Beneficiary to submit proof of payment to service provider in the form of:</p> <ol style="list-style-type: none"> <li>1. Bank Transfer Advice (debit) to account as indicated in the contract, or</li> <li>2. Bank debit of cheques</li> </ol>
1.2	Labour cost for Beneficiary (and partners') staff involvement for all contracts signed with non-profit organizations (covered by Beneficiary) Applies to cost-sharing and grant contracts	<p>For all contracts signed with non-profit organisations, staff assigned to the action is paid according to their salary and not based on a price. The same approach as stipulated in the EU financial regulations will be applied for the calculation of the labour costs.</p> <p><u>Calculation of the daily rate :</u></p> <ul style="list-style-type: none"> <li>- Addition of annual gross salary, social security and all charges up the salary in strict sensu <u>divided by 220 days.</u></li> </ul>	Use one budget line per category of personnel and specify the category (e.g.: 1.2.1. Project co-ordinator at xxx euros/day;	Calculation of the daily rate, Itemised statement per expert, with timesheet certified by the Beneficiary. (see below, point C presentation of invoices)

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			1.2.2. Logistics specialist at YYY euros/day; 1.2.3. Administrative personnel at ZZZ euros/day).	
<b>2</b>	<b>Per Diem (daily allowance) and other fixed costs</b>			
2.1	Per diem (daily allowance) during travel Applies to consultants and to staff of beneficiaries in cost-sharing and grant contracts	<p>The Per Diem is proposed by the contractor / Beneficiary in the financial offer, with a maximum the daily rate applied by the European Commission to the country concerned. The rates are available on the European Commission site at the following address: <a href="http://ec.europa.eu/europeaid/perdiem/index_en.htm">http://ec.europa.eu/europeaid/perdiem/index_en.htm</a></p> <p>The per diem is a fixed daily allowance that covers:</p> <ul style="list-style-type: none"> <li>- costs of accommodation, food and local transport (bus, train, taxi in the home and in the host country, including to / from the airport, when less than 100 km), private telecommunication, and all other personal expenses.</li> </ul> <p>The per diem varies in relation to the country. The per diem is payable for each overnight stay in a hotel or guesthouse on site for missions of the service provider or staff member outside his normal place of posting, including weekend days. Per diem is not paid for nights on the plane. However, per diem is due if the travel leads to overnight stay at a transit location. In case of free of charge stay with family, friends, project partners or otherwise, half per diem may be claimed.</p>	<p>Use one budget line per country concerned and specify the estimated number of days and the applicable rate.</p> <p>The estimate must be accurate. The number of per diem days in the budget and the rate is the maximum</p>	<p>Itemised statement of the time per person and per country + copy of transport documents (air ticket + boarding pass + air ticket invoice). In case of lost boarding pass the hotel invoice can be presented. The hotel bill may be asked to justify the per diem.</p> <p>In the event that the beneficiary chooses to pay cash to participants in seminar/workshop, the participants should co-sign against the amount received</p>
2.2	Telecommunications and mail charges. Applies to cost-sharing and grant contracts	<p>Telecommunications and mail charges are a fixed amount for all telecommunications by telephone, fax, e-mail, and sending mail by post or courier. This may be expressed in the budget as an amount or a % of the total of eligible costs.</p> <p>This is applicable to cost-sharing and grant contracts. For service contracts, these costs are normally included in the fees. However, in exceptional cases these may be included in the budget as a 'lump sum' direct cost.</p>	Specify a fixed amount (lump-sum)	None



2. 3	Costs of consumables and supplies. Applies to cost-sharing and grant contracts	Allowance covering outlays for office supplies and normal consumables such as paper, toner, etc. This may be expressed in the budget as an amount or a % of the total of eligible costs.  This is applicable to cost-sharing and grant contracts. For service contracts, these costs are normally included in the fees. However, in exceptional cases these may be included in the budget as a 'lump sum' direct cost.	Specify a fixed amount (lump-sum)	None
<b>3 Reimbursable expenses</b>				
3. 1	Travel costs Applies to consultants and to staff of beneficiaries in cost-sharing and grant contracts	<p><u>Travel by air:</u> The cost of return travel by air is estimated in the <i>budget</i> based on a standard economy class ticket that allows for date change, using the most direct or economical route. When <i>booking</i> the ticket, the consultant is expected to reserve the <u>cheapest available</u> flexible fare economy class ticket, not exceeding the budget. Should the consultant decide to travel in a more expensive class, CDE will reimburse the eligible cheapest tariff only. The onus is on the consultant to demonstrate what this benchmark tariff is.</p> <p><u>Travel by train:</u> The maximum reimbursable cost of return travel by train is a first class ticket.</p> <p><u>Travel by car:</u> If transport is by private vehicle instead of public transport, the expenses are refunded on the basis of first-class train travel or, failing this, another form of available public transport.</p> <p><u>For consultants:</u> the cost of local travel to and from the airport in the home and in the host country, and all other local and in-city travel is included in the per diem. Local is defined as a distance of less than 100 km. For longer travel, the cost must be budgeted and may be claimed in keeping with the above CDE rules.</p> <p><u>Travel by car during an assignment of a consultant:</u> Consultants on mission may need to dispose of a vehicle for out-station travel. The cost of out-station travel by car is estimated in the budget as a fixed amount per month (or part-month) for all vehicle hire costs (including the costs of fuel and driver) necessary for the successful conclusion of the technical assistance in the country(ies) of the assignment.  The unit costs mentioned are estimates. For billing the actual costs paid are used.</p>	Use one budget line per category of travel (e.g.: 3.1.1. AirtravelAfri ca - Europeatxxx euros/trip; 3.1.2. Intra-EU travelatyyy euros/trip; 3.1.3. Car hire at zzz euros/day)	<p><u>Travel by air:</u> air ticket invoice, air ticket stub and boarding cards.  If no air ticket stub delivered by the airline, a document from the airline stating the price paid.  E-tickets and E-boarding passes are allowed.</p> <p><u>Train travel:</u> train tickets</p> <p><u>Car travel:</u> statement of the trip made with mileage.</p> <p><u>Travel by car:</u> car hire invoice, fuel bills, and driver receipt. In case a car is hired 'all-in', the overall invoice.</p>

		However, these may not exceed the budget.		
3. 2	Contracting of facilities, services (local transport, translation services, etc) and appropriate equipment (photocopier, simultaneous interpreting equipment, projector, video, etc).	The rented / subcontracted services must be at the market rate. The rates may not exceed those generally accepted on the market in question and the selection procedure must conform to the CDE regulation on market consultation (see point E below).		Original invoices and where applicable market consultation (see point E. below)
<b>4</b>	<b><u>Contingencies</u></b>			
4. 1	No contingencies are foreseen in CDE budgets			

Invoices must always comply with the (fiscal) legislation of the country of registration of the contractor. However, CDE being an international organisation is exempted from VAT.

**B. Exchange rates to be used:**

The CDE nearly always signs its contracts in euro. Fees are nearly always expressed in euro. However, the contractor / Beneficiary may have some (reimbursable) costs in other currencies, needing currency conversion when the invoice is submitted. The exchange rates to be used for conversions from local currencies to the Euro are those set by the European Commission, available from the internet site <http://ec.europa.eu/budget/inforeuro/>. The rate to be used is the one for the month in which the expense took place.

In case of Imprest accounts, the Imprest Account Administrator is expected to transfer pre-financing received in € into a local currency account. The bank exchange rate is used in the financial report.

**C. Presentation of invoices, ORIGINAL supporting documents and financial reports:**

The claim for the initial payment (pre-financing) can be made immediately upon signing the contract and a payment request. Each claim for an interim payment is subject to an invoice accompanied by an intermediate financial report of expenses incurred to date, as well as the corresponding activity report if required by the contract. The claim for final payment is subject to an invoice accompanied by a final financial report, a final technical report and the **original** supporting documents. The Beneficiary must certify that the final financial report is accurate and that the costs have been incurred and paid. CDE retains the right to verify all expenditures, including an inspection at the site of the contractor / Beneficiary. CDE may also commission an auditor to do this.

However, when the contract stipulates that the beneficiary must submit its financial report to expenditure verification by an external auditor, the original supporting documents must be kept by the beneficiary and presented to the auditor. CDE may then decide to ask the originals for additional control.

*Signature*



**D. Production of the ORIGINAL supporting documents when there are several grant financiers:**

In case of 'parallel' co-financing with other donors, each donor receives the supporting documents relating to the part it finances. In case of 'joint' co-financing with other donors, one donor must be nominated the 'lead donor', and the financial procedures of this donor must be respected. The lead donor will verify all supporting documents on behalf of the other donors. Alternatively, obtain the prior agreement of the sponsors on the distribution of the original supporting documents to be supplied to the various sponsors, and return to CDE copies certified (signed by the Beneficiary) as true to the originals sent to the other sponsors.

**E. Regulation on market consultation:**

A Beneficiary of a CDE cost-sharing or grant contract must acquire services and supplies in a competitive manner. The procurement process applied by the Beneficiary must be at least as rigorous as the standard CDE procurement procedures. These procedures are defined in the CDE administrative and financial procedures manual, Sections 3 and 4. For services with a value of less than or equal to 20,000 euro, a single offer will do. For services and supplies with a value above 20,000 euro, a market consultation is required: comparison of at least 3 offers from 3 different service providers and selection of the most advantageous offer (best ratio in terms of quality and price).

See CDE's specific guideline on the market consultation procedure (attachment / CDE website)

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