

# ASSURANCE REPORT For the Year 2019



November 2019

*'Better Lives from Better Infrastructure'*

with support from CoST International Secretariat and Hivos



# TABLE OF CONTENTS

TABLES.....	iv
FIGURES.....	iv
2019 PROJECTS FOR ASSURANCE REPORT AT A GLANCE.....	v
LEVEL OF COMPETITION BETWEEN BIDDERS.....	vii
CAUSES OF COST OVERRUN.....	viii
LIST OF ACRONYMS.....	ix
EXECUTIVE SUMMARY.....	x
<b>1.0 INTRODUCTION.....</b>	<b>1</b>
1.1 OBJECTIVE.....	1
1.2 SCOPE OF SERVICES.....	2
<b>2.0 BACKGROUND.....</b>	<b>3</b>
2.1 INFRASTRUCTURE TRANSPARENCY IN MALAWI.....	3
2.2 ASSURANCE – AIMS AND OBJECTIVES.....	3
2.3 SELECTION OF PROJECTS.....	4
<b>3.0 DISCLOSURE OF INFORMATION.....</b>	<b>9</b>
3.1 SUMMARY OF PROJECT INFORMATION DISCLOSED.....	9
3.1.1 Proactive Disclosure.....	9
3.1.2 Reactive Disclosure.....	9
3.1.3 Summary of Disclosed Data.....	9
3.2 COMPLETENESS OF THE DISCLOSED INFORMATION.....	13
3.3 ACCURACY OF THE DISCLOSED INFORMATION.....	13
<b>4.0 TRANSPARENCY AND ASSURANCE.....</b>	<b>14</b>
4.1 TENDER MANAGEMENT.....	14

4.1.1	CONSTRUCTION OF LIWONDE – MANGOCHI (M3) ROAD.....	16
4.1.2	UPGRADING OF THE NJAKWA- LIVINGSTONIA (T305/S103) ROAD.....	16
4.1.3	SECTIONAL PERIODIC MAINTENANCE ON CHINGENI – ZALEWA (M01) ROAD IN NENO AND BALAKA DISTRICTS.....	20
4.1.4	UPGRADING OF NKHOTAKOTA – DWANGWA ROAD.....	20
4.1.5	CONSTRUCTION OF HEAD OFFICE COMPLEX – MALAWI ENERGY REGULATORY AUTHORITY.....	20
4.1.6	CONSTRUCTION OF LIWONDE BARRAGE.....	20
4.1.7	Construction of the New MBS Laboratory and Office Complex.....	20
4.1.8	CONSTRUCTION OF PHALOMBE DISTRICT HOSPITAL AT MIGOWI.....	20
4.1.9	CONSTRUCTION OF MBELWA DISTRICT COMMUNITY STADIUM.....	22
4.1.10	CONSTRUCTION OF MBELWA DISTRICT COUNCIL OFFICE COMPLEX.....	23
4.1.11	MALAWI RURAL ELECTRIFICATION PROJECT (MAREP).....	23
4.1.12	HEST – POLYTECHNIC.....	23
4.1.13	HEST – CHANCELLOR COLLEGE.....	23
4.2	PROJECT MANAGEMENT.....	23
4.2.1	CONSTRUCTION OF LIWONDE – MANGOCHI (M3) ROAD.....	28
4.2.2	UPGRADING OF THE NJAKWA- LIVINGSTONIA (T305/S103) ROAD.....	28
4.2.3	SECTIONAL PERIODIC MAINTENANCE ON CHINGENI – ZALEWA (M01) ROAD IN NENO AND BALAKA DISTRICTS.....	29
4.2.4	UPGRADING OF NKHOTAKOTA – DWANGWA ROAD.....	30
4.2.5	CONSTRUCTION OF HEAD OFFICE COMPLEX – MALAWI ENERGY REGULATORY AUTHORITY.....	30
4.2.6	CONSTRUCTION OF LIWONDE BARRAGE.....	30
4.2.7	CONSTRUCTION OF THE NEW MBS LABORATORY AND OFFICE COMPLEX.....	30
4.2.8	CONSTRUCTION OF PHALOMBE DISTRICT HOSPITAL AT MIGOWI.....	33
4.2.9	CONSTRUCTION OF MBELWA DISTRICT COMMUNITY STADIUM.....	34

4.2.10	CONSTRUCTION OF M’BELWA DISTRICT COUNCIL OFFICE COMPLEX.....	35
4.2.11	MALAWI RURAL ELECTRIFICATION PROJECT (MAREP).....	36
4.2.12	HEST PROJECT – POLYTECHNIC.....	36
4.2.13	HEST PROJECT – CHANCELLOR COLLEGE.....	37
<b>5.0</b>	<b>CONCLUSIONS.....</b>	<b>38</b>
5.1	FINDINGS AND RECOMMENDATIONS.....	38
<b>6.0</b>	<b>ANNEXES.....</b>	<b>40</b>
6.1	ANNEX 1: SUMMARY OF DISCLOSED DATA FOR EACH PROJECT.....	41
6.2	ANNEX 2: INFRASTRUCTURE DATA STANDARDS.....	42
	SUMMARY OF PROACTIVE DISCLOSURE FOR ALL PROJECTS.....	42
6.3	ANNEX 3: INFRASTRUCTURE DATA STANDARDS.....	44
	SUMMARY OF PROACTIVE DISCLOSURE FOR ROADS AUTHORITY.....	44
6.4	ANNEX 4: INFRASTRUCTURE DATA STANDARDS.....	46
	SUMMARY OF PROACTIVE DISCLOSURE FOR MINISTRY OF NATURAL RESOURCES, ENERGY & MINING.....	46
6.5	ANNEX 5: INFRASTRUCTURE DATA STANDARDS.....	49
	SUMMARY OF PROACTIVE DISCLOSURE FOR MALAWI BUREAU OF STANDARDS, MINISTRY OF HEALTH, AND MINISTRY OF LOCAL GOVERNMENT.....	49
6.6	ANNEX 6: INFRASTRUCTURE DATA STANDARDS.....	51
	SUMMARY OF REACTIVE DISCLOSURE FOR ALL PROJECTS.....	51
6.7	ANNEX 7: INFRASTRUCTURE DATA STANDARDS.....	55
	SUMMARY OF REACTIVE DISCLOSURE FOR ROADS AUTHORITY.....	55
6.8	ANNEX 8: INFRASTRUCTURE DATA STANDARDS.....	58
	SUMMARY OF REACTIVE DISCLOSURE FORMINISTRY OF NATURAL RESOURCES, ENERGY & MINING.....	58
6.9	ANNEX 9: INFRASTRUCTURE DATA STANDARDS.....	60
	SUMMARY OF REACTIVE DISCLOSURE FOR MALAWI BUREAU OF STANDARDS, MINISTRY OF HEALTH, AND MINISTRY OF LOCAL GOVERNMENT.....	60
	ANNEX 10: LIST OF INTERVIEWS WITH STAKEHOLDERS.....	62
<b>7.</b>	<b>BIBLIOGRAPHY.....</b>	<b>70</b>

# TABLES AND FIGURES

## TABLES

Table 1 – Details of Selected Infrastructure Project for Assurance Process

Table 2 - Summary of Disclosed Data for Each project

Table 3 – Summary of Tender Management

Table 4: Post-tender and pre-contract events for the Upgrading of Njakwa – Livingstonia Road

Table 5 – Summary of Cost Overrun on Selected Projects

## FIGURES

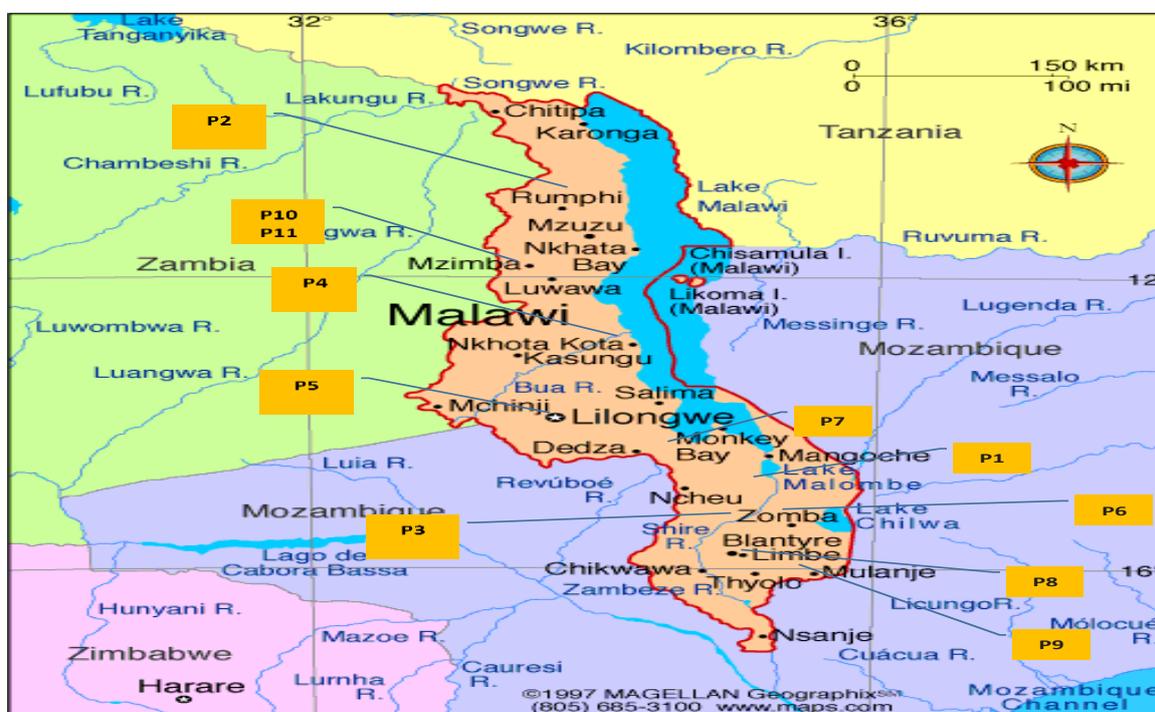
Figure 1 – Projects Location Map

Figure 2 – Summary of Disclosure level per project

Figure 3 - Disclosure by Procurement & Disposal Entity

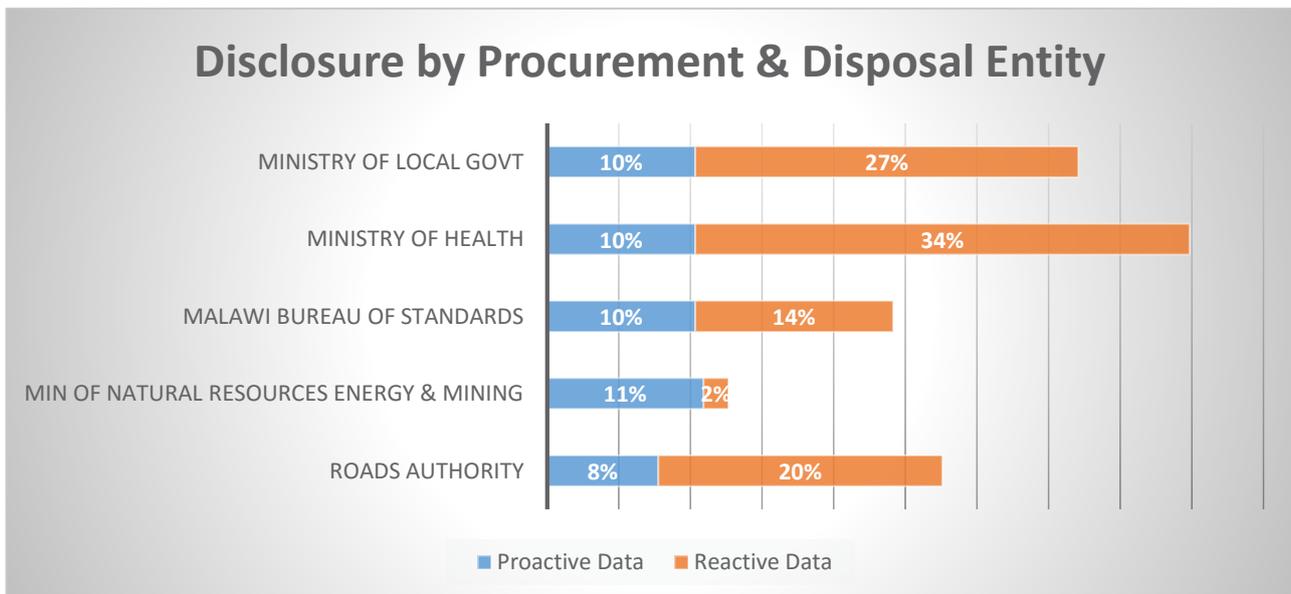
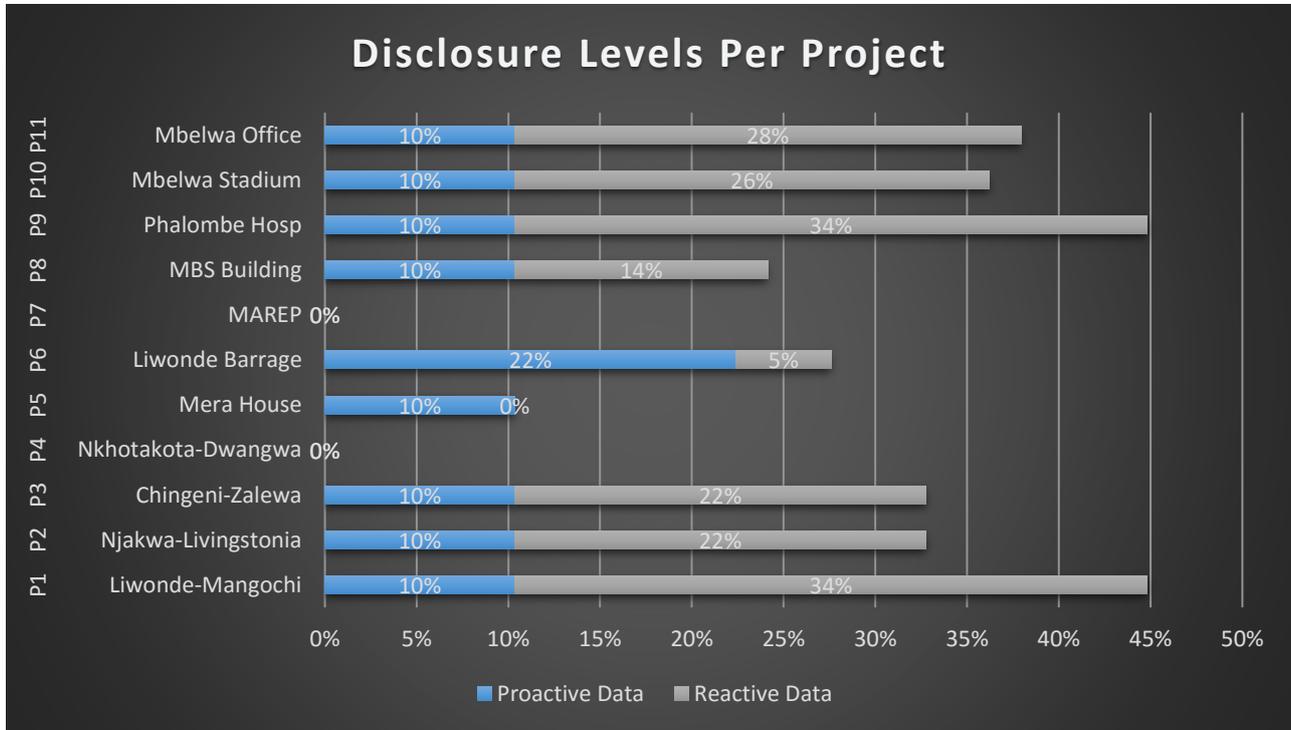
Figure 4 – Cost Overrun on Projects in the Study

# 2019 PROJECTS IN ASSURANCE REPORT AT A GLANCE

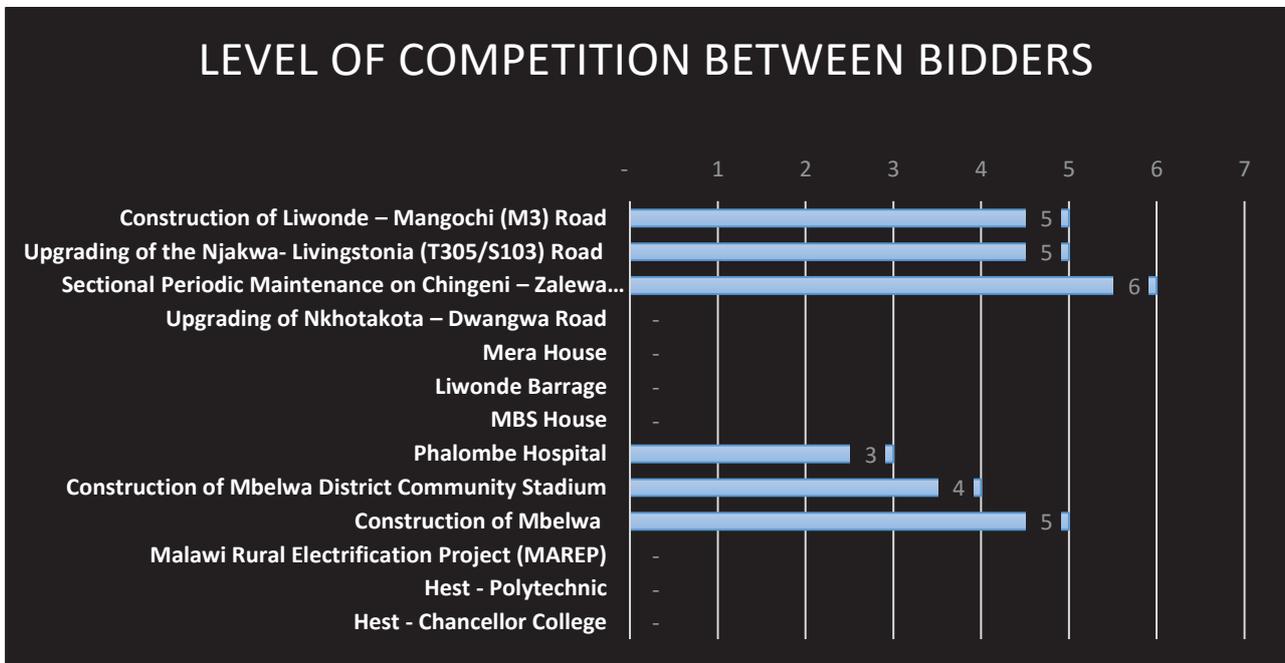


P1	Construction of Liwonde – Mangochi (M3) Road	<b>K29,527,136,821.25</b>
P2	Upgrading of the Njakra- Livingstonia (T305/S103) Road	<b>K39,815,658,687.27</b>
P3	Sectional Periodic Maintenance on Chingeni – Zalewa (M01) Road in Neno and Balaka Districts	<b>K1,567,342,030.20</b>
P4	Upgrading of NkhotaKota – Dwangwa Road	<b>NOT DISCLOSED</b>
P5	Mera House	<b>K6,900,000,000</b>
P5	Liwonde Barrage	<b>NOT DISCLOSED</b>
P7	Malawi Rural Electrification Project (MAREP)	<b>NOT DISCLOSED</b>
P8	Construction of New MBS Laboratory and Office Complex	<b>K12,402,005,589.02</b>
P9	Phalombe Hospital	<b>\$22,756,243.83</b>
P10	Construction of Mbelwa District Community Stadium	<b>K2,534,050,011.93</b>
P11	Construction of Mbelwa District Council Office Complex	<b>K1,800,367,506.23</b>
P12	Hest - Polytechnic	<b>NOT DISCLOSED</b>
P13	Hest – Chancellor College	<b>NOT DISCLOSED</b>

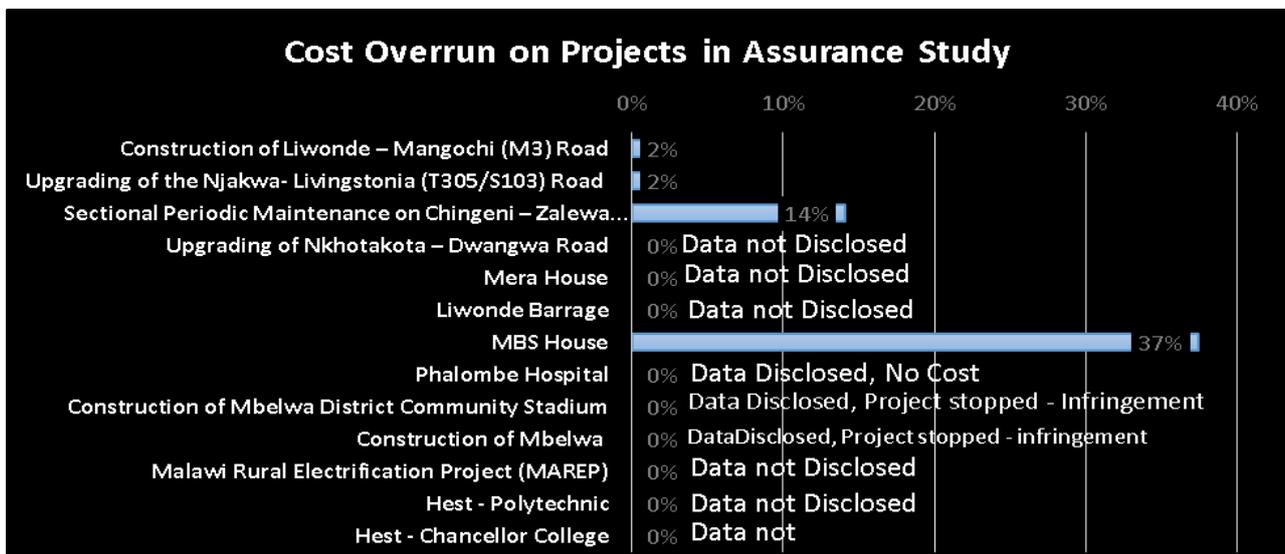
## DISCLOSURE OF INFORMATION



## LEVEL OF COMPETITION BETWEEN BIDDERS



**AVERAGE COMPETITION LEVEL BETWEEN BIDDERS: 5 BIDDERS PER PROJECT**

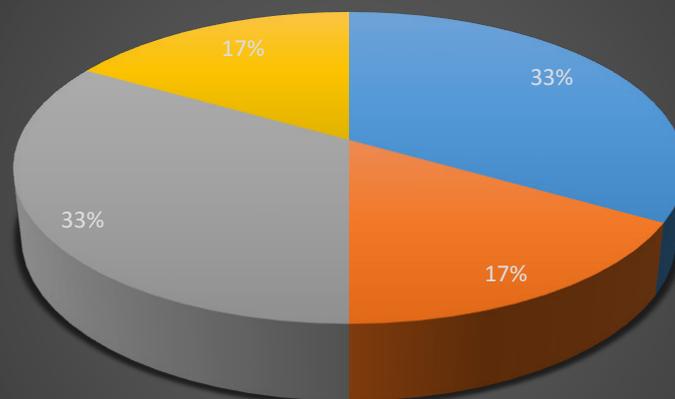


**AVERAGE COST OVERRUN: 13.75%**

## CAUSES OF COST OVERRUN

Ref.	Projects	Causes of Delays			
		Escalation in Prices	Delayed Payments	Extra Works	Inaccurate Design
P1	Rehabilitation of Liwonde – Mangochi (M3) Road	1			
P2	Upgrading of the Njakwa- Livingstonia (T305/S103) Road		1		
P3	Sectional Periodic Maintenance on Chingeni – Zalewa (M01) Road in Neno and Balaka Districts			1	
P4	Upgrading of Nkhotakota – Dwangwa Road	N/a	N/a	N/a	N/a
P5	Construction of Head Office Complex – Malawi Energy Regulatory Authority	No Data	No Data	No Data	No Data
P6	Construction of Liwonde Barrage	No Data	No Data	No Data	No Data
P7	Construction of the New MBS Laboratory and Office Complex	1		1	1
P8	Construction of Phalombe District Hospital at Migowi	N/a	N/a	N/a	N/a
P9	Construction of Mbelwa District Community Stadium	N/a	N/a	N/a	N/a
P10	Construction of Mbelwa District Council Office Complex	N/a	N/a	N/a	N/a
P11	Malawi Rural Electrification Project (MAREP)	No Data	No Data	No Data	No Data
P12	HEST – Poly	No Data	No Data	No Data	No Data
P13	HEST - Chanco	No Data	No Data	No Data	No Data
	Data Points	2	1	2	1
	Total Data Points	6	6	6	6
	Percentage	33%	17%	33%	17%

### Causes of Cost Overrun on Assurance Projects



■ Escalation in Prices ■ Delayed Payments ■ Extra Works ■ Inaccurate Design

# LIST OF ACRONYMS

CoST	Construction Sector Transparency Initiative
DoB	Directorate of Buildings
FIDIC	Federation Internationale des Ingenierurs-Conseils (International Federation of Consulting Engineers)
IDS	Infrastructure Data Standard
IMF	International Monetary Fund
Malawi MSG	Malawi Multi-Stakeholder Group
NCIC	National Construction Industry Council
NSO	National Statistical Office
ODPP	Office of the Director of Public Procurement (Now PPDA)
PDE	Procuring and Disposing Entity
PPDA	Public Procurement and Disposal of Assets Authority
RA	Roads Authority

## EXECUTIVE SUMMARY

This Assurance Report seeks to assess the success to which PDEs for publicly funded projects for disclosure of information to the general public and measures the transparency of the construction sector. The report makes recommendations for key findings and the responsible agencies are highlighted for them to take possible action.

Analysis of disclosure of project information by PDEs is very low. This study used 58 data points disclosed proactively. Proactive Disclosure varies from 8% to 11% across all PDEs in this study. This level of compliance needs improvement.

Reactive disclosure had 26 data points required for Disclosure. Compliance was a high of 45% and a low of 13% per institution. It is hoped that the change from ODPP to PPDA shall see improvement in disclosure of data as it is now a requirement to publish intention to award contracts.

Irregularities in the procurement of contracts is another area where expertise is required by those in the PDEs responsible for drafting contracts. In particular, one project shows glaring discrepancies in the Contract Provisions. The Study recommends comprehensive training for the Employer's staff in FIDIC suite of contract forms, in general and preparation of particular conditions of contract, in particular.

The Study also finds there is a need to develop capacity of Malawian owned Construction firms.

Examination of Price Adjustment Formulas used in one of the projects needs reviewing as the indices used are a composite of local and international elements; which can be influenced by external shocks that have nothing to do with Malawi and has the potential of one party losing money on the contract. This study find that there is a need for the NCIC to formulate National Price Adjustment Indices to be used in the construction industry.

Time overrun and Cost increase are some of the problems identified by this study. The predominant themes center on inadequate Project Preparation and need to improve Supervision capacity. It is seen that projects experience major changes in scope which cause major time and cost overrun. Further, lack of capacity also has a bearing on consultants approving incomplete designs for construction which also result in cost and time overrun.

The Study finds generally that the Assurance Consultant was unable to collect Proactive and Reactive Data from some of the selected projects. The default rate for institutions that did not provide data as a percentage of the total is very high, at 55%. The predominant reasons are lack of commitment by the PDA to provide and publish data on their websites and other media, to dedicate an officer for liaison with the Assurance Consultant, and lack of understanding of the importance of the study.

# 1. INTRODUCTION

Construction Sector Transparency Initiative – CoST is a global initiative aimed at improving transparency and accountability in public infrastructure procurement. CoST works in conjunction with stakeholders such as government, industry and civil society to enhance the disclosure, validation and interpretation of data from infrastructure projects.

Malawi was one of the first countries in Africa selected to pilot an Assurance and a baseline study in 2010 and since then, the Secretariat has published numerous reports.

CoST is principally about increasing transparency through the release of project information into the public domain. But it is recognized that the disclosure of this information may not be sufficient on its own to achieve greater accountability. This is because some of the information is likely to be complex and not easily understandable to the general public. The CoST Assurance process therefore helps in presenting the acquired data in a format that is clear and helps stakeholders to disseminate the information and are therefore, as a consequence, better equipped to raise pertinent questions with respect to the findings thereof.

The Assurance Consultant obtained project files from the Client, Consultant, and Contractor to undertake a desk study. This was complemented by interviews with the client’s project manager, the contractor’s supervisor, and local residents living in the vicinity of the flooded river who witnessed the collapse of the protection works to the box culvert in order to get first-hand information. This was followed by data analysis and compilation of the report.

## 1.1 OBJECTIVE

This report assesses how compliant the PDE or Government entity is in the disclosure of information to the public.

The objectives of the Assurance Study are:

1. To Collect, Verify and Analyze the IDS collected from the project under this study
2. To ensure that the information released by the Procuring and Disposing Entity (PDE) is accurate and is available in a form that can easily be understood by the non-specialist.
3. To capture and disclose the individual significant changes which affect the price or programme of the selected contract which affect the price or programme and reasons thereof.

Specific tasks undertaken for this study included the following:

- Surfing the CoST Disclosure Portal, reviewing information on the PDE's and the Public Procurement and Disposal of Public Assets Authority<sup>1</sup> (PPDA) websites to ascertain if the PDEs have disclosed the required data;
- Contacting the PDEs for additional data required for disclosure for this report;
- Interviewing the project managers for the client and contractor as well as stakeholders living in the vicinity of the subject projects;
- Analysing the disclosed data;
- Preparing this report

## 1.2 SCOPE OF SERVICES

This report includes 13 infrastructure projects selected from the following PDEs

- 4 projects from the Roads Authority
- 3 projects from Ministry of Natural Resources, Energy and Mining
- 1 project from Malawi Bureau of Standards
- 1 Project from Ministry of Health
- 2 projects from Ministry of Local Government
- 2 projects from Ministry of Education, Science and Technology

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<sup>1</sup> The office of the Director of Public Procurement (ODPP) was transformed into the Public Procurement and Disposal of Assets Authority through the enactment of the PPDA Bill of June 2017

## 2. BACKGROUND

### 2.1 INFRASTRUCTURE TRANSPARENCY IN MALAWI

The government of Malawi has placed emphasis on infrastructure development as a key element of the Malawi Growth and Development Strategy. Between 1990 and 2015, investment in this sector averaged 5.5% of GDP. In recent years, almost 85% of this, according to the IMF, is externally funded and spending by local authorities represents only between 1.0 and 1.5 percent of the domestically-financed component of public investment.

The local component for investment in infrastructure has seen an increase in the number of roads upgraded to bitumen standard. Studies have shown that this attracts mismanagement of projects. Studies, according to Transparency International (2014) ...tailored towards the business community... suggest that corruption in customs, tax administration and public procurement is common and particularly serious (Heritage Foundation 2013). These surveys reveal that corruption in Malawi is not restricted to certain vulnerable sectors, but is a generalised phenomenon in the public sector. CoST Assurance studies therefore are vehicles used to measure whether inroads are being made in the fight against mismanagement of infrastructure projects.

In the effort to stem widespread mismanagement of projects in the public sector involved with public sector procurement, CoST Malawi launched the Disclosure Portal for Public Projects in 2017. With this portal operational, the public shall be able to access project information for public infrastructure. Release of information through this portal shall result in more transparency and accountability by engaging the public in a two way conversation in the discourse of public infrastructure.

In keeping with Section 37 of the Constitution of Malawi and as amplified by the Access to Information Act (2017), which states that any person shall have the right to access information which is under the control of a public body, the introduction of the portal opens doors for the dissemination of information on infrastructure that was previously not accessible. Further, this translates to the public gaining access to information at very little cost.

CoST Malawi has also embarked on media training to equip journalists to report on infrastructure objectively without twisting the facts.

### 2.2 ASSURANCE – AIMS AND OBJECTIVES

During the 9 years or so that CoST Malawi has been in existence, there has been noticeable positive change in the response by PDEs to requests for disclosure of information on publicly funded projects.

While as in the beginning there was lack of complete cooperation by PDEs, by and large they are proactively providing data and when requested are ready to provide information willingly.

CoST Malawi operates on the following principles which inter alia include:

- The Government is responsible for providing reliable and safe infrastructure which should in turn support sustainable economic growth and development of the country;
- Transparency in the implementation of public infrastructure enables government to be held accountable by citizens;
- Public disclosure of information during the project cycle can provide a means through which the citizens get value for money on publicly funded infrastructure by reducing opportunities for corruption through increased scrutiny;
- Transparency promotes investor confidence. Domestic and foreign direct investment is likely to be increased by transparency in the management of construction projects.
- Multi-stakeholder cooperation reflects shared interest and responsibility, improves transparency and builds confidence that all points of view are being taken into account.

Through the above principles, CoST Malawi acts as a catalyst for PDEs to disclose data on public infrastructure projects so that information on the purpose, scope, costs and execution of projects is disseminated by the public in a timely and understandable manner so that the public can be informed and have a chance to interact with the relevant public authorities to seek more information and clarifications when and where appropriate.

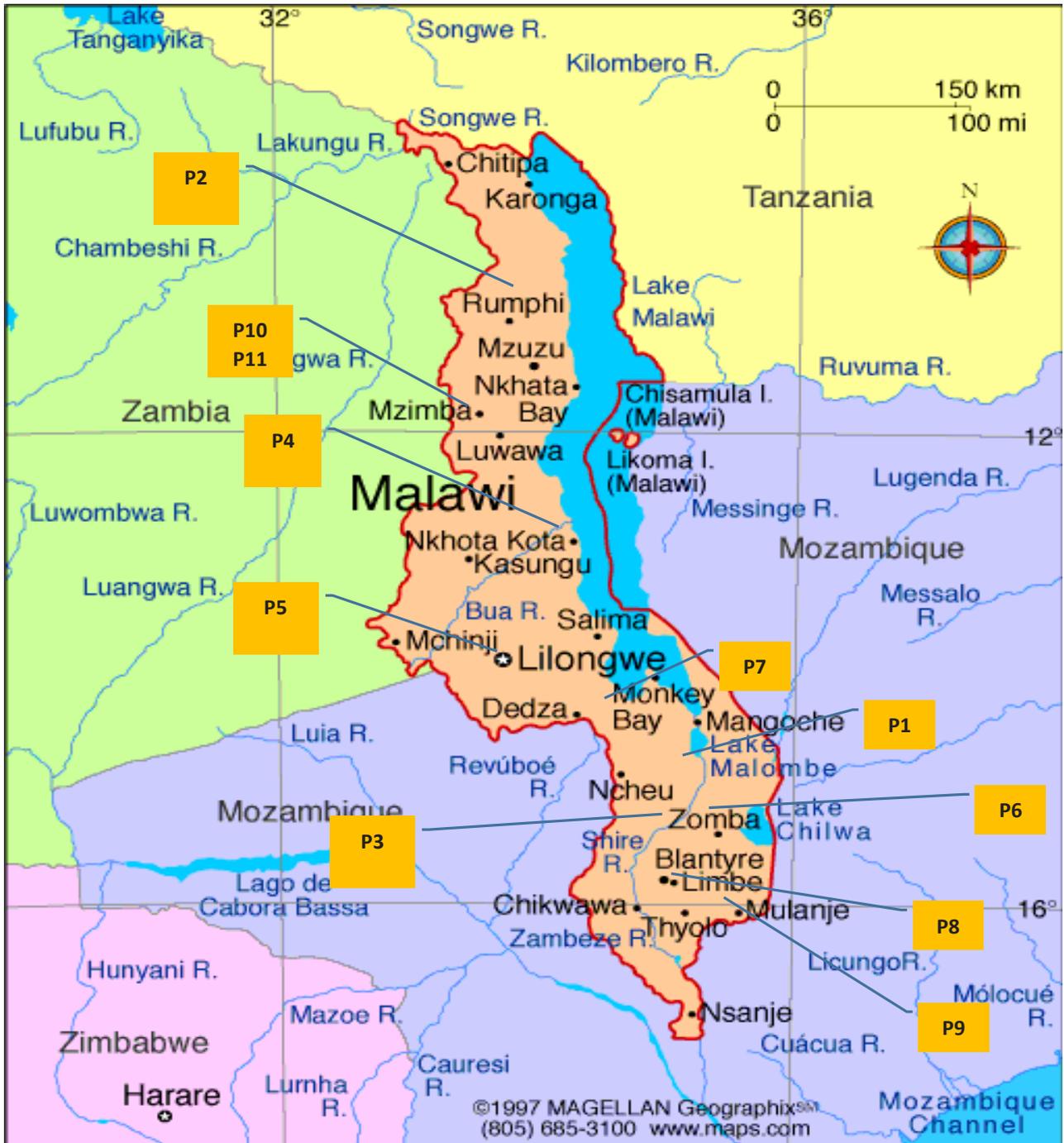
In order to enhance accountability, the data disclosed is reviewed by an independent Assurance Consultant.

### **2.3 SELECTION OF PROJECTS**

This report includes 13 infrastructure projects as follows:

- 4 projects from the Roads Authority
- 3 projects from Ministry of Natural Resources, Energy and Mining
- 1 project from Malawi Bureau of Standards
- 1 Project from Ministry of Health
- 2 projects from Ministry of Local Government
- 2 projects from Ministry of Education, Science and Technology

The projects were selected across a wide range of sub-sectors, infrastructure type, size, and funding agencies to provide diversity. The map below shows the geographical spread for the location of each project.



**Figure 1 – Projects Location Map**

**Table 1 – Details of Selected Infrastructure Project for Assurance Process**

Project Reference	Project Name	Project Details	Project Location	Total Project Cost	Project Status	Donor	Start Date	Finish Date	Actual Progress	Date of Site Visit
P1	RA/DEV/14/10 Construction of Liwonde – Mangochi (M3) Road	Rehabilitation of road from Liwonde to Mangochi, with a length of approx. 75 kms	Balaka & Mangochi Districts, Southern Malawi	K 29,527,136,821.25	On-Going	AfDB	15 Aug 16	14 Aug 18	90%	28 Jul 19
P2	RA/DEV/2015-16/02 Upgrading of the Njakwa-Livingstonia (T305/S103) Road	Upgrading of existing road to Class 2 Standard	Rumphi District, Northern Malawi	K 39,815,658,687.27	On-going	Malawi Govt	1 Nov 2016	30 June 2020	48%	25 Jul 19
P3	16T/REH/SR/BT/NN/BL K/17 Sectional Periodic Maintenance on Chingeni – Zalewa (M01) Road in Neno and Balaka Districts	Shoulder Reconditioning and Resealing of M1 Road	Blantyre, Neno and Balaka Districts Southern Malawi	K 1,567,342,030.20 Revised Contract Sum: K 1,787,911,480.20 Final Cost K 1,787,895,996.03	Completed 29 May 2018	Road Fund Administration	6 Sept 17	5 Mar 18 Revised to 12 May 18	100%	28 Jul 19
P4	Information Provided Not	Upgrading of Nkhotakota – Dwangwa Road	Nkhotakota Central Region		Not started as at date of site visit	Malawi Government	N/a	N/a	Nil	19 Apr 19

Project Reference	Project Name	Project Details	Project Location	Total Project Cost	Project Status	Donor	Start Date	Finish Date	Actual Progress	Date of Site Visit
<b>Ministry of Natural Resources, Energy and Mining</b>										
P5	Mera House	Information Provided	Lilongwe, Central Region	Information Not Provided						10 Jul 19
P6	Liwonde Barrage		Machinga Southern Region							28 Jul 19
P7	Malawi Rural Electrification Project (MAREP)	Information Provided	Dedza Central Region	Information Not Provided						No Site Visit
P8	Construction of New MBS Laboratory and Office Complex	Construction of new laboratory and offices comprising 18000 square meters on Plot No. BE 495 in Chichiri, Blantyre	Blantyre Southern Region	K17,046,000,000	On-going	Malawi Government	18-02-2018	19-08-2019	85%	3 Jul 19
<b>Ministry of Health</b>										
P9	Phalombe Hospital	Construction of 300-bed Hospital	Phalombe Southern Region	\$22,756,243.83	On-going	Arab Fund for Development, Saudi Fund for Development, Malawi Government	3 July 2017	9 Aug 2019	60%	30 Jul 19
<b>Ministry of Local Government</b>										
P10	Construction of Mbelwa District Community Stadium	Construction of Community Stadium	Mzimba North Malawi	MK2,534,050,011.93	Stop Order by NCIC	Government of Malawi	6 March 2018	30 July 2019	10%	26 Jul 19

Project Reference	Project Name	Project Details	Project Location	Total Project Cost	Project Status	Donor	Start Date	Finish Date	Actual Progress	Date of Site Visit
P11	MDC/OFFICE-COMPLEX/2017-18	Construction of Offices for the District Council	Mzimba North Malawi	MK1,800,367,506.23	Stop Order by NCIC	Government of Malawi			5%	26 Jul 19
P12	Hest - Polytechnic	Data available, time barred								30 Jul 19
P13	Hest – Chancellor College	Data available, time barred								28 Jul 19

## 3. DISCLOSURE OF INFORMATION

### 3.1 SUMMARY OF PROJECT INFORMATION DISCLOSED

Disclosed information was analyzed by employing the CoST disclosure levels; first by acquiring data from the PDE which was proactively disclosed, secondly by obtaining data through interviews with stakeholders, and finally soliciting data from the PDE through reactive disclosure.

#### 3.1.1 Proactive Disclosure

By definition, proactive disclosure of data involves release of data before it is requested. In order to achieve this the Assurance Consultant used multiple means to search for information already disclosed by the PDE on various platforms such as the PDEs website, CoST Disclosure Portal for Public Projects, on site project signboard, and information from any publications by the PDE. The Public Procurement and Disposal of Assets (PPDA) website was also checked to see if there was relevant disclosure information for this report.

The Assurance Consultant used the Infrastructure Data Standard (IDS) Template for proactive as shown in **Annex 6** of Section 6.6

#### 3.1.2 Reactive Disclosure

Once the data collected proactively was disclosed, it was necessary to validate it using data collected using the reactive method. Reactive disclosure concerns the collection of additional information that project owners and Procuring and Disposing Entities are required to submit to any eligible person or entity that requests it. This involved, under this study, making the additional information available to the Assurance Consultant in a usable form, in an accessible place and under a specified set of conditions.

The Assurance Consultant used the Infrastructure Data Standard (IDS) Template for proactive as shown in **Annex 2** of Section 6.2

#### 3.1.3 Summary of Disclosed Data

The proactive data disclosure template used for this study had 58 data points. The reactive data disclosure template had 26 data points. In total, the study had a combined total of 84 data points for both the proactive and reactive data.

**Proactively Disclosed Information:** Table 2 below summarizes the proactively disclosed data. The results of the study for proactively disclosed data show that the PDEs that reported were evenly matched at 10%. MAREP and Nkhotakota – Dwangwa Road Project both have zero compliance as data was not provided at the time of reporting.

Interestingly, the Liwonde Barrage project, which did not provide data has a very active website with a dedicated section as an E-Library. This PDE consequently scored the highest at 22% proactive disclosure.

**The study finds that Proactive Disclosure is very low measured at institutional level under this study varying from 11% to 8%. This level of compliance (or lack of) needs improvement. The PDEs need to update their websites and also use the Disclosure Portal at CoST Malawi.**

**Reactively Disclosed Information:** Results in Table 2 below also summarizes reactively disclosed data. Out of 26 data points on the Reactive Data Template, the study shows that Ministry of Health had highest disclosure at 34% followed by projects under Ministry of Local Government at 27% disclosure. The Roads Authority scored 20% disclosure rate and lowest was Ministry of Natural Resources, Energy and Mining at 2%; mainly due to not complying with the request to provide information.

**Results for individual projects:** These show that Liwonde – Mangochi Road Project is tied with Phalombe Hospital at 45% overall disclosure compliance, followed by Mbelwa Office (38%) and Mbelwa Stadium (36%). Liwonde Barrage was next at 28%, MBS Building at 24% and the lowest Disclosure rates were at MERA at 10%. Refer to **Figure 2** below for results for results for individual projects.

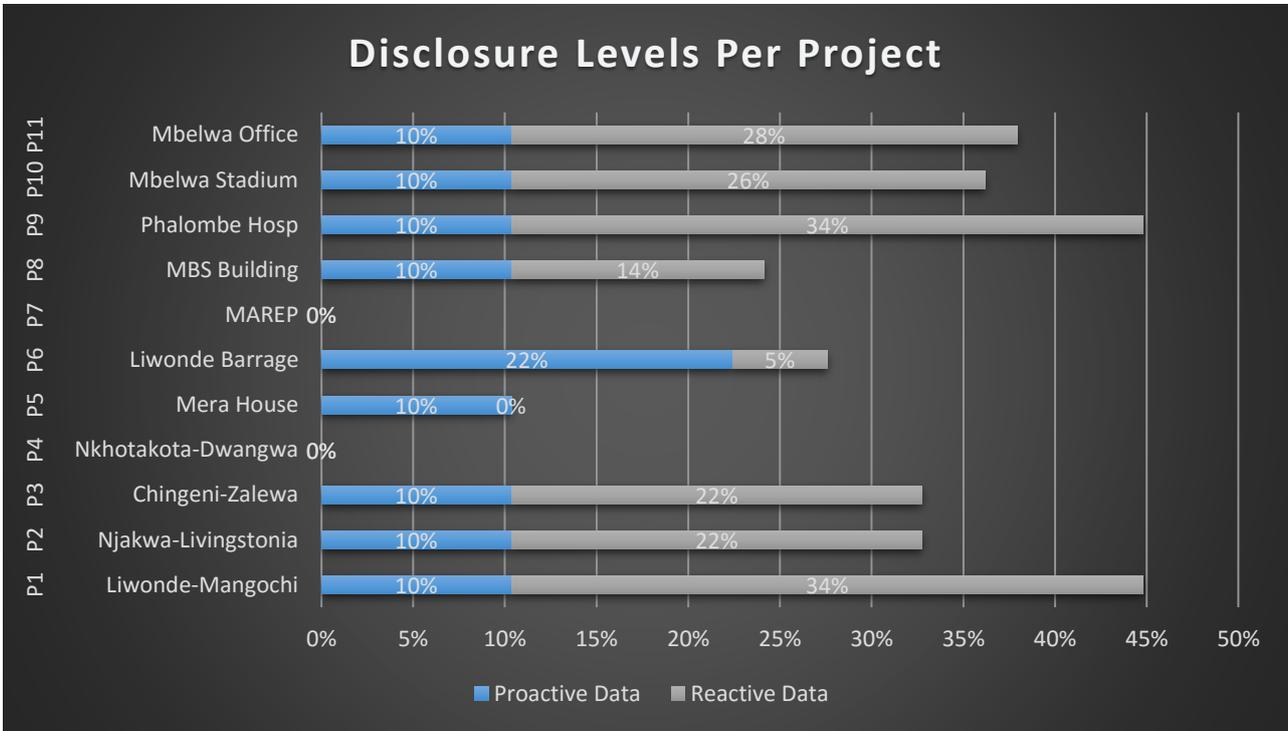
**Overall Disclosure of Information:** The results of the study show that projects under the Ministry of Health had the highest compliance rate at 45% followed by Ministry of Local Government (37%), Roads Authority (28%), Malawi Bureau of Standards at 24%, Ministry of Natural Resources, Energy and Mining lowest at 13% compliance rate. Results for the Roads Authority were affected by the fact that Nkhotakota Dwangwa Road Project data was not available at the time of reporting. Please refer to Figure 3 for overall disclosure of information.

**The study finds that because there is no statutory requirement for PDEs to comply with requests from CoST, it is easy for them to not comply. For future studies, those PDEs not complying with information requests, it is recommended that CoST Secretariat engage the assistance of the PPDA to enforce disclosure or institute procedure for fining the institution(s) in question as provided in Section 53 of Access to Information Act.**

Table 2 - Summary of Disclosed Data for Each Project

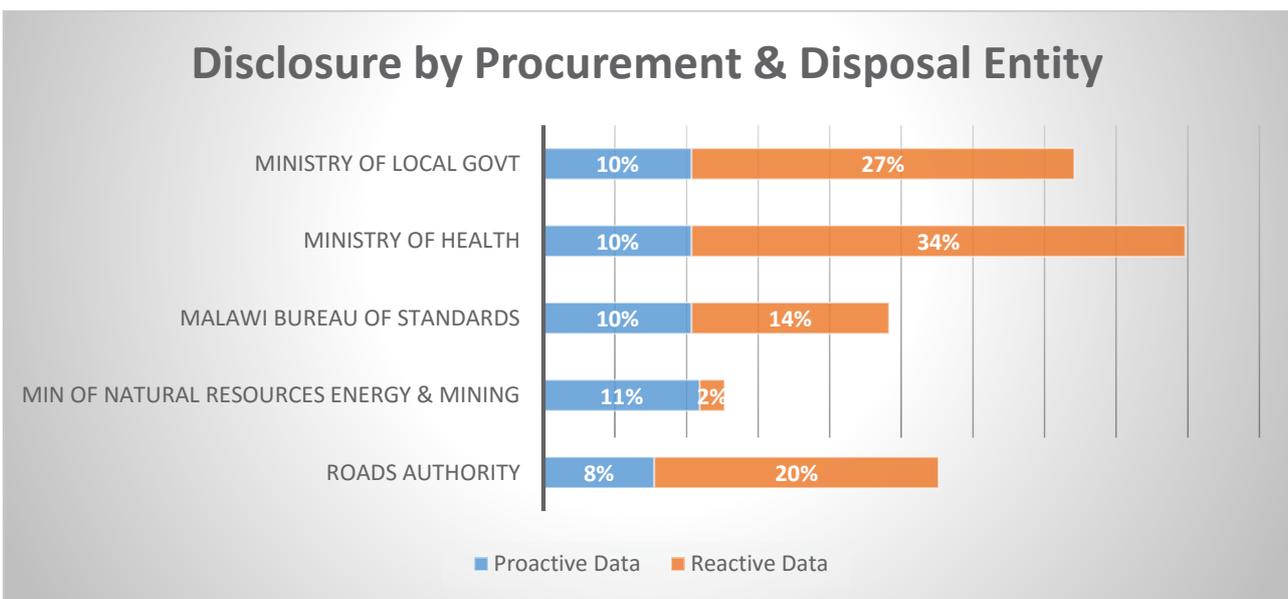
IDS Disclosure Items	IDS Points	Roads Authority				Min of Natural Resources Energy & Mining				Malawi Bureau of Standards	Ministry of Health		Ministry of Local Govt		
		Liwonde-Mangochi	Njakwa-Livingstonia	Chingeni-Zalewa	Nkhotakota-Dwangwa	Mera House	Liwonde Barrage	MAREP	MBS Building		Phalombe Hosp	Mbelwa Stadium	Mbelwa Office		
Project Identification & Preparation Phase	12	0	0	0	0	0	0	0	0	0	0	0	0	0	
Project Completion Phase	9	0	0	0	0	0	0	0	0	0	0	0	0	0	
Procurement and Contract Award Phase	15	0	0	0	0	0	0	0	0	0	0	0	0	0	
Every 6 Months of Contract Implementation	14	6	6	6	6	6	6	3	0	6	6	6	6	6	
Contract Completion Phase	8	0	0	0	0	0	0	3	0	0	0	0	0	0	
<b>Total</b>	<b>58</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>13</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	
Percentage Proactive Disclosure		10%	10%	10%	0%	10%	10%	22%	0%	10%	10%	10%	10%	10%	
Percentage Proactive Disclosure by PDE		8%				11%				10%		10%			
Reactive Disclosure															
Project Identification and Preparation Phase	7	6	1	1	0	0	0	2	0	0	6	3	3	3	
Project Completion Phase	7	3	2	2	0	0	0	1	0	0	3	2	2	2	
Contract Procurement Phase	4	3	3	3	0	0	0	0	0	0	3	3	3	3	
Contract Phase	3	3	3	3	0	0	0	0	0	0	3	3	3	3	
Contract Implementation	5	5	4	4	N/a	0	0	0	0	0	5	4	5	5	
<b>Total</b>	<b>26</b>	<b>20</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>15</b>	<b>16</b>	<b>16</b>	
Percentage Reactive Disclosure		34%	22%	22%	0%	0%	0%	5%	0%	0%	34%	26%	28%	28%	
Percentage Reactive Disclosure by PDE		20%				2%				0%		34%		27%	
<b>Overall Total</b>		<b>45%</b>	<b>33%</b>	<b>33%</b>	<b>0%</b>	<b>10%</b>	<b>28%</b>	<b>0%</b>	<b>10%</b>	<b>10%</b>	<b>45%</b>	<b>36%</b>	<b>38%</b>	<b>38%</b>	
<b>Disclosure Rate per PDE</b>		28%				13%				10%		45%		37%	

**Summary of Proactively and Reactively Disclosed Data Points for each Project (Refer to Table 2 above)**



**Figure 2 – Summary of Disclosure level per project**

Graphical representation of proactively and reactively disclosed data points for each PDE is shown below:



**Figure 3 - Disclosure by Procurement & Disposal Entity**

The data also shows that there is very little Proactive Disclosure of data at the Project Identification and Preparation, Project Completion, and Procurement and Award phase for all PDEs without exception. The study found that most of the PDEs did not update their websites and this has a direct bearing on the results highlighted in this report. Shire River Basin Management Project under which the Liwonde Barrage project was implemented by the Ministry of Natural Resources, Energy and Mining was the only project which had a treasure trove of information on its website mainly pertaining to Project Identification and Preparation Phase. This project had the highest percentage proactive disclosure at 11%.

### **3.2 COMPLETENESS OF THE DISCLOSED INFORMATION**

The study finds that disclosure of information on the projects selected for review was incomplete. Only a few data items describing the project were disclosed proactively. Procurement announcements were disclosed proactively in line with the requirements of the PPDA.

Reactive disclosure of information yielded somewhat better results. However, the recurring issue is incomplete project information at the PDEs which affected the completeness of the data. The results show that even the reactive disclosure has gaps in the available information. The most responsive PDE had 36% disclosure of information reactively; which is a very low percentage.

### **3.3 ACCURACY OF THE DISCLOSED INFORMATION**

The study finds that the disclosed information was generally accurate. All the sites were visited in order to verify the data provided by the PDEs. Additional checks on the information provided were made by referring to Government and Donor Agencies' procurement guidelines and guidelines.

The biggest challenge for this study was obtaining information from the PDEs within the time prescribed for the study. Several PDEs did not provide information. Mostly PDEs under the Ministry of Natural Resources, Energy and Mining failed to provide data. Malawi Energy Regulatory Agency which is constructing MERA House did not respond at all to the request for information. Shire River Basin Management Project under which the Liwonde Barrage was built to improve availability of water for hydro-power did not provide information due to logistical challenges as the project files were on site and the project officer is no longer resident there and it required special arrangements for his visit to site. The Malawi Rural Electrification Project were not responsive to the request to provide information.

For PDEs that were responsive, the challenge was to get the head of the institution to delegate this duty to a designated officer. Secondly, it was also difficult to get the designated officer to dedicate their time to providing information for the study. Data collection was therefore the biggest obstacle in achieving timely submission of the report.

## 4.0 TRANSPARENCY AND ASSURANCE

In this section, the study assesses compliance during various phases of the project cycle including tender management, Cost Control, Safety, Design Studies, time management, and quality control.

### 4.1 TENDER MANAGEMENT

Although there were very few issues observed by this study arising during the tender management stage, it is worth noting that some projects had problems in terms of fairness, open competition, and transparency in the award in some of the projects. The data collected shows that on average, 5 firms participated in the bidding process among the firms that reported bidding information.

**Table 3 – Summary of Tender Management**

Ref.	Projects	Number of Firms that bid	Best Evaluated Firms	Date of Contract Signing	Date of Site Handover	Procurement Method
P1	Rehabilitation of Liwonde – Mangochi (M3) Road	5	<ul style="list-style-type: none"> <li>• Sogea Satom</li> <li>• Mota_Engil Engenharia</li> </ul>	11 July 2016	15 Aug 2016	International Competitive Bidding
P2	Upgrading of the Njakwa-Livingstonia (T305/S103) Road	5	<ul style="list-style-type: none"> <li>• Shire Construction</li> <li>• Fargo Ltd</li> <li>• Cilcon Ltd</li> <li>• China Road &amp; Bridge &amp; Road Construction</li> <li>• Mota_Engil</li> </ul>	26 July 2017	Not Disclosed	Restricted Tender
P3	Sectional Periodic Maintenance on Chingeni – Zalewa (M01) Road in Neno and Balaka Districts	6	<ul style="list-style-type: none"> <li>• Dika Construction</li> <li>• Einstein Construction</li> <li>• Top Range Civil Engineering</li> </ul>	Not Disclosed	Not Disclosed	National Competitive Bidding
P4	Upgrading of Nkhotakota – Dwangwa Road	Not Disclosed	Not Disclosed	Not Disclosed	Site Not Handed over at time of visit	Not Disclosed
P5	Construction of Head Office Complex – Malawi Energy Regulatory Authority		No information given by PDE			
P6	Construction of Liwonde Barrage		No information given by PDE			
P7	Construction of the New MBS Laboratory and Office Complex					
P8	Construction of Phalombe District Hospital at Migowi	3	<ul style="list-style-type: none"> <li>• Alghanim International General Trading &amp; Contracting Co / Plem Construction Ltd JV &amp; Intermed</li> <li>• United Gulf Construction Co / Fargo Ltd JV &amp; Sheena Investments</li> </ul>	Not Disclosed	31 May 2017	International Competitive Bidding
P9	Construction of Mbelwa District Community Stadium	4	DEC Construction Co. Manobec Ltd	12 February 2018	Not Disclosed	National Competitive Bidding
P10	Construction of Mbelwa District Council Office Complex	5	DEC Construction Co. OPCO Ltd Western Construction Co. Fargo Ltd	11 December 2017	Not Disclosed	National Competitive Bidding
P11	Malawi Rural Electrification Project (MAREP)		No information given by PDE			
P12	HEST – Polytechnic of Malawi (ICT Centre)		Data was being collected as report was submitted			
P13	HEST – Chancellor College of Malawi (ICT Centre)		Data was being collected as report was submitted			
	<b>Average Number of firms bidding</b>	<b>5</b>				

#### 4.1.1 CONSTRUCTION OF LIWONDE – MANGOCHI (M3) ROAD

Bid Evaluation Report was submitted by the PDE to the Assurance Consultant for this Assurance Study. Preliminary examination of the bids for commercial responsiveness saw one contractor to be non-responsive. Preliminary technical examination dropped a further two contractors leaving only two contractors to be evaluated under detailed examination where Mota-Engil was evaluated as being the most responsive and was recommended for award at a price of MK 29,527,136,821.25. There were no shortcomings observed by the Assurance Consultant in the Tender Management of this project.

#### 4.1.2 UPGRADING OF THE NJAKWA- LIVINGSTONIA (T305/S103) ROAD

Bid evaluation report was not shared by this PDE. At the time of reporting, the PDE was in the process of compiling the information for disclosure.

The Assurance study found some discrepancies in the formulation of the contract between the Roads Authority and Mota-Engil pertaining to the Agreement and the Particular Conditions of Contract. The list of documents stipulated in the Agreement is based on FIDIC 1st Edition 1999. The documents listed and said to be deemed to form and be read and construed as part of the Agreement, are:

- (a) this Contract (if completed)
- (b) the Minutes of Contract Negotiations (if any)
- (c) the Letter of Acceptance
- (d) the Letter of Bid
- (e) the Appendix to Bid
- (f) the Particular Conditions of Contract
- (g) the General Conditions of Contract (1ST EDITION FIDIC 1999)
- (h) the Particular Specifications
- (i) the Standard Specifications (SATCC 1998, reprinted 2001)
- (j) the Drawings and;
- (k) the Priced Bill of Quantities
- (l) the completed Bidding Forms and any other documents forming part of the Contract.

The above list and order of documents, said to be part of the Agreement for the Upgrading of Njakwa – Livingstonia Road Project typically point to the FIDIC Conditions of Contract for **Construction** for Buildings and Engineering Works Designed by the Employer (FIDIC CONS). However, the Particular Conditions of Contract for the Upgrading of Njakwa – Livingstonia road project and the terms used are typical of FIDIC Conditions of Contract for **Plant and Design Build** for Electrical and Mechanical Plant and for Building and Engineering Works, Designed by the Contractor (FIDIC P&DB).

The documents forming the Contract are therefore not mutually explanatory of one another because exclusive conditions of contract from FIDIC CONS and FIDIC P&DB are used without proper explanation. This would cause enormous challenges if the Contract was subjected to litigation with each Party relying on different set of Conditions of Contract.

The Supervising Engineer informed this Consultant that the Form of Contract is being revised so that it is FIDIC CONS.

## PRIORITY OF DOCUMENTS

The Particular Condition of Contract Sub-Clause PCC 1.5 for the Upgrading of Njakwa – Livingstonia Road project provides the following as “Priority of Documents”:

- (a) the Contract Agreement
- (b) the Letter of Bid
- (c) the Appendix to Tender
- (d) the Power of Attorney
- (e) the Letter of Acceptance
- (f) the Priced Bill of Quantities
- (g) the Scope of Works (Employer’s Requirements)
- (h) the General Conditions of Contract (1st EDITION FIDIC 1999)
- (i) the Particular Conditions of Contract
- (j) the completed Bidding Forms and any other documents forming part of the Contract
- (k) the Minutes of Contract Negotiations.

The Assurance Consultant finds two fundamental anomalies with respect to the composition and order of the priority documents immediately above.

### **i. Document Composition**

The priority documents forming part of the Agreement are supposed to be mutually explanatory. The priority documents with respect to the Upgrading of Njakwa – Livingstonia Road project are not mutually explanatory as discussed above. Furthermore, the list in 2, immediately above, is different from the one extracted from the Agreement and presented in 1 above and said to be deemed to form and be read and construed as part of the Agreement. Whereas the list of Priority Documents in 1 is reflecting FIDIC CONS Conditions of Contract, the list in 2 is typical of FIDIC P&DB Conditions of Contract.

## ii. Priority Order

FIDIC Contracts Guide 2000 Edition stipulates that the Contract Agreement has the highest priority. The Particular Conditions have priority over (and typically amend) the provisions in FIDIC's General Conditions. FIDIC Contracts Guide 2000 further stipulates that the priority of the documents listed below the Conditions of Contract is based on the principle that the Employer's documents should have priority over the Contractor's documents. Therefore, in the list of Priority Documents in 2 above, the Scope of Works (prepared by the Employer) should be listed above the priced Bill of Quantities (completed by the Contractor based on the Scope of work). Using the same logic, the Letter of Acceptance (from the Employer) should be listed above the Letter of Bid (from the Contractor). The Particular Conditions of Contract, as stipulated in FIDIC Contracts Guide 2000, should be listed above the General Conditions of Contract (1st EDITION FIDIC 1999). It is also important to mention that the Minutes of Contract Negotiations should be placed just below the Contract Agreement. The conclusions of any post-tender negotiations between the Employer and the prospective Contractor need to be formally agreed and included in the Contract as a separate document of the highest priority (Robinson, 2013).

The potential danger of having documents that are not mutually explanatory of one another has been highlighted above. The Priority of Documents in 2 are such that they leave the Employer at the mercy of the Contractor in a situation where, for example; an item in the Bill of Quantities did not correctly represent the Scope of work as intended by the Employer. Similarly, it would be difficult in some cases for the Employer to enforce what is contained in the Particular Conditions of Contract since the Contractor could choose to stick to the General Condition of Contract without any consequence since it has priority over the Particular Conditions of Contract in the Contract.

## ADDENDUM

The Contract for the Upgrading of Njakwa – Livingstonia Road has Sub-Clause PCC 13.8 – Adjustment for Changes in Costs. However, the Contract has no contingency. This could be because the FIDIC P&DB Condition of Contract transfers the risk of escalation to the Contractor. However, the Supervising Consultant informed that the revised Bill of Quantities which is being considered by the Employer under the FIDIC CON Conditions of Contract has not included contingency. Ironically, the Supervising Consultant has approved an Escalation Cost amounting to Mwk770,869,662.14 for the period 1st November, 2016 to 30 April, 2019.

## POST-TENDER AND PRE-CONSTRUCTION EVENTS

The common chronological order of post-tender and pre-construction events for a typical road construction project is as follows:

- Letter of Acceptance
- Contract Negotiations Meeting
- Contract Award
- Contract Signing
- Site Possession
- Commencement of Works

The post-tender and pre-contract events for the Upgrading of Njakwa – Livingstonia Road project are shown in Table 4. They have been presented in chronological order.

**Table 4: Post-tender and pre-contract events for the Upgrading of Njakwa – Livingstonia Road**

Item No.	Event	Date	Remarks
1	Contractor goes to site	November 2015	Although the Site was handed over in November 2015, it will be noted below that this was contrary to Particular Conditions of Contract
2	Commencement Date	1 <sup>st</sup> November, 2016	
3	Contract Negotiations Meeting	23 <sup>rd</sup> January, 2017	Contract negotiations meeting is a pre-contract event. As such it ought to have been conducted before contract commencement date.
4	Contract Award	24 <sup>th</sup> January, 2017	
5	Contract Signing	26 <sup>th</sup> July, 2017	

The findings of the desk study which were augmented by respective interviews have exposed irregularities in the procurement contract. The critical shortfall in the Contract are the discrepancies in the contract document. For this reason, the Assurance Study recommends comprehensive training for the Employer's staff in FIDIC suite of contract forms, in general and preparation of particular conditions of contract, in particular.

#### 4.1.3 SECTIONAL PERIODIC MAINTENANCE ON CHINGENI – ZALEWA (M01) ROAD IN NENO AND BALAKA DISTRICTS

Six firms submitted bids before the deadline for submission. One firm was not administratively responsive and was not considered for the next stage. Out of the five firms considered for technical evaluation, two were dropped and three were considered for detailed analysis. M/s Dika were therefore recommended for award having qualified as the lowest evaluated bidder. The Assurance consultant saw no issues arising from the tender evaluation process.

#### 4.1.4 UPGRADING OF NKHOTAKOTA – DWANGWA ROAD

Bid evaluation report was not shared by this PDE. The PDE reported that this information was not shared because the procurement process has not yet been completed as the process is now under government consideration and therefore nothing can be disclosed until the process is complete.

**In general, the study finds that 3 out of 4 projects in this study by the Roads Authority were awarded to one contractor – Mota Engil; a locally registered international contractor. More research needs to be done as to why one contractor predominates in the road sector. If it is a question of lack of capacity on the part of local contractors, necessary interventions need to be put in place to equalize the playing field.**

#### 4.1.5 CONSTRUCTION OF HEAD OFFICE COMPLEX – MALAWI ENERGY REGULATORY AUTHORITY

This PDE did not provide information for this report

#### 4.1.6 CONSTRUCTION OF LIWONDE BARRAGE

This PDE did not provide information for this report for the reason that the files are on site and the Team Leader from the PDE required per diems to go to site to provide the information to the Assurance Consultant. The Assurance Consultant had also concluded site visits and it would have meant making a special site visit to accommodate data collection for this project.

#### 4.1.7 CONSTRUCTION OF THE NEW MBS LABORATORY AND OFFICE COMPLEX

Bid evaluation report was not shared by this PDE for procurement of the Contractor.

#### 4.1.8 CONSTRUCTION OF PHALOMBE DISTRICT HOSPITAL AT MIGOWI

This project had challenges at the beginning as the total funding available (\$23 Million: Government of Malawi \$4 Million; BADEA \$7 Million; and Saudi Fund for Development \$12 Million) was short

of the amount required for the project at \$29.3 Million giving a financing gap of \$6.3 Million. The Government of Malawi therefore wrote to the funding agencies requesting for a No Objection to tender the project on the understanding that upon the tenders being received and opened from potential bidders, Government would have a clear picture on the cost of the project and thereafter scale it down in line with available financing from the 3 institutions above. In the end, it was decided that the works be phased so that Phase 1 would use 100% donor funding on the proviso that the hospital would be fully operational at the completion of this phase. Further, Phase II would be funded by Government of Malawi for ancillary buildings.

From the Bid Evaluation Report that was submitted by the PDE to the Assurance Consultant for this Assurance Study, 3 bidders submitted tenders:

- SR Nicholas Ltd and Paramount Holdings Ltd (Medical Equipment Suppliers);
- Alghanim International General Trading & Contracting CO / Plem Construction Ltd JV and Intermed (Medical Equipment Suppliers);
- United Gulf Construction Co / Fargo Ltd JV and Sheena Investments (Medical Equipment Suppliers).

SR Nicholas' bid was rejected during evaluation as it was deemed to be an alternative proposal. Therefore the other two entities were recommended for detailed bid analysis.

Medical Consultants Africa Ltd write to MoH requesting cancellation of tender citing concerns that the tender documents for the supply installation and commissioning of medical equipment did not have a level playing field as the documents mentioned recommended suppliers. This according to the complaint, defeated the tender process by giving due advantage to the recommended brands at the expense of those excluded. MoH was therefore requested to take action.

The Anti-Corruption Bureau (ACB) wrote to the MoH a few days after giving notification of an investigation for procurement of Phalombe Hospital.

A report written by MoH (not dated) responds to the allegations made by Medical Consultants Africa Ltd stating that Phalombe District Hospital is a turn-key project and as such civil engineering contractors were free to submit tenders which included Medical Equipment Suppliers from a list provided by the client. The report further states that this was sanctioned by the donor and in fact the procurement guidelines for the donor gave leeway for borrower to use branding in procurement of goods which gives an advantage of ease of use for the equipment by health workers due to familiarity; unifies brands and gives the MoH economies of scale when purchasing consumables; and this feeds into ease of maintenance.

The ACB cleared MoH to proceed with the process of procurement having satisfied them of the process used.

The Assurance Consultant downloaded from the donor website the procurement guidelines and checked the particular provisions in line with the above complaint and concurs with the ACB's conclusions.

Thereafter, adjusting for errors in the remaining bids, Alghanim Consortium were evaluated as the lowest responsive bidder and was recommended for award at a price of \$22,756,243.83.

Loan Agreement with Saudi Fund was signed in 2013 and closure of the facility was by 30 September 2018. Advertising for procurement of contractor was in September 2016. Notification of award was on 6 February 2017; with commencement on 3 July 2017. It is seen that the loan with Saudi Fund only had at this stage only slightly more than one year before closing. The procurement procedure therefore took too long.

In the end, the budget was trimmed down with the donors funding \$17.6 Million for Phase 1 and Malawi Government putting in \$5.156 Million for Phase II. The hospital however, shall be fully functional at the commissioning of Phase 1 works.

#### 4.1.9 CONSTRUCTION OF MBELWA DISTRICT COMMUNITY STADIUM

The Internal Procurement Committee (IPC) met to discuss restricted tender for this project citing the need to ensure timely submission of the contract sum in mid-year budget to the parent Ministry - Ministry of Local Government. The PPDA (then ODPP) wrote back declining request as reason was weak and the procedure is not conducive for fair competition, instead advising to do open tendering with reduced period for bidding at 21 days and to invite contractors in the Unlimited Category only. Four contractors submitted bids:

- |                    |                     |
|--------------------|---------------------|
| • DEC Construction | MK 2,629,754,659.10 |
| • Manobec Ltd      | MK 2,534,050,011.93 |
| • OPCO Ltd         | MK 2,999,110,295.63 |
| • J&J Construction | MK 2,526,457,305.54 |

J&J Construction were disqualified on the grounds that they did not comply with bid validity period; Did not attend mandatory site visit; and did not comply with the duration of 565 days instead offered 600 days.

OPCO Ltd omitted Bills of Quantities for the Hall and were therefore disqualified.

Final evaluation was between DEC and Manobec from which Manobec Ltd were evaluated for award. It should be noted that the client had a procurement plan whose implementation did not deviate much.

#### 4.1.10 CONSTRUCTION OF MBELWA DISTRICT COUNCIL OFFICE COMPLEX

Five contractors submitted bids through National Competitive Bidding:

• Western Construction	MK 2,090,000,000	Duration 565 Days
• Dec Construction	MK 1,800,367,506.23	Duration 565 Days
• Fargo Ltd	MK 2,474,276,985.59	Not Indicated
• Mega Construction	MK 1,660,892,734.51	80 Weeks
• OPCO Ltd	MK 2,076,676,595.01	Not Indicated

During preliminary examination of bids, Fargo Ltd were accepted on the basis of their submitted programme within the bid which complied with the requirements. OPCO were also accepted on the same basis.

During detailed evaluation, DEC Construction emerged as lowest evaluated bidder and were recommended for award. The Contract was signed on 11 December 2017. It should be noted that the client had a procurement plan whose implementation did not deviate much.

#### 4.1.11 MALAWI RURAL ELECTRIFICATION PROJECT (MAREP)

This PDE did not provide information for this report.

#### 4.1.12 HEST – POLYTECHNIC

Information was still being collected at the time of reporting.

#### 4.1.13 HEST – CHANCELLOR COLLEGE

Information was still being collected at the time of reporting.

## 4.2 PROJECT MANAGEMENT

In Malawi, project management is beset with cost overruns on projects with a substantial number of projects reporting cost increase beyond the originally envisaged Contract Price. Research conducted by Aamon Mukasera, in partial fulfilment for the requirements of a Master of Science Degree in Project Management in May 2016, studies causes, effects and measures for minimising

time overruns in road construction projects in Malawi. Key findings of this study show that publicly funded projects:

- are effected without securing reliable funding hence delays in effecting payments
- Experience major scope changes which cause major time and budget overruns
- Projects are effected when designs are not complete resulting in time and cost overrun.

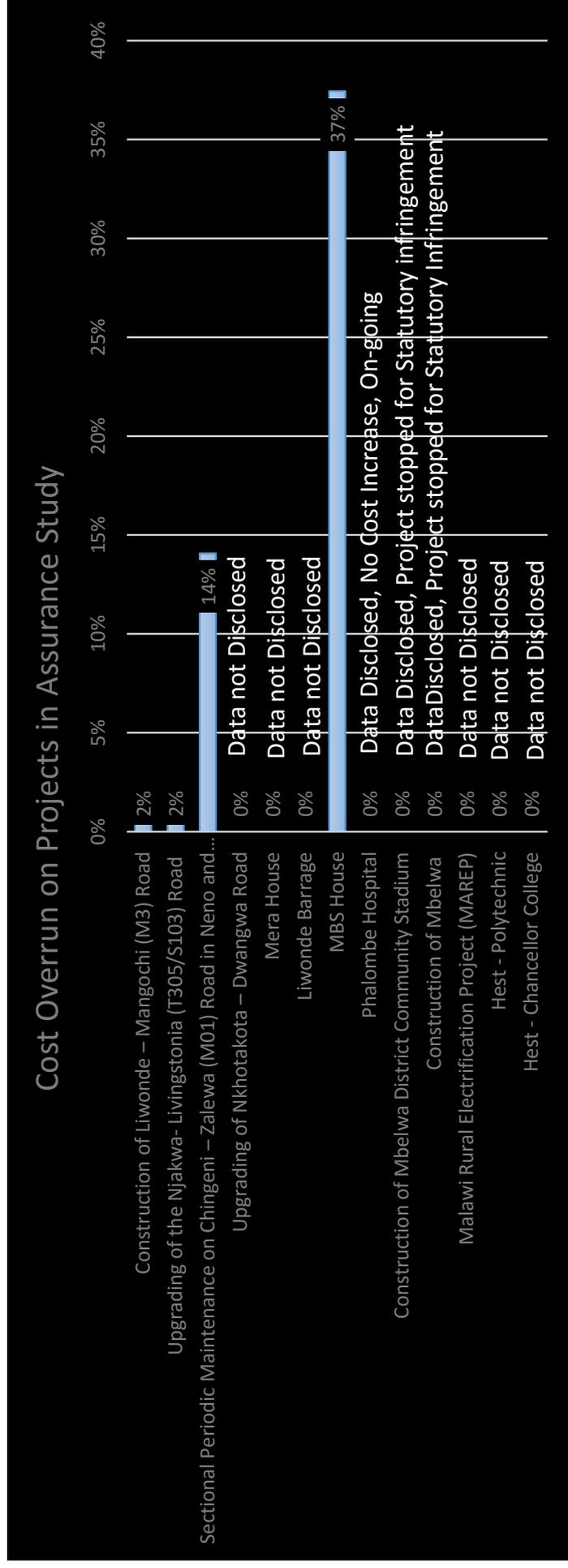
Projects in this Assurance Study that experienced cost overrun had similar reasons as the Mukasera study above. The following Table illustrates these findings.

**Table 5 – Summary of Cost Oerrun on Selected Projects.**

Ref	Description	Original Cost	Final or Projected Cost	Cost Increase	Percent Increase	Cost Oerrun
1	Construction of Liwonde – Mangochi (M3) Road	K29,527,136,821	K30,048,342,694.54	K521,205,873	2%	Ongoing. Time and cost overrun due to: <ul style="list-style-type: none"> <li>• Delayed Advance Payment</li> <li>• Lack of full access to site</li> <li>• Abnormal rain</li> <li>• Additional works to Bakili Muluzi Bridge Road</li> </ul>
2	Upgrading of the Njakwa- Livingstonia (T305/S103) Road	K 39,815,658,687.27	K40,586,528,349.41	K770,869,662.14	2%	With at least 13 months of the contract period to go, an addendum to the Contract Price appears likely.
3	Sectional Periodic Maintenance on Chingeni – Zalewa (M01) Road in Neno and Balaka Districts	K1,567,342,030	K1,787,911,480	K220,569,450	14%	Project Completed and handed over. Time and cost overrun caused by delay in approving use of contingency (20Days) and Instruction for Emergency Additional works to install culvert lines where ARMCO pipes were vandalised (10Days). Total time overrun 30 Days. Cost overrun K200,569,450
4	Upgrading of Nkhotakota – Dwangwa Road	PDE did not provide information			0	Not Started (At time of site visit)
5	Mera House	K6,900,000,000	K6,900,000,000	No Data	No Data	PDE not responsive; Information obtained from MERA website
6	Liwonde Barrage	PDE did not provide information		No data	No Data	
7	Construction of the New MBS Laboratory and Office Complex	K12,402,005,589.01	K17,046,000,000	K4,643,994,411	37%	Huge increase in value of air conditioners, representing 46% of the increase at K2.141 Billion Kwacha. Other increases are in variations, increased quantities, escalation of price, and claims by the contractor
8	Phalombe Hospital	\$22,756,243.83	\$22,756,243.83	\$0	0	There has been no cost increase on this project.
9	Construction of Mbelwa District Community Stadium	MK 2,534,050,011.93	MK 2,534,050,011.93	0	0	Project suspended by NCIC; contravened law for NCIC Act for public projects in Malawi because no Consultants were engaged on the project. Should the Contract be revived, it is likely that there will be massive cost and time overrun.

Ref	Description	Original Cost	Final or Projected Cost	Cost Increase	Percent Increase	Cost Overrun
10	Construction of Mbelwa District Council Office Complex	MK 1,800,367,506.23	MK 1,800,367,506.23	0	0	Project suspended by NCIC; contravened law for NCIC Act for public projects in Malawi because no Consultants were engaged on the project. Should the Contract be revived, it is likely that there will be massive cost and time overrun.
11	Malawi Rural Electrification Project (MAREP)	PDE did not provide information		No Data	No Data	PDE not responsive
12	HEST – Polytechnic	Data collection underway at reporting		No Data	No Data	
13	HEST – Chancellor College	Data collection underway at reporting		No Data	No Data	

The same data is presented below in Figure 4:



**Figure 4 – Cost Overrun on Projects in the Study**

From Figure 4 above, from the 13 projects under this study 6 projects or 46% were non responsive. Out of the 54% that were responsive, 4 projects had cost overrun with the Construction of the New MBS Laboratory and Office Complex project registering 37% cost increase.

The Assurance Consultant contacted the PDE to obtain the specifications, procurement method used for the air conditioners in order to verify the increased cost for air conditioning systems which are quoted at K 2,141,560,000. This information was not provided.

#### 4.2.1 CONSTRUCTION OF LIWONDE – MANGOCHI (M3) ROAD

This project is on-going and at the time of the study, financial progress was at 90% as at 31 March 2019. Due to Variations, the Contract sum was revised upwards by about 2% to cater for Additional works and escalation in price due to changes in legislation affecting prices of goods incorporated or used on the Contract. The AfDB declined to pay for escalation as the Contract was deemed to be fixed. However, the Minutes of Contract Negotiations with the Contractor allowed for payment of escalation. In order to allow payment to the Contractor, the Roads Authority agreed with the Road fund Administration to make payments for Escalation through the local component of the payment structure.

The completion date was extended to 30 May 2019 due to claims and additional works instructed. The Engineer made Determination of Claims which was rejected by the Contractor. This necessitated the Dispute Resolution Board (Instituted as a requirement under the FIDIC Conditions of Contract) to make a final determination.

The Roads Authority project manager advised that another Extension of time is being processed which will extend the period to end of July 2019 and thereafter, any further delays shall be subject to Liquidated Damages levied against the Contractor.

As at 31 March 2019, total escalation on the project was K3,139,154,801.59 representing 11% of the original price. The Price Adjustment Indices are a composite of fuel, labour, and plant indices adjusted also by currency exchange rates between the Malawi Kwacha and South African Rand. The total price escalation is afterward split into the currencies of the contract at 79% in Euros and 21% in Malawi Kwacha. The coefficient of fuel is the difference between base price and current price in Malawi; the labour index is based on Malawi NSO Labor indices, and Plant Indices are based on South African Indices.

**This study finds that the Price Adjustment Formula can easily be influenced by external shocks that have nothing to do with Malawi and therefore the PDE needs to look into this for the future as one or the other party to the contract stands to lose**

#### 4.2.2 UPGRADING OF THE NJAKWA- LIVINGSTONIA (T305/S103) ROAD

The project had 13 months remaining on the contract although physical progress shows 48% against time passage of 71%. There has been one Extension of Time from the original completion date of 30 June 2020 to 30 September 2020.

The project is characterised by delays in payment of interim payment certificates (IPCs). As at 31st July 2019, up to 18 IPCs had been submitted for payment. Payment to date had been made for IPCs

1 to 7 had been paid. Total works certified as at 31st July, 2019 is K19,224,616,867.51 inclusive of VAT. The total amount paid to date is only K8,659,665,004.11. This represents a default rate of 55%. The PDE is in breach of Contract for not paying the Contractor IPCs 8 to 17 since 60 days have elapsed from the date of the IPCs were certified. Although the Contractor has not issued any claim notice related to the delayed payments, the Assurance Consultant sees this as a potential problem for this contract and many other infrastructure projects funded 100% by Government. According to the Works Contract interest on delayed payments is accruing and considering the amounts of money involved, the impact of the arrears and interest on delayed payment claims on the economy will be significant.

**This report finds that this project was effected without securing reliable funding hence delays in effecting payments once implementation started.**

The Particular Conditions of Contract explicitly provide for 10% of the net value of works to be subcontracted to Malawian Small-scale Contractors. These Small Malawian Business Enterprises are to be solely and wholly owned by one or more Malawian Persons and whose management and daily business operations are under the control of, and are performed by one or more Malawian persons who effectively own and control it. Non conformity to this condition may be sufficient grounds for cancellation of the contract upon random inspections confirming this breach.

Two Subcontracts have been awarded to SAWA Group (an international firm local registered in Malawi) and Zambuyo Civil Engineering Contractors (a Malawian owned firm) at contract prices of MWK1,537,515,906.58 and MWK1,369,419,346.25, respectively. However, records show that the motivation for the Contract to award the two subcontracts was to accelerate progress rather than to fulfil the contractual requirement for sub-contracting.

The Assurance Report finds that without ascertaining the ownership of Sawa Group and whether this firm was engaged to fulfill the sub-contracting requirement, it is not possible to conclude that the spirit of sub-contracting was not followed strictly.

#### **4.2.3 SECTIONAL PERIODIC MAINTENANCE ON CHINGENI – ZALEWA (M01) ROAD IN NENO AND BALAKA DISTRICTS**

This project was completed and was handed over. The client caused time and cost overrun through delay in approving use of contingency (20Days). An Instruction for Emergency Additional works to install culvert lines where ARMCO pipes were vandalized cost the project a further Extension of Time of 10Days. Total time overrun was therefore 30 Days with a cost overrun of MK 220,569,450.

#### 4.2.4 UPGRADING OF NKHOTAKOTA – DWANGWA ROAD

This project had not commenced when the site visit was made. Hence there are no project management issues to report.

#### 4.2.5 CONSTRUCTION OF HEAD OFFICE COMPLEX – MALAWI ENERGY REGULATORY AUTHORITY

No information was shared by this PDE.

#### 4.2.6 CONSTRUCTION OF LIWONDE BARRAGE

No information was shared by this PDE, due to logistical reasons for data collection.

#### 4.2.7 CONSTRUCTION OF THE NEW MBS LABORATORY AND OFFICE COMPLEX

##### Project Execution

##### MOD Chartered Architects

As part of the project inception MBS developed a preliminary design brief based on the assessed requirements. This process was kick started by a decision to have the project designers (client and consultant) benefit by undertaking a study tour of similar facilities in neighboring countries. The project design team comprised of the following:

- MOD Chartered Architects (Lead Consultant and Project Architect).
- Quant Consult Associates (Quantity Surveyors and Cost Consultants).
- WTM Chirwa and Associates (Structural and Civil Engineers).
- Prime Engineering Consultants (Mechanical and Electrical Engineers).
- ULC Landscapes (Landscape Architect and Environmental Planners).

The following institutions were selected for the study:

- Botswana Bureau of Standards (BoBs) Gaborone.
- INNOQ (Instituição Nacional de Normalização e Qualidade) in Maputo.
- South Africa Bureau of Standards (SABS) in Pretoria.
- National Metrology Institute of South Africa (NMISA) in Pretoria.

It was anticipated that the experience and knowledge gained from uniting and connecting with these institutions would greatly enhance the consultant's capacity to fully understand the Project Infrastructure requirements in terms of space, function and processes involved.

An interview with a member of the design team revealed that the familiarization tour was conducted after the team had a substantive design. This posed a challenge in terms of equipment donated for the project that it required to be housed in a controlled environment. To accommodate this requirement, the design of the building had to change and this resulted in change of scope. In order to mitigate delays, the original sum for Air Conditioners was allocated to preliminary work associated with installation of the equipment (first fix) whilst requesting government to source the additional funds. Government finds itself in a position where the additional K2.151 Billion has to be found otherwise the building will not be functional.

**This study finds that the procurement and design of the Construction of New MBS Laboratory and Office Complex:**

- Experienced major scope changes which caused major time and budget overruns
- The project was effected when designs were not complete resulting in time and cost overrun.

### Consultancy Fees

During the execution of the Construction Project the consultants submitted a claim for additional consultancy fees. This was submitted on 21st September, 2016.

The consultants signed contract at the beginning of the contract was amounting to Mk 215,016,300.00 which comprised of the following:

- Pre- contract fees – Mk 129,817,780.00
- Post- contract fees – Mk 85,198,520.00
- Total – Mk 215,016,300.00

As mentioned earlier, the consultants were taken on a study tour of similar building within the SADC region. The trip and the expanded brief from the client resulted in a design that changed the size and complexity of the Mechanical and Electrical content. This increase in scope of the works resulted in a request for additional fees based on the following reasons:

- The scope of the works increased from the envisaged 6,814 square meters to 16,900 square meters, an extra of about 10,086 square meters. This represented 148% increase.
- The complexity increased in that the TOR did not convey the uniqueness of the building in terms of the Mechanical and Electrical Installation.
- The pre- contract phase was scheduled for completion on or before 6th March, 2015 (5 months from the commencement date). However besides the consultant’s best efforts, the phase was completed on 28th August, 2015, which was 5 months after the original completion date.

Below is the summary of the claim which amounted to Mk 337,037,779.33 (exclusive of inflation factor).

• Pre- contract; by extra:	Mk 170,503,683.34
• Post – contract by extra;	Mk 115,934,747.23
• Total Extra amount:	Mk 286,438,430.57
• VAT:	Mk 47,262,341.04
<b>Subtotal:</b>	<b>Mk 333,700,771.61</b>
• NCIC Levy:	Mk 3,337,007.72
<b>Total:</b>	<b>Mk 337,037,779.33</b>

Before giving consideration to the consultant’s request the client made the following observations and comments in a letter dated 2016-01-06 reference code BS/EMM/5/8/1. The following were the observations:

- The contract at hand had an agreed amount of Mk 215 million subject to variations as stipulated in the contract.
- The client expected the consultants to protect their interest and provide technical guidance on the project. The consultant did not communicate the client that there would be variations to the accommodation requirements that would cause a jump in the consultancy fees.
- That they were not aware of any change that would cause such a jump in fees and if so expected to be told in good time so as to appreciate the financial implications.

The client further requested the consultants to submit evidence of change of scope and or approvals of variations. They also requested the consultant to provide causes of the variations clearly indicating what had changed to warrant the Mk 337 million.

## **TERRASTONE Building Contractors**

### **Project Background**

The works in the report comprise of the construction of 18,000 square meters of offices and laboratory complex on plot No. BE 495 with complete installation of air conditioning units to the whole building.

The project was tendered in August 2015 and was awarded to Terrastone Building Contractors for the sum of Mk 12,402,005,589.02 for a period of 104 weeks. Commencement was on 15th February 2016 and was expected to end on 11th February 2018, this was however revised to 12th November 2018. As of to date there has been another extension of time that sets the provisional date of completion as 19th August, 2019.

## Time Control

The project was scheduled for 104 weeks. The works commenced on 18th February 2018 and were expected to run till 11th February 2018. In the midst of the execution of the project, the contractor submitted a request of extension of time which was granted till 12th November 2018. The contractor further wrote another letter requesting an extension of time with the following reasons of justification:

- Late appointment of subcontractors.
- Late or no appointment of gas subcontractor.
- Non certification of claims from July 2018 to November 2018.
- Non flow of information from consultants due to contract extension.
- Delays in honoring certificate 16, 17, and 18.
- Additional works such as changing the location of the entrance which resulted in extra earthworks and excavations.

The contractor applied for 38 weeks and as of to date a preliminary completion date of 19th August, 2019 was agreed.

## Cost Control

The project was awarded at a cost of Mk 12,402,005,589.02 (VAT & NCIC Inclusive) for a period of 104 weeks. As of to date it is estimated that the contract sum will shoot to Mk 17,045,985,630.6 (VAT & NCIC Levy Inclusive).

The main reasons of the massive increase in cost of the project are as follows:

- During the tendering period the air conditioning component in the bills of quantities was placed as a prime cost and provisional sum which amounted to Mk 582,059,990.83. Later on it was discovered that the actual amount required to execute this activity was far more. Based on a quotation provided by the mechanical and electrical sub-contractor, Sharma Electrical; it indicates that these works will cost Mk 2,141,560,000.00 (Vat & NCIC Levy Exclusive).
- Variations were issued amounting to Mk 872,913,930.27.
- Adjustment of provisional quantities extra cost: Mk 685,917,298.26
- Fluctuations increased the cost by Mk 1,355,457,533.12
- Claims approved extra cost is Mk 223,070,884.62

### 4.2.8 CONSTRUCTION OF PHALOMBE DISTRICT HOSPITAL AT MIGOWI

After the Contract was awarded to Alghanim International General Trading Co. / Plem Construction

Ltd JV and Intermed (Medical Equipment Suppliers), it emerged that BADEA and Saudi Fund for Development have a policy for not funding Performance Guarantees and Insurance for Works in the Works Contract. Further, because these are Preliminary Items in the Contract, payment for these items was to be made upfront. Hence, the Ministry of Health had to write Treasury Department requesting K355 Million to cover for these extra-ordinary items as the budget for the year 2018/18 had a cover of only K80 Million.

Further, during the early stages of project implementation, the Saudi Fund for Development were slow in making payments to the Contractor.

The planning officer at the Ministry stated that the payment situation was normalized and there are no challenges in the contractor receiving payments from the donors.

It was reported at one of the meetings that the Contractor had difficulty in obtaining timber to roof all the structures on the project. Unfortunately, there is no record of how this concern was resolved; suffice to report that there is a need for the industry to comply with the NCIC regulation for sustainable construction of publicly funded projects.

During the site visit by the Assurance Consultant, it was noted that almost all unskilled workers either worked barefoot or wore unsuitable footwear and with no other protective gear.

Physical Progress for the project was at 60% with the original contract period having expired. This information was obtained from the public media as at the time of writing this report, the physical progress was confirmed by the Ministry and also the site visit by the Assurance Consultant confirms that this is a true presentation of progress.

The desk study and site visit showed that quality control and quality assurance protocols are being followed. The buildings under construction were aesthetically pleasing.

#### **4.2.9 CONSTRUCTION OF MBELWA DISTRICT COMMUNITY STADIUM**

The Assurance Consultant engaged the Department of Buildings (DOB) at Ministry of Transport and Public Works who were the project managers for the project to obtain data for the project. Documents shared by the DoB were not relevant to the study; as the file shared by the institution had less than 10 sheets of paper in it. In order to find more information, the Assurance Consultant decided to travel to Mzimba District to obtain additional information from the PDE and also take advantage to visit the site to monitor progress.

The Assurance Consultant found that the Contractor on this project had virtually stopped work on the project and only a foreman was on site. Progress on site shows only the perimeter fence had substantial progress.

The site visit was conducted only 4 days prior to the Completion date for the project of 30 July 2019. The PDE gave access to its files to the Assurance Consultant. The files contained very little information and only 4 documents were filed.

The Clerk of Works Report No. 2 dated 17 December 2018 showed that there was zero physical progress after 39 weeks had elapsed on the Contract. Reasons cited in Minutes of meeting No. 1 for the delays to the contract were:

- Lack of Working Drawings and Specifications;
- Unresolved matters of encroachers;
- The DoB were yet to produce and issue revised drawings as the design had changed due to the restrictive size of the plot.

Interviews with the Planning Officer at M'belwa District Council confirmed that the above reasons were primary to the abandonment of the site by the Contractor. The Site Foreman for the Contractor also stated that the Contractor could not proceed with the work unless new drawings were issued due to the design changes that were required.

Further, the NCIC had issued a stop order citing that the PDE had not engaged a Consultant to provide supervision services contrary to the NCIC Act. Further the NCIC had observed critical lapses that justified the PDE to engage an independent registered consultant.

The Study finds that because there was no consultant engaged to produce the required drawings, there were delays to the works that could have been avoided. Consequently, the project was abandoned; the PDE through its Project Managers, the DoB, lacked the capacity to supervise these works.

#### **4.2.10 CONSTRUCTION OF M'BELWA DISTRICT COUNCIL OFFICE COMPLEX**

M'belwa District Council Office Complex Contract was procured around the same time as the Stadium project. Hence, the two projects were being run concurrently by the DoB as project managers. The two projects faced similar problems where the DoB were not decisive in submitting relevant revised drawings and other information necessary for construction of the projects. The Assurance Consultant engaged the Department of Buildings (DOB) at Ministry of Transport and Public Works as the project managers for the project to obtain data relevant for the Assurance study. The file shared by the institution had very little information consisting no more than 10 document. In order to complete the study, the Assurance Consultant decided to travel to Mzimba District to obtain additional information from the PDE and also take advantage to visit the site to monitor progress.

The Assurance Consultant found that the Contractor on this project had virtually stopped work on the project and there was nobody on site. Progress on site shows foundations and floor slab were the only elements showing substantial progress before the site was abandoned.

Further, the NCIC had issued a stop order citing that the PDE had not engaged a Consultant to provide supervision services contrary to the NCIC Act. Further the NCIC had observed critical lapses that justified the PDE to engage an independent registered consultant.

The site visit was conducted towards the end of July 2019; after the Contract duration had elapsed on 29 June 2019. The PDE gave access to its files to the Assurance Consultant. The files contained very little information but from the little information gathered, it was apparent that the Project Managers, the DoB were delaying the progress of the project for non-issuance of critical design information including drawings and specifications. The Contractor wrote the DoB on 18 January 2019 complaining that they were unable to proceed with concrete works due to unavailability of drawings for concrete beams and specifications for steel beams. The information had been requested on 4th July 2018; more than 6 months prior.

**The Assurance Study finds that the Construction of the two projects in Mzimba the Mbelwa Office Complex and Stadium were stalled due to lack of capacity by the project managers of the projects.**

#### **4.2.11 MALAWI RURAL ELECTRIFICATION PROJECT (MAREP)**

No information was shared by this PDE.

#### **4.2.12 HEST PROJECT – POLYTECHNIC**

At the time of reporting, the PDE was organizing files for disclosure for the study. It should be noted that the Project had closed down and files were being archived at the time of data collection. The Assurance Consultant sought the assistance of CoST Secretariat to assist in requesting for secondary sources of data from consultants. The Consultant was contacted and has promised to provide the information; albeit late. Some information was received from the Consultant on the project but was incomplete and therefore it has not been included in this report.

A site visit was however conducted by the Assurance Consultant in order to appreciate the works. The ICT building project is currently in use by the students. Of interest is a ramp that goes all the way up to the top floor. Disabled people therefore have a choice between taking a lift and going up unassisted using the ramp. In Malawi with its intermittent power supply, this is a clever solution by the designers.

#### 4.2.13 HEST PROJECT – CHANCELLOR COLLEGE

At the time of reporting, the PDE was organizing files for disclosure for the study. It should be noted that the Project had closed down and files were being archived at the time of data collection. The Assurance Consultant sought the assistance of CoST Secretariat to assist in requesting for secondary sources of data from consultants. The Consultant was contacted and has promised to provide the information; albeit late.

**The Study finds generally that the Assurance Consultant was unable to collect Proactive and Reactive Data from some of the selected projects. The default rate is very high, at 55%. The predominant reasons are lack of commitment by the PDA to provide publish data on their websites and other media, to dedicate an officer for liaison with the Assurance Consultant, and lack of understanding of the importance of the study.**

## 5.0 CONCLUSIONS

### 5.1 FINDINGS AND RECOMMENDATIONS

Although there were very few issues observed by this study arising during the tender management stage, it is worth noting that some projects had problems in terms of fairness, open competition, and transparency in the award in some of the projects. The data collected shows that on average, 5 firms participated in the bidding process among the firms that reported bidding information.

Ref	Findings	Recommendations	Responsible Party
<b>Data Disclosure</b>			
1	The study finds that Proactive Disclosure is very low for the projects under this study varying from 11% to 8%. This level of compliance needs improvement. The PDEs need to update their websites and also use the Disclosure Portal at CoST Malawi.	Encourage PDEs to disclose voluntarily their data on institutional websites and upload data on the CoST portal.	PDEs
2	Although the Reactively Disclosed information has better compliance than the Proactively Disclosed information, the results show a compliance of 45% for the highest rate. This is well below 50%. This reflects on the status of records keeping. It has been noted that most PDEs do not have full information on file for the projects under their jurisdiction.	PDEs should migrate to electronic data storage.	PDEs
3	The study finds that because there is no statutory requirement for PDEs to comply with requests from CoST, it is easy for them to not comply.	For future studies, those PDEs not complying with information requests, it is recommended that CoST Secretariat engage the assistance of the PPDA to enforce disclosure or institute procedure for fining the institution(s) in question as provided in Section 53 of Access to Information Act.	CoST/PPDA
<b>Procurement</b>			
4	The findings of the desk study which were augmented by respective interviews have exposed irregularities in the procurement contract. The critical shortfall in the Contract are the discrepancies in the contract document. For this reason, the Assurance	Study recommends comprehensive training for the Employer's staff in FIDIC suite of contract forms, in general and preparation of particular conditions of contract, in particular.	PDEs

Ref	Findings	Recommendations	Responsible Party
5	In general, the study finds that 3 out of 4 projects in this study by the Roads Authority were awarded to one contractor – Mota Engil; a locally registered international contractor. More research needs to be done as to why one contractor predominates in the road sector. If it is a question of lack of capacity on the part of local contractors, necessary interventions need to be put in place to equalize the playing field.	There is a need to build capacity of local contractors	NCIC
<b>Project Management</b>			
6	This study finds that the Price Adjustment Formula on one of the projects can easily be influenced by external shocks that have nothing to do with Malawi and therefore the PDE needs to look into this for the future as one or the other party to the contract stands to lose	Formulate national indices to be used in the Construction Industry	NCIC
7	This study finds that the procurement and design of the Construction of New MBS Laboratory and Office Complex: <ul style="list-style-type: none"> <li>• Experienced major scope changes which caused major time and budget overruns</li> <li>• The project was effected when designs were not complete resulting in time and cost overrun.</li> </ul>	There is a need to improve capacity of consultants in the preparation phase and supervision of contracts	NCIC
8	The Assurance Study finds that the Construction of the two projects in Mzimba the Mbelwa Office Complex and Stadium were stalled due to lack of capacity by the project managers of the projects.	The role of the departments at the Ministry of Transport and Public Works is for policy direction for the sector. There is a need for this requirement to be enforced	Ministry of Transport & Public Works
9	The Study finds generally that the Assurance Consultant was unable to collect Proactive and Reactive Data from some of the selected projects. The default rate is very high, at 55%. The predominant reasons are lack of commitment by the PDA to provide publish data on their websites and other media, to dedicate an officer for liaison with the Assurance Consultant, and lack of understanding of the importance of the study.	Engage PDEs to be more open to disclosure of data	CoST Secretariat
10	The study found that some sites did not protect the workers with some working without footwear and no other protective clothing.	NCIC to spot check for compliance	NCIC
11	The study found due to the size of one project the demand for timber was not sustainable.	PDEs to design infrastructure which conforms to sustainable regulations of the NCIC	PDEs/NCIC

## 6.0 ANNEXES

## 6.1 ANNEX 1: SUMMARY OF DISCLOSED DATA FOR EACH PROJECT

IDS Disclosure Items	IDS Points	Roads Authority			Min of Natural Resources Energy & Mining			Malawi Bureau of Standards	Ministry of Health	Ministry of Local Govt	
		Liwonde-Mangochi	Njakwa-Livingstonia	Chingeni-Zalewa	Nkhotakota-Dwangwa	Mera House	Liwonde Barrage			MAREP	MBS Building
Project Identification & Preparation Phase	12	0	0	0	0	0	7	0	0	0	0
Project Completion Phase	9	0	0	0	0	0	0	0	0	0	0
Procurement and Contract Award Phase	15	0	0	0	0	0	0	0	0	0	0
Every 6 Months of Contract Implementation	14	6	6	6	6	6	3	0	6	6	6
Contract Completion Phase	8	0	0	0	0	0	3	0	0	0	0
<b>Total</b>	<b>58</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>13</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>6</b>
Percentage Proactive Disclosure		10%	10%	10%	10%	10%	22%	0%	10%	10%	10%
Percentage Proactive Disclosure by PDE		8%									
<b>Reactive Disclosure</b>		11%									
Project Identification and Preparation Phase	7	6	1	1	0	0	2	0	6	3	3
Project Completion Phase	7	3	2	2	0	0	1	0	3	2	2
Contract Procurement Phase	4	3	3	3	0	0	0	0	3	3	3
Contract Phase	3	3	3	3	0	0	0	0	3	3	3
Contract Implementation	5	5	4	4	N/a	0	0	0	5	4	5
<b>Total</b>	<b>26</b>	<b>20</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>8</b>	<b>15</b>	<b>16</b>
Percentage Reactive Disclosure		34%	22%	22%	0%	0%	5%	0%	14%	34%	26%
Percentage Reactive Disclosure by PDE		20%									
<b>Overall Total</b>		<b>45%</b>	<b>33%</b>	<b>33%</b>	<b>0%</b>	<b>10%</b>	<b>28%</b>	<b>0%</b>	<b>24%</b>	<b>45%</b>	<b>38%</b>
Disclosure Rate per PDE		28%									
		13%									
		24%									
		45%									
		37%									

## 6.2 ANNEX 2: INFRASTRUCTURE DATA STANDARDS

### SUMMARY OF PROACTIVE DISCLOSURE FOR ALL PROJECTS

Project Information		Roads Authority			Min of Natural Resources Energy & Mining			Malawi Bureau of Standards	Ministry of Health	Ministry of Local Govt		Percentage Non Disclosure	
Project Identification & Preparation Phase		Liwordende-Mangochi	Njakwa-Livingstonia	Chingeni-Zalewa	Nkhosakota-Dwangwa	Mera House	Liwordende Barrage	IAREP	MBS Building	Phalombe Hosp	Mbelwa Stadium	Mbelwa Office	All
Disclosure Points													
1	Method of Project Selection	0	0	0	0	0	0	0	0	0	0	0	100
2	Sector, Subsector	0	0	0	0	0	1	0	0	0	0	0	91
3	Project Title	0	0	0	0	0	1	0	0	0	0	0	91
4	Project Location	0	0	0	0	0	1	0	0	0	0	0	91
5	Project Purpose	0	0	0	0	0	1	0	0	0	0	0	91
6	Project Scope (Main Output)	0	0	0	0	0	1	0	0	0	0	0	91
7	Environmental Impact (If Applicable)	0	0	0	0	0	0	0	0	0	0	0	100
8	Land and Settlement Impact (If Applicable)	0	0	0	0	0	0	0	0	0	0	0	100
9	Funding Source	0	0	0	0	0	0	0	0	0	0	0	100
10	Project Budget Approval Date	0	0	0	0	0	0	0	0	0	0	0	100
11	Project Estimated Value	0	0	0	0	0	1	0	0	0	0	0	91
12	Contact Details	0	0	0	0	0	7	0	0	0	0	0	91
	Sub-Total	0	0	0	0	0	7	0	0	0	0	0	95
<b>Project Completion Phase</b>													
13	Project Title	0	0	0	0	0	0	0	0	0	0	0	100
14	Procuring Entity	0	0	0	0	0	0	0	0	0	0	0	100
15	Completion Cost	0	0	0	0	0	0	0	0	0	0	0	100
16	Completion Date	0	0	0	0	0	0	0	0	0	0	0	100
17	Scope at Completion	0	0	0	0	0	0	0	0	0	0	0	100
18	Reasons for Changes	0	0	0	0	0	0	0	0	0	0	0	100
19	Reference to audit and evaluation report	0	0	0	0	0	0	0	0	0	0	0	100
20	Safety Measures (Incidents and death)	0	0	0	0	0	0	0	0	0	0	0	100
21	Contact Details	0	0	0	0	0	0	0	0	0	0	0	100
	Sub-Total	0	0	0	0	0	0	0	0	0	0	0	100
<b>Contract Information</b>													
<b>Procurement and Contract Award Phase</b>													
22	Contract Title	0	0	0	0	0	0	0	0	0	0	0	100
23	Procuring Entity & Contact Details	0	0	0	0	0	0	0	0	0	0	0	100
24	Procurement Proceedings	0	0	0	0	0	0	0	0	0	0	0	100
25	Contract Type	0	0	0	0	0	0	0	0	0	0	0	100
26	Bid Security	0	0	0	0	0	0	0	0	0	0	0	100
27	Number of Firms Tendering	0	0	0	0	0	0	0	0	0	0	0	100
28	Contracted Firm	0	0	0	0	0	0	0	0	0	0	0	100
29	Cost Estimate	0	0	0	0	0	0	0	0	0	0	0	100
30	Contract Price (MK)	0	0	0	0	0	0	0	0	0	0	0	100
31	Date of Procurement or Project Announcement	0	0	0	0	0	0	0	0	0	0	0	100
32	Date of Contract Award	0	0	0	0	0	0	0	0	0	0	0	100
33	Contract Scope of Works	0	0	0	0	0	0	0	0	0	0	0	100
34	Contract Start Date and Duration	0	0	0	0	0	0	0	0	0	0	0	100
35	Media used for Procurement Announcement	0	0	0	0	0	0	0	0	0	0	0	100
36	Contact Details	0	0	0	0	0	0	0	0	0	0	0	100
	Sub-Total	0	0	0	0	0	0	0	0	0	0	0	100

Project Information		Disclosure Points		Roads Authority			Min of Natural Resources Energy & Mining			Malawi Bureau of Standards	Ministry of Health	Ministry of Local Govt		Percentage Non Disclosure
Project Identification & Preparation Phase		Liwonde-Mangochi	Njakwa-Livingstonia	Chingeni-Zalewa	Nkhotakota-Dwangwa	Mera House	Liwonde Barrage	MAREP	MBS Building	Phalombe Hosp	Mbelwa Stadium	Mbelwa Office		
Every 6 Months of Contract Implementation														
37	Contract Title	1	1	1	0	1	1	0	1	1	1	1	18	
38	Procuring Entity	1	1	1	0	1	1	0	1	1	1	1	27	
39	Contractor/Consultant	1	1	1	0	1	0	0	1	1	1	1	27	
40	Contract Start Date	1	1	1	0	1	0	0	1	1	1	1	27	
41	Contract Duration	1	1	1	0	1	0	0	1	1	1	1	27	
42	Original Contract Price	0	0	0	0	0	0	0	0	0	0	0	100	
43	Contract Physical Progress Status (%)	0	0	0	0	0	0	0	0	0	0	0	100	
44	Description of Project Component	0	0	0	0	0	0	0	0	0	0	0	100	
45	Changes to Contract Scope and Reasons	0	0	0	0	0	0	0	0	0	0	0	100	
46	Total Payments Effected	0	0	0	0	0	0	0	0	0	0	0	100	
47	Details of Termination (If Applicable)	N/a	N/a	N/a	N/a	N/a	N/a	0	N/a	N/a	N/a	N/a	100	
48	Disputed Issues and Status	0	0	0	0	0	0	0	0	0	0	0	100	
49	Safety Measures (Incidents & Deaths)	0	0	0	0	0	0	0	0	0	0	0	100	
50	Contract Details	1	1	1	0	1	1	0	1	1	1	1	18	
	Sub-Total	6	6	6	0	6	3	0	6	6	6	6	67	
<b>Contract Completion Phase</b>														
51	Contract Title	0	0	0	0	0	1	0	0	0	0	0	91	
52	Procuring Entity	0	0	0	0	0	1	0	0	0	0	0	91	
53	Escalation of Contract Price	1	0	0	0	0	0	0	0	0	0	0	100	
54	Variation to Contract Duration	0	0	0	0	0	0	0	0	0	0	0	100	
55	Variation to Contract Scope	0	0	0	0	0	0	0	0	0	0	0	100	
56	Reason for Price Changes	0	0	0	0	0	0	0	0	0	0	0	100	
57	Reason for Scope and Duration Changes	0	0	0	0	0	0	0	0	0	0	0	100	
58	Contract Details	0	0	0	0	0	1	0	0	0	0	0	91	
	Sub-Total	0	0	0	0	0	3	0	0	0	0	0	97	
<b>Total Scores</b>		6	6	6	0	6	13	0	6	6	6	6		

## 6.3 ANNEX 3: INFRASTRUCTURE DATA STANDARDS SUMMARY OF PROACTIVE DISCLOSURE FOR ROADS AUTHORITY

Project Information		Roads Authority				
Project Identification & Preparation Phase	Disclosure Points	Liwonde-Mangochi	Njakwa-Livingstonia	Chingenti-Zalewa	NkhotaKota-Dwangwa	
1 Method of Project Selection	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
2 Sector, Subsector	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
3 Project Title	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
4 Project Location	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
5 Project Purpose	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
6 Project Scope (Main Output)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
7 Environmental Impact (If Applicable)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
8 Land and Settlement Impact (If Applicable)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
9 Funding Source	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
10 Project Budget Approval Date	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
11 Project Estimated Value	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
12 Contract Details	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
Sub-Total	12					
<b>Project Completion Phase</b>						
13 Project Title	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
14 Procuring Entity	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
15 Completion Cost	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
16 Completion Date	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
17 Scope at Completion	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
18 Reasons for Changes	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
19 Reference to audit and evaluation report	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
20 Safety Measures (Incidents and Death)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
21 Contract Details	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
Sub-Total	9					
<b>Contract Information</b>						
<b>Procurement and Contract Award Phase</b>						
22 Contract Title	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
23 Procuring Entity & Contact Details	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
24 Procurement Proceedings	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
25 Contract Type	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
26 Bid Security	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
27 Number of Firms Tendering	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
28 Contracted Firm	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
29 Cost Estimate	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
30 Contract Price (Mk)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
31 Date of Procurement or Project Announcement	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
32 Date of Contract Award	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
33 Contract Scope of Works	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
34 Contract Start Date and Duration	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
35 Media used for Procurement Announcement	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
36 Contract Details	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
Sub-Total	15					

Project Information		Roads Authority			
Project Identification & Preparation Phase	Disclosure Points	Liwonde-Mangochi	Njakwa-Livingstonia	Chingenti-Zalawa	Nkhotakota-Dwangwa
Every 6 Months of Contract Implementation					
37 Contract Title	1	Rehabilitation of Liwonde – Mangochi (M3) Road	Upgrading of the Njakwa- Livingstonia (T305/S103) Road	Sectional Periodic Maintenance on Chingenti – Zalawa (M01) Road in Neno and Balaka Districts	Upgrading of Nkhotakota – Dwangwa Road
38 Procuring Entity	1	Roads Authority	Roads Authority	Roads Authority	Roads Authority
39 Contractor/Consultant	1	Mota Engil	Mota Engil	Mota Engil	Mota Engil
40 Contract Start Date	1	15-Aug-16	01-Nov-16	06-Sep-17	Not Disclosed
41 Contract Duration	1	24 Months	42 Months	180 Days	Not Disclosed
42 Original Contract Price	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
43 Contract Physical Progress Status (%)	1	Not Disclosed	Not Disclosed	Not Disclosed	20% (As per site visit observation)
44 Description of Project Component	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
45 Changes to Contract Scope and Reasons	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
46 Total Payments Effected	1	Not Disclosed	Not Disclosed	Not Disclosed	Nil
47 Details of Termination (If Applicable)	1	N/a	N/a	N/a	N/a
48 Disputed Issues and Status	1	Not Disclosed	Not Disclosed	Not Disclosed	N/a
49 Safety Measures (Incidents & Deaths)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
50 Contract Details	1	CEO, Roads Authority, P/Bag B346, Lilongwe	CEO, Roads Authority, P/Bag B346, Lilongwe	CEO, Roads Authority, P/Bag B346, Lilongwe	CEO, Roads Authority, P/Bag B346, Lilongwe
Sub-Total	14				
<b>Project Identification &amp; Preparation Phase</b>					
<b>Contract Completion Phase</b>		<b>Liwonde-Mangochi</b>			
<b>Disclosure Points</b>		<b>Disclosure Points</b>			
51 Contract Title	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
52 Procuring Entity	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
53 Escalation of Contract Price	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
54 Variation to Contract Duration	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
55 Variation to Contract Scope	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
56 Reason for Price Changes	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
57 Reason for Scope and Duration Changes	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
58 Contract Details	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
Sub-Total	8				
<b>Total Scores</b>	<b>58</b>				

## 6.4 ANNEX 4: INFRASTRUCTURE DATA STANDARDS

### SUMMARY OF PROACTIVE DISCLOSURE FOR MINISTRY OF NATURAL RESOURCES, ENERGY & MINING

Project Information		Min of Natural Resources Energy & Mining			
Project Identification & Preparation Phase		Disclosure Points	Mera House	Liwonde Barrage	MAREP
1	Method of Project Selection	1	Not Disclosed	Not Disclosed	Not Disclosed
2	Sector, Subsector	1	Not Disclosed	Natural Resources, Energy	Not Disclosed
3	Project Title	1	Not Disclosed	Construction of Liwonde Barrage	Not Disclosed
4	Project Location	1	Not Disclosed	Machinga District	Not Disclosed
5	Project Purpose	1	Not Disclosed	To increase water available for hydro-electricity generation downstream	Not Disclosed
6	Project Scope (Main Output)	1	Not Disclosed	Construction of barrage across Shire River with dual purpose of retaining water upstream and providing a crossing for traffic across the river	Not Disclosed
7	Environmental Impact (If Applicable)	1	Not Disclosed	Not Disclosed	Not Disclosed
8	Land and Settlement Impact (If Applicable)	1	Not Disclosed	Not Disclosed	Not Disclosed
9	Funding Source	1	Not Disclosed	Not Disclosed	Not Disclosed
10	Project Budget Approval Date	1	Not Disclosed	Not Disclosed	Not Disclosed
11	Project Estimated Value	1	Not Disclosed	\$76.2 Million	Not Disclosed
12	Contact Details	1	Not Disclosed	Shire River Basin Management Programme, ADL House, P.O. Box 30242, City Centre, Lilongwe	Not Disclosed
	Sub-Total	12			
<b>Project Completion Phase</b>					
13	Project Title	1	Not Disclosed	Not Disclosed	Not Disclosed
14	Procuring Entity	1	Not Disclosed	Not Disclosed	Not Disclosed
15	Completion Cost	1	Not Disclosed	Not Disclosed	Not Disclosed
16	Completion Date	1	Not Disclosed	Not Disclosed	Not Disclosed
17	Scope at Completion	1	Not Disclosed	Not Disclosed	Not Disclosed
18	Reasons for Changes	1	Not Disclosed	Not Disclosed	Not Disclosed
19	Reference to audit and evaluation report	1	Not Disclosed	Not Disclosed	Not Disclosed
20	Safety Measures (Incidents and death)	1	Not Disclosed	Not Disclosed	Not Disclosed
21	Contract Details	1	Not Disclosed	Not Disclosed	Not Disclosed
	<b>Sub-Total</b>	9			

Project Information		Min of Natural Resources Energy & Mining		
Project Identification & Preparation Phase	Disclosure Points	Mera House	Liwonde Barrage	MAREP
Contract Information				
Procurement and Contract Award Phase				
22 Contract Title	1	Not Disclosed	Not Disclosed	Not Disclosed
23 Procuring Entity & Contact Details	1	Not Disclosed	Not Disclosed	Not Disclosed
24 Procurement Proceedings	1	Not Disclosed	Not Disclosed	Not Disclosed
25 Contract Type	1	Not Disclosed	Not Disclosed	Not Disclosed
26 Bid Security	1	Not Disclosed	Not Disclosed	Not Disclosed
27 Number of Firms Tendering	1	Not Disclosed	Not Disclosed	Not Disclosed
28 Contracted Firm	1	Not Disclosed	Not Disclosed	Not Disclosed
29 Cost Estimate	1	Not Disclosed	Not Disclosed	Not Disclosed
30 Contract Price (MK)	1	Not Disclosed	Not Disclosed	Not Disclosed
31 Date of Procurement or Project Announcement	1	Not Disclosed	Not Disclosed	Not Disclosed
32 Date of Contract Award	1	Not Disclosed	Not Disclosed	Not Disclosed
33 Contract Scope of Works	1	Not Disclosed	Not Disclosed	Not Disclosed
34 Contract Start Date and Duration	1	Not Disclosed	Not Disclosed	Not Disclosed
35 Media used for Procurement Announcement	1	Not Disclosed	Not Disclosed	Not Disclosed
36 Contract Details	1	Not Disclosed	Not Disclosed	Not Disclosed
Sub-Total	15			

Project Information		Min of Natural Resources Energy & Mining		
Project Identification & Preparation Phase	Disclosure Points	Mera House	Liwonde Barrage	MAREP
<b>Every 6 Months of Contract Implementation</b>				
37 Contract Title	1	Construction of Head office - Malawi Energy Regulatory Authority	Construction of Liwonde Barrage	Not Disclosed
38 Procuring Entity	1	Malawi Energy Regulatory Authority	Shire River Basin Management Programme	Not Disclosed
39 Contractor/Consultant	1	Terrastone Ltd	Not Disclosed	Not Disclosed
40 Contract Start Date	1	Not Disclosed	Not Disclosed	Not Disclosed
41 Contract Duration	1	Not Disclosed	Not Disclosed	Not Disclosed
42 Original Contract Price	1	Not Disclosed	Not Disclosed	Not Disclosed
43 Contract Physical Progress Status (%)	1	Not Disclosed	Not Disclosed	Not Disclosed
44 Description of Project Component	1	Not Disclosed	Not Disclosed	Not Disclosed
45 Changes to Contract Scope and Reasons	1	Not Disclosed	Not Disclosed	Not Disclosed
46 Total Payments Effected	1	Not Disclosed	Not Disclosed	Not Disclosed
47 Details of Termination (If Applicable)	1	N/a	N/a	Not Disclosed
48 Disputed Issues and Status	1	Not Disclosed	Not Disclosed	Not Disclosed
49 Safety Measures (Incidents & Deaths)	1	Not Disclosed	Not Disclosed	Not Disclosed
50 Shire River Basin Management Programme	1	2nd Floor Development House, City Center, P/Bag B-496, Capital City, Lilongwe 3, Malawi	Shire River Basin Management Programme, ADL House, P.O. Box 30242, City Centre, Lilongwe	Not Disclosed
Sub-Total	14			
<b>Contract Completion Phase</b>				
51 Contract Title	1	Not Disclosed	Construction of Liwonde Barrage	Not Disclosed
52 Procuring Entity	1	Not Disclosed	Shire River Basin Management Programme	Not Disclosed
53 Escalation of Contract Price	1	Not Disclosed	Not Disclosed	Not Disclosed
54 Variation to Contract Duration	1	Not Disclosed	Not Disclosed	Not Disclosed
55 Variation to Contract Scope	1	Not Disclosed	Not Disclosed	Not Disclosed
56 Reason for Price Changes	1	Not Disclosed	Not Disclosed	Not Disclosed
57 Reason for Scope and Duration Changes	1	Not Disclosed	Not Disclosed	Not Disclosed
58 Contact Details	1	Not Disclosed	Shire River Basin Management Programme, ADL House, P.O. Box 30242, City Centre, Lilongwe	Not Disclosed
Sub-Total	8			
<b>Total Scores</b>	<b>58</b>	<b>0</b>	<b>0</b>	<b>0</b>





## 6.6 ANNEX 6: INFRASTRUCTURE DATA STANDARDS SUMMARY OF PROACTIVE DISCLOSURE FOR ALL PROJECTS

Project Information		Roads Authority				Min of Natural Resources Energy & Mining			Malawi Bureau of Standards		Ministry of Health		Ministry of Local Govt	
		Liwonde-Mangochi	Njakwa-Livingstonia	Chingeni-Zalewa	Nkhotakota-Dwangwa	Mera House	Liwonde Barrage	MAREP	MBS Building	Phalombe Hosp	Mbelwa Stadium	Mbelwa Office		
Project Identification & Preparation Phase	Disclosure Points													
1 Method of Project Selection (How did the Procuring Entity come up with the project)	1	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Sector, Subsector	1	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Project Title	1	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Project Location	1	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Project Purpose	1	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Project Scope (Main Output)	1	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Environmental Impact (If Applicable)	1	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Land and Settlement Impact (If Applicable)	1	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Funding Source	1	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Project Budget Approval Date	1	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Project Estimated Value	1	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Contract Details	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-Total	12	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Project Completion Phase</b>														
13 Project Title	1	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Procuring Entity	1	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Completion Cost	1	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Completion Date	1	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Scope at Completion	1	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Reasons for Changes	1	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Reference to audit and evaluation report	1	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Safety Measures (Incidents and death)	1	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Contract Details	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-Total	9	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Contract Information</b>														
<b>Procurement and Contract Award Phase</b>														
22 Contract Title	1	1	1	1	1	1	1	1	1	1	1	1	1	1
23 Procuring Entity & Contact Details	1	1	1	1	1	1	1	1	1	1	1	1	1	1
24 Procurement Proceedings (General Steps of Procurement)	1	0	0	0	0	0	0	0	0	0	0	0	0	0
25 Contract Type	1	0	0	0	0	0	0	0	0	0	0	0	0	0
26 Type and Amount of Bid Security	1	0	0	0	0	0	0	0	0	0	0	0	0	0
27 Number of Firms Tendering	1	0	0	0	0	0	0	0	0	0	0	0	0	0
28 Contracted Firm	1	0	0	0	0	0	0	0	0	0	0	0	0	0
29 Cost Estimate	1	0	0	0	0	0	0	0	0	0	0	0	0	0
30 Contract Price (MK)	1	0	0	0	0	0	0	0	0	0	0	0	0	0
31 Date of Procurement or Project Announcement	1	0	0	0	0	0	0	0	0	0	0	0	0	0
32 Date of Contract Award	1	0	0	0	0	0	0	0	0	0	0	0	0	0
33 Contract Scope of Works	1	0	0	0	0	0	0	0	0	0	0	0	0	0
34 Contract Start Date and Duration	1	0	0	0	0	0	0	0	0	0	0	0	0	0
35 Media used for Procurement Announcement	1	1	1	1	1	1	1	1	1	1	1	1	1	1
36 Contract Details	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Sub-Total	15	4	4	4	4	4	4	4	4	4	4	4	4	4
<b>Every 6 Months of Contract Implementation</b>														

Proactive Disclosure Data Sets

Project Information		Roads Authority				Min of Natural Resources Energy & Mining			Malawi Bureau of Standards	Ministry of Health	Ministry of Local Govt	
Project Identification & Preparation Phase		Liwonde-Mangochi	Njakwa-Livingstonia	Chingeni-Zalewa	Nkhosakota-Dwangwa	Mera House	Liwonde Barrage	MAREP	MBS Building	Phalombe Hosp	Mbelwa Stadium	Mbelwa Office
Disclosure Points												
37	Contract Title	1	1	1	1	1	0	0	1	1	1	1
38	Procuring Entity	1	1	1	1	1	0	0	1	1	1	1
39	Contractor/Consultant	1	1	1	1	1	0	0	1	1	1	1
40	Contract Start Date	1	1	1	1	1	0	0	1	1	1	1
41	Contract Duration	1	1	1	1	1	0	0	1	1	1	1
42	Original Contract Price	1	1	1	1	1	0	0	0	0	0	0
43	Contract Physical Progress Status (%)	1	1	1	1	1	0	0	0	0	0	0
44	Description of Project Component	1	1	1	1	1	0	0	1	1	1	1
45	Changes to Contract Scope and Reasons	1	1	1	1	1	0	0	0	0	0	0
46	Total Payments Effected	1	1	1	1	1	0	0	0	0	0	0
47	Details of Termination (If Applicable)	1	N/a	N/a	N/a	N/a	N/a	0	N/a	N/a	N/a	N/a
48	Disputed Issues and Status	1	1	1	1	1	0	0	0	0	0	0
49	Safety Measures (Incidents & Deaths)	1	1	1	1	1	0	0	0	0	0	0
50	Contract Details	1	1	1	1	1	1	0	1	1	1	1
	Sub-Total	14	13	13	13	13	6	1	7	7	7	7
<b>Contract Completion Phase</b>												
51	Contract Title	1	0	0	0	0	0	0	0	0	0	0
52	Procuring Entity	1	0	0	0	0	0	0	0	0	0	0
53	Escalation of Contract Price	1	0	0	0	0	0	0	0	0	0	0
54	Variation to Contract Duration	1	0	0	0	0	0	0	0	0	0	0
55	Variation to Contract Scope	1	0	0	0	0	0	0	0	0	0	0
56	Reason for Price Changes	1	0	0	0	0	0	0	0	0	0	0
57	Reason for Scope and Duration Changes	1	0	0	0	0	0	0	0	0	0	0
58	Contract Details	1	0	0	0	0	0	0	0	0	0	0
	Sub-Total	8	0	0	0	0	0	0	0	0	0	0
	Total Scores	58	17	17	17	17	7	9	9	9	9	9

## SUMMARY OF REACTIVE DISCLOSURE FOR ALL PROJECTS

Project Information		Roads Authority				Min of Natural Resources Energy & Mining			Malawi Bureau of Standards	Ministry of Health	Ministry of Local Govt		
Project Identification and Preparation Phase		Disclosure Points	Liwonde-Mangochi	Njakwa-Livingstonia	Chingeni-Zalewa	Nkhotakota-Dwangwa	Mera House	Liwonde Barrage	MAREP	MBS Building	Phalombe Hosp	Mbelwa Stadium	Mbelwa Office
1	Multi-Year Programme and Budget	1	1	0	0	0	0	1	0	0	1	0	0
2	Environmental & Social Impact Assessment	1	1	0	0	0	0	1	0	0	1	0	0
3	Resettlement and Compensation Plan	1	1	0	0	0	0	1	0	0	1	0	0
4	Contact Details	1	1	1	1	1	0	1	0	0	1	1	1
5	Financial Agreement	1	1	0	0	0	0	0	0	0	1	0	0
6	Procurement Plan	1	0	0	0	0	0	0	0	0	1	1	1
7	Project Approval Decision	1	1	0	0	0	0	0	0	0	1	0	0
	<b>Sub-Total</b>	<b>7</b>	<b>6</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>2</b>	<b>2</b>
Project Completion Phase													
8	Implementation Progress Reports	1	1			1	0	0	0		1	1	0
9	Budget Amendment Decision	1	1			1	0	0	0		1	0	0
10	Project Evaluation Report	1	1			0	0	0	0		0	0	0
11	Technical Audit Reports	1	0			0	0	0	0		0	0	0
12	Financial Audit Report	1	0			0	0	0	0		0	0	0
13	Project Completion Report	1	N/a			0	N/a	0	0		N/a	N/a	N/a
14	Contact Details	1	1			1	0	1	0		1	1	1
	<b>Sub-Total</b>	<b>7</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>1</b>
Contract Information													
Contract Procurement Phase													
15	Procurement Method	1	1	1	1	1	1	0	0		1	1	1
16	Tender Documents	1	1	1	1	1	1	0	0		1	1	1
17	Tender Evaluation Results	1	1	1	1	1	1	0	0		1	1	1
18	Project Design Report	1	0	0	0	0	0	0	0		0	0	0
	<b>Sub-Total</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>3</b>



## 6.7 ANNEX 7: INFRASTRUCTURE DATA STANDARDS SUMMARY OF REACTIVE DISCLOSURE FOR ROADS AUTHORITY

Project Information		Roads Authority				
Project Identification & Preparation Phase	Disclosure Points	Liwonde-Mangochi	Njakwa-Livingstonia	Chingeni-Zalewa	Nkhatakota-Dwangwa	
1 Method of Project Selection	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
2 Sector, Subsector	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
3 Project Title	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
4 Project Location	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
5 Project Purpose	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
6 Project Scope (Main Output)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
7 Environmental Impact (If Applicable)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
8 Land and Settlement Impact (If Applicable)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
9 Funding Source	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
10 Project Budget Approval Date	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
11 Project Estimated Value	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
12 Contract Details	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
Sub-Total	12					
<b>Project Completion Phase</b>						
13 Project Title	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
14 Procuring Entity	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
15 Completion Cost	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
16 Completion Date	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
17 Scope at Completion	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
18 Reasons for Changes	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
19 Reference to audit and evaluation report	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
20 Safety Measures (Incidents and death)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
21 Contract Details	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
Sub-Total	9	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
<b>Contract Information</b>						
<b>Procurement and Contract Award Phase</b>						
22 Contract Title	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
23 Procuring Entity & Contract Details	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	
24 Procurement Proceedings	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	

Project Information		Roads Authority				
Project Identification & Preparation Phase		Disclosure Points	Liwonde-Mangochi	Njakwa-Livingstonia	Chingeni-Zalewa	Nkhotakota-Dwangwa
25	Contract Type	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
26	Bid Security	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
27	Number of Firms Tendering	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
28	Contracted Firm	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
29	Cost Estimate	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
30	Contract Price (Mk)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
31	Date of Procurement or Project Announcement	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
32	Date of Contract Award	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
33	Contract Scope of Works	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
34	Contract Start Date and Duration	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
35	Media used for Procurement Announcement	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
36	Contact Details	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
	Sub-Total	15				
<b>Every 6 Months of Contract Implementation</b>						
37	Contract Title	1	Rehabilitation of Liwonde – Mangochi (M3) Road	Upgrading of the Njakwa- Livingstonia (T305/S103) Road	Sectional Periodic Maintenance on Chingeni – Zalewa	Upgrading of Nkhotakota – Dwangwa Road
38	Procuring Entity	1	Roads Authority	Roads Authority	Roads Authority	Roads Authority
39	Contractor/Consultant	1	Mota Engil	Mota Engil	Mota Engil	Mota Engil
40	Contract Start Date	1	15-Aug-16	01-Nov-16	06-Sep-17	Not Disclosed
41	Contract Duration	1	24 Months	42 Months	180 Days	Not Disclosed
42	Original Contract Price	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
43	Contract Physical Progress Status (%)	1	Not Disclosed	Not Disclosed	Not Disclosed	20% (As per site visit)
44	Description of Project Component	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
45	Changes to Contract Scope and Reasons	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
46	Total Payments Effected	1	Not Disclosed	Not Disclosed	Not Disclosed	Nil
47	Details of Termination (If Applicable)	1	N/a	N/a	N/a	N/a
48	Disputed Issues and Status	1	Not Disclosed	Not Disclosed	Not Disclosed	N/a
49	Safety Measures (Incidents & Deaths)	1	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
50	Contact Details	1	CEO, Roads Authority, P/Bag B346, Lilongwe	CEO, Roads Authority, P/Bag B346, Lilongwe	CEO, Roads Authority, P/Bag B346, Lilongwe	CEO, Roads Authority, P/Bag B346, Lilongwe
	Sub-Total	14				

Project Information		Roads Authority			
Project Identification & Preparation Phase		Liwonde-Mangochi	Njakwa-Livingstonia	Chingeni-Zalewa	Nkhotakota-Dwangwa
Contract Completion Phase		Disclosure Points			
51	Contract Title	1	Not Disclosed	Not Disclosed	Not Disclosed
52	Procuring Entity	1	Not Disclosed	Not Disclosed	Not Disclosed
53	Escalation of Contract Price	1	Not Disclosed	Not Disclosed	Not Disclosed
54	Variation to Contract Duration	1	Not Disclosed	Not Disclosed	Not Disclosed
55	Variation to Contract Scope	1	Not Disclosed	Not Disclosed	Not Disclosed
56	Reason for Price Changes	1	Not Disclosed	Not Disclosed	Not Disclosed
57	Reason for Scope and Duration Changes	1	Not Disclosed	Not Disclosed	Not Disclosed
58	Contact Details	1	Not Disclosed	Not Disclosed	Not Disclosed
<b>Sub-Total</b>		<b>8</b>			
<b>Total Scores</b>		<b>58</b>			

## 6.8 ANNEX 8: INFRASTRUCTURE DATA STANDARDS

### SUMMARY OF REACTIVE DISCLOSURE FOR MINISTRY OF NATURAL RESOURCES, ENERGY & MINING

Project Information		Min of Natural Resources Energy & Mining			
Project Identification and Preparation Phase		Disclosure Points	Mera House	Liwonde Barrage	MAREP
1	Multi-Year Programme and Budget	1	Not Disclosed	US\$76.2	Not Disclosed
2	Environmental & Social Impact Assessment	1	Not Disclosed	Not Disclosed	Not Disclosed
3	Resettlement and Compensation Plan	1	Not Disclosed	Not Disclosed	Not Disclosed
4	Contact Details	1	Not Disclosed	Shire River Basin Management Programme, ADL House, P.O. Box 30242, City Centre, Lilongwe	Not Disclosed
5	Financial Agreement	1	Not Disclosed	Not Disclosed	Not Disclosed
6	Procurement Plan	1	Not Disclosed	Not Disclosed	Not Disclosed
7	Project Approval Decision	1	Not Disclosed	Not Disclosed	Not Disclosed
	<b>Sub-Total</b>	<b>7</b>	<b>Not Disclosed</b>	<b>Not Disclosed</b>	<b>Not Disclosed</b>
<b>Project Completion Phase</b>					
8	Implementation Progress Reports	1	Not Disclosed	Not Disclosed	Not Disclosed
9	Budget Amendment Decision	1	Not Disclosed	Not Disclosed	Not Disclosed
10	Project Evaluation Report	1	Not Disclosed	Not Disclosed	Not Disclosed
11	Technical Audit Reports	1	Not Disclosed	Not Disclosed	Not Disclosed
12	Financial Audit Report	1	Not Disclosed	Not Disclosed	Not Disclosed
13	Project Completion Report	1	N/a	Not Disclosed	Not Disclosed
14	Contact Details	1	Not Disclosed	Shire River Basin Management Programme, ADL House, P.O. Box 30242, City Centre, Lilongwe	Not Disclosed
	<b>Sub-Total</b>	<b>7</b>	<b>Not Disclosed</b>	<b>Not Disclosed</b>	<b>Not Disclosed</b>

Contract Information			
Contract Procurement Phase			
15	Procurement Method	1	Not Disclosed
16	Tender Documents	1	Not Disclosed
17	Tender Evaluation Results	1	Not Disclosed
18	Project Design Report	1	Not Disclosed
	<b>Sub-Total</b>	<b>4</b>	<b>Not Disclosed</b>
Contract Phase			
19	Contract Agreement and Conditions	1	Not Disclosed
20	Contract Firm (Winning Bid)	1	Not Disclosed
21	Specifications and Drawings	1	Not Disclosed
	<b>Sub-Total</b>	<b>3</b>	<b>Not Disclosed</b>
Contract Implementation			
22	List of Variations, Changes, and Amendments	1	Not Disclosed
23	List of Escalation Approvals	1	Not Disclosed
24	Quality Assurance Reports	1	Not Disclosed
25	Disbursement Records or Payment Certificates	1	Not Disclosed
26	Contract Amendments	1	Not Disclosed
	<b>Sub-Total</b>	<b>5</b>	<b>Not Disclosed</b>

## 6.9 ANNEX 9: INFRASTRUCTURE DATA STANDARDS

### SUMMARY OF REACTIVE DISCLOSURE FOR MALAWI BUREAU OF STANDARDS, MINISTRY OF HEALTH, AND MINISTRY OF LOCAL GOVERNMENT

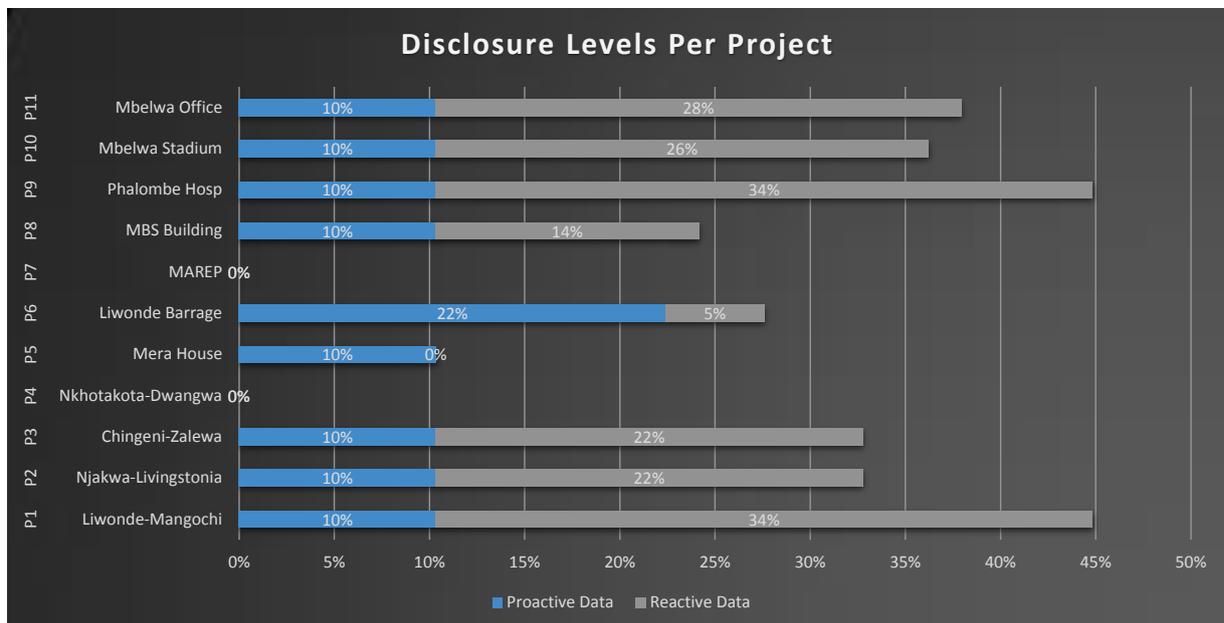
Project Information		Malawi Bureau of Standards	Ministry of Health	Ministry of Local Government	
Project Identification and Preparation Phase		MBS House	Phalombe Hospital	Mbelwa Stadium	Mbelwa Office
	Disclosure Points				
1	Multi-Year Programme and Budget	Not Disclosed	Budget: \$26.32	Not Disclosed	Not Disclosed
2	Environmental & Social Impact Assessment	Disclosed	Done 2015	Not Disclosed	Not Disclosed
3	Resettlement and Compensation Plan	Not Disclosed	Done 2015	Not Disclosed	Not Disclosed
4	Contact Details	Not Disclosed	Ministry of Health, P.O. Box 30377, Lilongwe 3	M'mbelwa District Council, PO Box	M'mbelwa District Council, PO Box
5	Financial Agreement	Not Disclosed	BADEA, Saudi Fund & Malawi Government	Not Disclosed	Not Disclosed
6	Procurement Plan	Not Disclosed	Not Disclosed	Disclosed	Disclosed
7	Project Approval Decision	Not Disclosed	Aide Memoire	Letter from PPDA	Letter from PPDA
<b>Sub-Total</b>		<b>7</b>			
<b>Project Completion Phase</b>					
8	Implementation Progress Reports	Not Disclosed	Progress Reports	Progress Reports	Progress Reports
9	Budget Amendment Decision	Not Disclosed	Discussions between donor and Government	Not Disclosed	Not Disclosed
10	Project Evaluation Report	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
11	Technical Audit Reports	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
12	Financial Audit Report	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
13	Project Completion Report	Not Disclosed	N/a	N/a	N/a
14	Contact Details	Not Disclosed	Ministry of Health, P.O. Box 30377, Lilongwe 3	M'mbelwa District Council, PO Box	M'mbelwa District Council, PO Box
<b>Sub-Total</b>		<b>7</b>			

Contract Information						
Contract Procurement Phase						
15	Procurement Method	1	Not Disclosed	ICB	3 Bidders	NCB
16	Tender Documents	1	Not Disclosed		4 Bidders	4 Bidders
17	Tender Evaluation Results	1	Not Disclosed	Alghamin International General Trading & Contracting Co/Plem Construction Ltd JV		
18	Project Design Report	1	Not Disclosed	Not Disclosed		
	<b>Sub-Total</b>	<b>4</b>				
<b>Contract Phase</b>						
19	Contract Agreement and Conditions	1	PPDA Conditions of Contract	PPDA Conditions of Contract		
20	Contract Firm (Winning Bid)	1	Terrastone Building Contractors	Alghamin International General Trading & Contracting Co/Plem Construction Ltd JV		
21	Specifications and Drawings	1	Malawi Specifications	Malawi Specifications		
	<b>Sub-Total</b>	<b>3</b>				
<b>Contract Implementation</b>						
22	List of Variations, Changes, and Amendments	1	Variations: K2,381,865,906.54	No Variations as at 30/3/19		
23	List of Escalation Approvals	1	Escalation: K1,355,457,533.12	No Escalation as at 30/3/19		
24	Quality Assurance Reports	1	Quality Control Tests Disclosed	Quality Control Tests Disclosed		
25	Disbursement Records or Payment Certificates	1	Up to May 2019: K10,194,672,584.25	Up to 30/3/19: \$4,211,574.,35		
26	Contract Amendments	1	Extension of Time to 19 August 2019	None up to 30/3/19		
	<b>Sub-Total</b>	<b>5</b>				

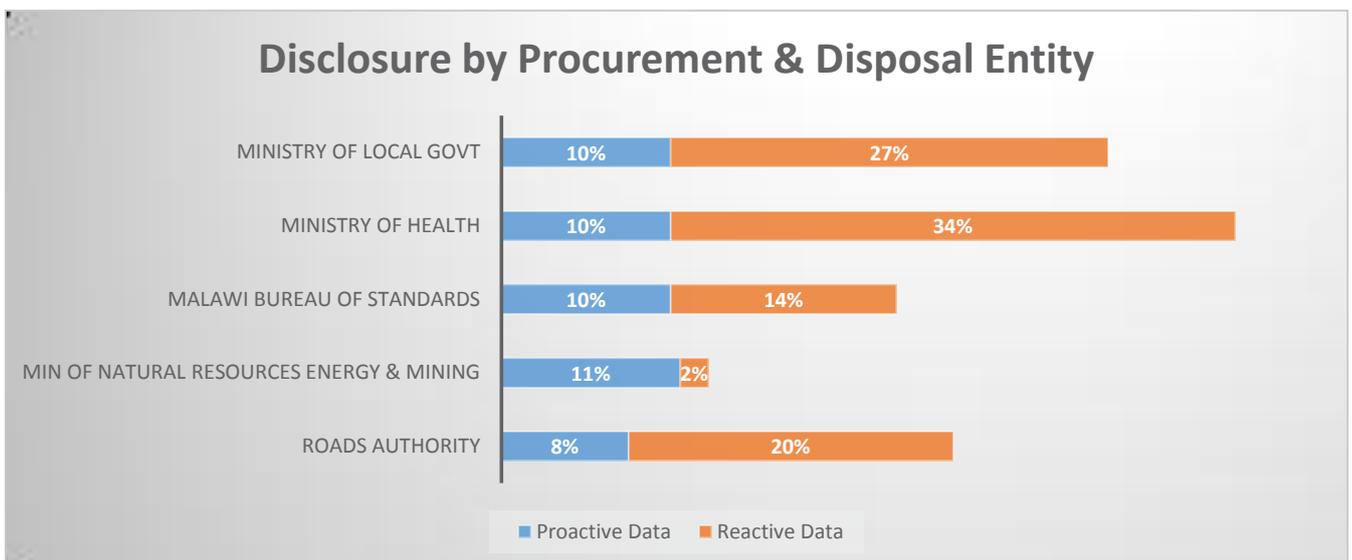
## 6.10 ANNEX 10: LIST OF INTERVIEWS WITH STAKEHOLDERS

Chigalu, Francis	:	Ministry of Health Planning Officer
Chirambo, Chimwemwe	:	Project Manager for Liwonde- Mangochi Road Project for the Roads Authority
Kamtsitsi, Precious	:	Director of Planning (M'mbelwa District Council)
Matemba, Diffrey	:	Internal Auditor (Roads Authority)
Namonjeza, Eng Francis	:	Resident Engineer (FN & Partners in association with PLADEMS Consult)
Ng'oma, Kondwani	:	Site Agent (Mota-Engil, Njakwa – Livingstonia Road)
Yohane, G.A.	:	Clerk of Works (Norman+Dawbarn, Phalombe Hospital Site)

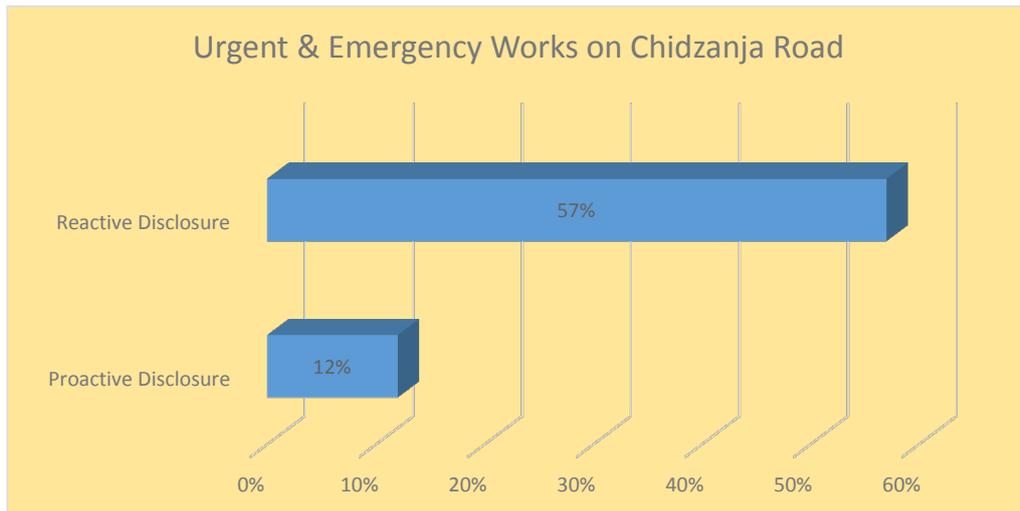
Ref.	Project Name	Proactive Data	Reactive Data
P1	Liwonde-Mangochi	10%	34%
P2	Njakwa-Livingstonia	10%	22%
P3	Chingeni-Zalewa	10%	22%
P4	Nkhotakota-Dwangwa	0%	0%
P5	Mera House	10%	0%
P6	Liwonde Barrage	22%	5%
P7	MAREP	0%	0%
P8	MBS Building	10%	14%
P9	Phalombe Hosp	10%	34%
P10	Mbelwa Stadium	10%	26%
P11	Mbelwa Office	10%	28%



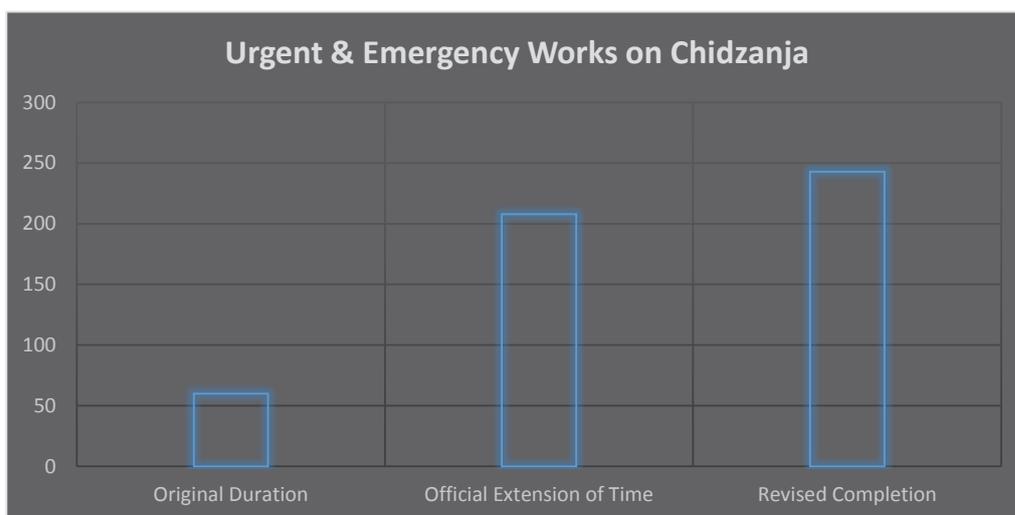
Project Name	Proactive Data	Reactive Data
Roads Authority	8%	20%
Min of Natural Resources Energy & Mining	11%	2%
Malawi Bureau of Standards	10%	14%
Ministry of Health	10%	34%
Ministry of Local Govt	10%	27%



Urgent & Emergency Works on Chidzanja Road      Proactive Disclosure 12%      Reactive Disclosure 57%



Urgent & Emergency Works on Chidzanja Road - Extension of Time      Original Duration 60      Official Extension of Time 208      Revised Completion 243



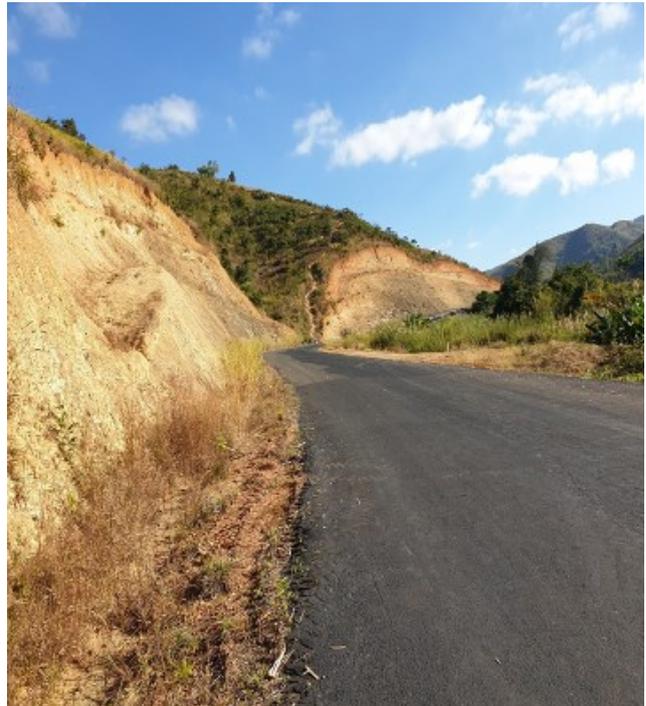
## 5.1 — PICTURE GALLERY



PICTURE 5.1.1—LIWONDE MANGOCHI ROAD AT



PICTURE 5.1.2—PROJECT SIGNBOARD—NJAKWA ROAD



PICTURE 5.1.3—PROGRESS ON NJAKWA ROAD



PICTURE 5.1.4—CHINGENI ZALEWA ROAD AT MANJAWIRA (SHOULDER RECONDITIONING & CARRIAGEWAY RESEALING)



PICTURE 5.1.5—MERA OFFICE COMPLEX ARTIST'S IMPRESSION



PICTURE 5.1.6/7—PROGRESS AND SIGN BOARD



PICTURE 5.1.8—LIWONDE BARRAGE WORKS COMPLETED





PICTURE 5.1.13—STALLED WORKS AT M'MBELWA STADIUM



PICTURE 5.1.14—ABANDONED WORKS AT M'MBELWA OFFICE COMPLEX

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