

## **Section Y. Subcontractor Performance Standards**

(a) Subcontractor agrees to provide the services required hereunder in accordance with the requirements set forth in this Subcontract. Subcontractor undertakes to perform the services hereunder in accordance with the highest standards of professional and ethical competence and integrity in Subcontractor's industry and to ensure that employees assigned to perform any services under this subcontract will conduct themselves in a manner consistent therewith. The services will be rendered by Subcontractor: (1) in an efficient, safe, courteous, and businesslike manner; (2) in accordance with any specific instructions issued from time to time by Chemonics; and (3) to the extent consistent with items (1) and (2), as economically as sound business judgment warrants. Subcontractor shall provide the services of qualified personnel through all stages of this subcontract. Subcontractor represents and warrants that it is in compliance with all the applicable laws of the United States and any other Jurisdiction in which the services shall be performed. Subcontractor shall perform the services as an independent Subcontractor with the general guidance of Chemonics. The Subcontractor's employees shall not act as agents or employees of Chemonics.

(b) Chemonics reserves the right to request the replacement of Subcontractor personnel and may terminate the subcontract due to nonperformance by the Subcontractor.

(c) Chemonics will use a variety of mechanisms to stay abreast of the Subcontractor's performance under the subcontract, and of general progress toward attainment of the subcontract objectives. These may include:

- 1) Business meetings between the subcontract team, Chemonics and/or USAID
- 2) Feedback from key partners
- 3) Site visits by Chemonics personnel
- 4) Meetings to review and assess periodic work plans and progress reports
- 5) Reports

(d) Should Chemonics determine nonadherence to performance standards and/or contract provisions outlined herein, the Subcontractor will be notified in writing of the actions or performance measures that need improvement. Chemonics may request a formal written plan (Corrective Action Plan) to correct the contract compliance or performance issues that have impacted the provision of quality services. Failure to submit a plan within the requested timeline will be considered nonperformance and subject to paragraph (b) above.

(e) Evaluation of the Subcontractor's overall performance under this subcontract shall be conducted by Chemonics. In addition to review of Subcontractor reports and deliverables, Chemonics shall review the quality of Subcontractor performance under this subcontract against quarterly key performance indicators ("KPI"). KPIs will be used as a basis for continuous improvement efforts by the Subcontractor. Regular performance reviews will be held between the Subcontractor and Chemonics/GHSC-PSM. These reviews will be used to help determine the Subcontractor's suitability for future subcontracts and to inform performance improvement. If the Subcontractor fails to meet any KPI, the timelines for addressing the deficiency as agreed within the corrective action plan will take effect. The Subcontractor will provide the Chemonics designated GHSC-PSM project representative in the timeline requested, a proposed action plan setting forth the actions the Subcontractor will take in order to promptly comply with all KPIs. The Subcontractor will be evaluated for:

- a) *Quality of work.* Provides personnel who are technically qualified, who foster a positive working environment, who are effective on the assignment and contribute to a team effort to accomplish tasks. Provides vehicles and methods to maintain the quality of the commodities during the

transportation. Tasks are completed in a timely manner. Reports are clear, concise, accurate, well-structured, easily comprehended, submitted on-time and contain actionable recommendations.

- b) *Responsiveness to Chemonics' requests*. Maintains open, direct, and responsive communications channels with Chemonics. Responses are rapid, helpful, accurate, and without undue delays.
- c) *Quality of subcontract administration*. Conducts contractually required tasks, such as personnel management, submittal of approval requests, deliverables and invoice submission, in a timely, compliant, and accurate manner.
- d) *Timeliness and correctness of deliveries*. Delivers the correct shipments to the correct locations and points of contact, on the planned delivery date. Ensures appropriate point of contact at health facility verifies the delivery and signs the POD.

The followings are the indicators that GHSC-PSM will use to evaluate the subcontractor:

<b>SCORE CARD FOR 3PL DISTRIBUTION</b> <b>GHSC-PSM in Haiti</b>				
KPI #	KPI Description	Targeted (%)	Actual (%)	Comments
1	<b>On Time Delivery*</b> <i>*The percent of commodity orders (PODs) delivered by 3PL according to the distribution schedule (i.e. on or before the deadline indicated on the POD for the delivery).</i>  <i>Numerator: number of orders delivered with POD delivery date matching requested delivery deadline date (based on requisition plan or ad-hoc delivery schedule)</i> <i>Denominator: total number of orders dispatched (PODs printed) for the same period of time.</i>	95.0%		
2	% of product value loss due to theft, damage or other causes while under 3PL control. Numerator: USD value of product loss Denominator: USD total value of the products loaded for the signed STO (value of the commodities not value of the STO. Value can be calculated based on sum of all PODs content)	0.0%		
3	Submission of all scheduled deliverables in the contract per Section A.3 of the Sub-Task Order. Numerator: number of deliverables submitted Denominator: total number of deliverables to be submitted and listed in the signed STO.	100.0%		

4	<p>For products which have to be kept between 2-8 C, percentage of products delivered in accordance with temperature specificity requirements <i>(Percentage of products delivered and maintained in appropriate cold storage from pick-up at Fleuriot Central Warehouse to point of delivery at facilities by 3PL. Temperatures will be measured by data logger information for each distribution). (measured in terms of cold chain PODs in the order being transported)</i></p> <p>Numerator: number of units (pieces) of products delivered outside of temperature range required (2-8C). Denominator: total number of units (pieces) of products to be delivered/dispatch within a required temperature range (2-8C) under the signed STO.</p>	100.0%		
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