



NATIONAL FOOD RESERVE AGENCY

TERMS OF REFERENCE (ToRs)

REQUEST FOR PROPOSALS (RFP): CONSULTANCY SERVICES FOR UPGRADING THE SAGE 50 ACCOUNTING SYSTEM TO SAGE X3 ENTERPRISE RESOURCE PLANNING (ERP) SYSTEM FOR THE NATIONAL FOOD RESERVE AGENCY

1. Background

The **National Food Reserve Agency (NFRA)** is a statutory body established under the General Laws (Amendment) Act of 2004 with the mandate to manage and maintain the **Strategic Grain Reserve (SGR)** for Malawi. The Agency is responsible for the acquisition, storage, maintenance, and release of maize and other food commodities to promote national food security and market stabilization.

NFRA currently uses the **SAGE 50 Accounting System (SAGE Line 50)** for its financial management. While the system has served the Agency for several years, it no longer adequately supports the Agency's operational complexity, multi-location structure, and growing accountability demands. In particular, the current system lacks integration with inventory management, procurement, human resources, and reporting functions.

To address these gaps, NFRA intends to **upgrade from SAGE 50 to SAGE X3 and SAGE 300 People**, the higher-tier Enterprise Resource Planning (ERP) system from SAGE, which offers broader functionality and scalability. This assignment will therefore focus exclusively on the supply, installation, configuration, and commissioning of **SAGE X3 ERP and SAGE 300 People**, including data migration from SAGE 50 and staff training.

2. Objective of the Assignment

The objective of the assignment is to **upgrade NFRA's existing SAGE 50 Accounting System to SAGE X3 ERP and SAGE 300 People** to improve integration, automation, and reporting across all key business functions — while ensuring continuity of data and familiarity for users.

3. Specific Objectives

The assignment specifically seeks to:

- (i) Supply and install **SAGE X3 ERP** and **SAGE 300 People** with functional modules covering:
 - Finance and Accounting
 - Procurement and Payments
 - Inventory and Stock Management
 - Fixed Assets Management
 - Human Resources and Payroll
 - Reporting and Dashboards
- (ii) Conduct a **business process review** to align system configuration with NFRA's structure and procedures.
- (iii) **Migrate data** from the existing SAGE 50 system to **SAGE X3 and SAGE 300 People** without loss or distortion.
- (iv) Configure user roles, access rights, and approval workflows consistent with NFRA's control environment.
- (v) **Train key staff and ICT personnel** on system use and administration.
- (vi) Provide **post-implementation support and maintenance** for at least twelve (12) months after go-live.

4. Scope of Work

The consultant/implementer shall carry out the following tasks:

Phase 1: Inception and System Assessment

- Review NFRA's current SAGE 50 setup, chart of accounts, and processes.
- Assess current data structures, reports, and integration points.
- Develop a migration and implementation plan including risk assessment.

Phase 2: System Supply, Installation, and Configuration

- Supply and install **SAGE X3 licenses** and supporting software (as per proposed configuration).
- Configure modules to reflect NFRA's business processes and financial structure.
- Set up workflow approvals, security roles, and integration points.

Phase 3: Data Migration and System Integration

- Migrate master data, open balances, and historical records from SAGE 50.
- Verify data integrity and ensure continuity of financial reporting.
- Integrate SAGE X3 with HR/Payroll (SAGE 300 People or equivalent) and other relevant systems.

Phase 4: User Training and Change Management

- Conduct training sessions for finance, procurement, inventory, HR, and ICT staff.
- Develop training manuals and reference materials.
- Provide change management support to promote user adoption.

Phase 5: Testing, Go-Live, and Post-Implementation Support

- Conduct user acceptance testing (UAT).
- Roll out the system and support go-live operations.
- Provide 12-month post-implementation support, updates, and maintenance.

5. Expected Deliverables

- (i) Inception report and detailed implementation plan.
- (ii) Installed and configured **SAGE X3 ERP and SAGE 300 People** system.
- (iii) Migrated and validated financial and operational data from SAGE 50.
- (iv) User training manuals and session reports.
- (v) Signed User Acceptance Test (UAT) and Go-Live reports.
- (vi) Post-implementation support and system maintenance plan.

6. Duration of the Assignment

The assignment is expected to run for **six (6) months** from the date of contract signing, followed by **twelve (12) months** of post-implementation support.

7. Qualification and Experience Requirements

Eligible firms must meet the following minimum qualifications:

- Be a **SAGE-accredited implementation partner** authorized to supply and configure SAGE X3 ERP.

- Demonstrate a minimum of **five (5) years of experience** implementing SAGE ERP systems.
- Provide evidence of at least **three (3) similar successful implementations**, preferably in the public sector or large enterprises.
- Have a team of **certified SAGE X3 functional and technical consultants**.
- Demonstrate capacity to offer **localized support services** in Malawi or the SADC region.
- Provide evidence of good standing with SAGE Software International.

8. Reporting and Supervision

The consultant will report to the **Director of Finance** and work closely with the **ICT Officer** and other members of the NFRA ERP Implementation Committee. Oversight will be provided by the **Internal Procurement and Disposal Committee (IPDC)** and the **Board Finance and Audit Committee**.

9. Proposal Submission Requirements

Interested firms must submit the following:

- Company profile and certificate of incorporation.
- Evidence of SAGE partnership accreditation (SAGE X3 certification).
- List and CVs of key personnel proposed for the assignment.
- Description of at least three (3) similar projects completed.
- Technical proposal detailing approach, methodology, and work plan.
- Financial proposal (in USD or MWK) with a detailed cost breakdown.
- Three client references for comparable projects.

10. Evaluation Criteria

Proposals will be evaluated using the following weighted criteria:

Evaluation Criteria	Weight (%)
Understanding of assignment and methodology	20
Relevant experience in SAGE X3 implementation	25
Qualifications and experience of key personnel	20
Technical compliance with upgrade requirements	20
Financial proposal (value for money)	15
Total	100

Only firms scoring **70% or above** in the technical evaluation will proceed to financial evaluation.

11. Budget and Financing

The assignment will be financed from the **NFRA 2025/2026 approved budget**, specifically from the **Accounting System Upgrade vote**, supplemented by a **virement from the Stock Management Software allocation** and a portion of the **5% retention from SGR overheads**, as approved by the Board.

12. Confidentiality and Ownership

All data, documentation, and outputs from this assignment shall remain the property of NFRA. The consultant shall maintain strict confidentiality and shall not use or disclose NFRA information without written consent.