3H. ACTIVITY (WORK) SCHEDULE

# A. Field Investigation and Study Items:

					Monthwise Program (in form of Bar Chart) [1st, 2nd, etc. are months from the start of assignment]	Monthwise Program (in form of Bar Chart) 2nd, etc. are months from the start of assignm	rogram months f	(in form rom the s	of Bar C	hart) ssignmen	li li		
Sl. No. Item of Activity (Work)	vity (Work)	lst	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th

# B. Completion and Submission of Reports

reports.		Programme: (Date)
Inception Report		
Interim Progress Report     (a) First Status Report     (b) Second Status Rep	rogress Report First Status Report Second Status Report	
3. Draft Report		
Final Report		

# SECTION 4. FINANCIAL PROPOSAL - STANDARD FORMS

- 4A. Financial Proposal submission form.
- 4B. Summary of costs.
- 4C. Breakdown of local currency costs.
- 4D. Breakdown of foreign currency costs.

# 4A. FINANCIAL PROPOSAL SUBMISSION FORM

[Location, Date]

FROM: (N	ame of Firm)	TO: (N	fame and Address of Client)
Ladies/Gen	tlemen:	-	
Subject:	Hiring of Consu	ltants' Services for	
			Financial Proposal.
Financial Prifigures]. The state of the first transfer of	roposals). Our attact his amount is exclused figures]. financial proposal sect negotiations, up to	ched financial proposal is sive of the local taxes when shall be binding upon us so expiration of the validit	te], and our Proposal (technical and for the sum of [Amount in words and ich we have estimated at [Amount(s)] subject to the modifications resulting y period of the Proposal, i.e., [Date].
the above co	ontract, we will stri	ctly observe the laws aga erruption Act 1988".	inst fraud and corruption in force in
Com Proposal and	umissions and gratui d contract execution	ities, if any, paid or to be	paid by us to agents relating to this ontract, are listed below:
Name of Ag	e and Address gents	Amount and Currency	Purpose of Commission or Gratuity
We un	derstand you are no	t bound to accept any Pro	posal you receive.
We rer	main,		
			Yours sincerely,

Authorized Signature: Name and Title of Signatory: Name of the Firm:

Address:

### 4B. SUMMARY OF COSTS IN LOCAL AND FOREIGN CURRENCY

No.	Description	Amount (LC)*	Amount
	Local Consultants	ETC TO SET AL SE	(FC)*
I	Remuneration for Local Professional Staff		
II	Supporting Staff	3	
III	Transportation		
IV	Duty Travel to Site		
V	Office Rent		
VI	Office Supplies, Utilities and Communication		
VII	Office Furniture and Equipment		
VIII	Reports and Document Printing		
IX	Surveys		
	Subtotal Local Consultants :		
	Foreign Consultants		
F-I	Remuneration for Expatriate Staff		
F-II	Mobilization and Demobilization		
F-III	Accommodation for Consultants' Staff		
F-IV	Other Costs		
	Subtotal Foreign Consultants :		•
	Total Cost Net of Tax :	W.	-
	(Local & Foreign Consultants)		
Taxes and	Tax payable on fees for technical services provided by foreign personnel, including duties on equipment imported		
Duties	as defined in Clause 1.10 of SCC		
	Consultancy Services Tax		
	TOTAL COSTS (Including Tax)**		

LC\* Local Currency

FC\* Foreign Currency (Maximum of three currencies)

Note: The ceiling cost of the consultancy is as shown in the Summary of Costs. Payments will be made as per stipulations of the Special Conditions of Contract. The break-up of cost as given in formats 4C and 4D is to facilitate assessment of reasonableness of costs and conducting negotiations in accordance with clause 6 of the Information to Consultants.

<sup>\*\*</sup> UN Agencies should quantify and indicate in monetary terms the special privileges and immunities as well as advantages such as tax exemption and other facilities and special payment provisions.

# 4C. Breakdown Of Local Currency Costs ( )

# REMUNERATION FOR LOCAL STAFF

THUR!			18	Year	0		Year	1		Year	2
No.	Position	Name	Rate	SM	Amount	Rate	SM	Amount	Rate	SM	Amount
	Professional Staff										
1.											
2.											
3.											
4.											
5.	- 14										
6.											
7.											
8.											
9.				100							
10.			-								
	Sub-Total										
	Sub-Professional Staff										
1.											
2.	4									-	
3.											
4.											
5.											
6.											
7.											
8.					1						
9.									- Sank		niver in
10.											
	Sub-Total										
	TOTAL							-			

SM = Staff Month

# II. Support Staff

No.	Position	Name	Staff Months	Billing Rate ( )	Amount( )
1	Office Manager				
2	Bilingual Secretary				
3	Book-keeper				3
4	Typist I				
5	Typist II				
6	Office Boy		- 2		
7	Night Watchman			28	
				Total:	

# III. Transportation (Reimbursable)

1.	shall include the cost for rental, drivers, operation, maintenance, repairs, insurance, etc.	
	Purchases	
	Operation, maintenance, repairs	
	Total	
<u>Dut</u>	y Travel to Site (Reimbursable)  Professional Staff	
Dut		
<u>Dut</u> -	Professional Staff	

The rent cost include	les maintenance.	
cleaning, repairs, e		
months x 250 so	m x	

# VI. Office Supplies, Utilities and Communication (Reimbursable)

No.	Item	Months	Monthly Rate	Amount in
1.	Office Supplies			
2.	Drafting Supplies			
3.	Computer Running Costs			
4.	Domestic and International Communication			

TOTAL:	

# VII. Office Furniture and Equipment (Reimbursable)

No.	Description(*)	Unit	Quantity	Rate ()	Amount ()
	Office Furniture (Purchase)	BOOLEN LONG TO STATE			
1	Large desks and chairs		ant		
2	Medium desks and chairs		set		
3	Typist desks and chairs		set		
4	Double door cupboard		set		
5	Plan filing cabinet		nos		
6	Filing cabinet		nos		
7	Desk lamps		nos		
8	Meeting table with 12 chairs		nos		
9	White board		set		
10	Sofa set		nos		
10	Sola set	5. 14	set		
	Office Equipment (Purchase)				
1	Drawing pen set		set		
2	Lettering set		set		
3	Photocopying machine		nos		
4	Blueprint machine		nos		
5	Electric typewriter		nos		
6	Manual typewriter		nos		
7	Computer		set		
8	Facsimile		nos		8 1
9	Ring binding machine		nos		
10	Large stapler		nos		
11	Safe		nos		
12	Drafting board, machine, chairs, etc.		set		
13	Video multi system		set		
14	Camera SLR		nos		
				Total	

<sup>\*</sup> Modify as appropriate

### VIII. Reports and Document Printing

No.	Description*	No. of Volumes	No. of Copies per Volume	Rate per Copy	Amount ()
1	Monthly Report	,	CANADA IN COLOR		
2	Inception Report				94
3	Tender Evaluation Report				
4	Environmental Impact Assessment				
5	Quarterly Report				
6	Annual Report	4			
7	Supervision Report				
8	Training Material				
9	Engineering Reports		25		
10	O & M Manual				
11	Draft Completion Report				
12	Final Report				
				Total	

# IX. Topographical Surveys (example)\*

			-	mount of consultan
102-1				
-	Electronic Distan	ce Measureme	ent	
	6 months		@	=
-	Theodolite T-2	6 months	@	<del></del>
-	Theodolite T-0	7 months	@	=
-	Automatic level	7 months	@	=
-	Staves, range rod	s, etc.		

			Sub total
2.	Chain	nen	
	Each s	urveyor will be assisted by	chainmen
	for	surveyor months :	=
			Total

<sup>\*</sup> Modify as appropriate

### Payment Schedule in Local Currency

No.	Item	Mont h	Month	Mont h	Month	Month	Mont h	Mont h	Month
	Advance Payment								
I	Remuneration for Local Staff								
II	Supporting Staff								
Ш									
IV	Duty Travel to Site			7)					
V	Office Rent								
VI	Office Supplies and Communication								
VII	Office Furniture and Equipment				9				
VIII	Reports and Document Printing								
IX	Surveys								
Sub-To	tal Local Consultants:		3.00						
F-II	Mobilization and Demobilization								,
F-III	Accommodation for Consultants								
F-IV	Other Costs								
Sub-To Consult	tal Foreign ants:								
	Sub-Total:								
	Advance Repayment*:						-21-211		
	TOTAL PAYMENT:								
ACC	UMULATED TOTAL :								

<sup>\*</sup> Assuming that consultants receive an advance in a percentage of the contract amount, advance amount to be determined to cover expenditures until first payment is received.

# 4D. BREAKDOWN OF COSTS IN FOREIGN CURRENCY

No.	Description	Currency *	Amount
I	Remuneration for Expatriate Staff		
П	Mobilization and Demobilization		
	1 International Airfares 2 Inland Travel in Home Country 3 Inland Travel in Overseas Country 4 Excess Luggage Allowance 5 Unaccompanied Luggage Allowance 6 Relocation/Storage Allowance 7 Miscellaneous Travel Expense 8 Temporary Lodging during Mobilization/demobilization 9 Establishment 10 Exit charges		
Ш	Accommodation of Consultant's Expatriate State	ff	
IV	Other costs	24	
	TOTAL COSTS ( )		

<sup>\*</sup> Maximum of three currencies plus local currency.

# 1. Remuneration of Expatriate Staff

No.	Position	Name		Years 1	to 3
			Rate()	SM	Amount ()
			Total:		

# 2. Mobilization and Demobilization

1. International Airfares (Reimbursable)

Posit	ion	Round Trips	Dependents
Total	:		
perso	costs for round trips home office to on per round trip conform to the omy class fares	*	
	x		
2.	Inland Travel in Home Country (Fix	ted Rate)	
	Total cost for travel between the conhead office and airport	nsultants'	
	x		
3.	Inland Travel in Overseas Country (	Fixed Rate)	
	local cost for travel from the airport	to hotel	
	_x_x		

4.	Exce	Excess Luggage Allowance (Reimbursable)						
		ost per person per single trip to conform e official IATA rates						
	x_	_kg x						
5.	Unac	ecompanied Luggage Allowance (Fixed Rate)						
	At co	ost per family per round trip						
	x_	_kg x						
6.	Relo	cation/Storage Allowance (Fixed Rate)						
		ong term staff with an assignment of more 12 months						
	- fam	nily(es) x						
7.	Trav	el Documents and Miscellaneous Costs (Fixed Rate)						
	Trav	el documents, visa, health certificates, etc.						
	(a)	Short term staff, first trip						
		x						
	(b)	Short term staff subsequent trips						
		x						
	(c)	Long term staff first trip						
		- Family(es) x						
	(d)	Long term staff subsequent trip						
		- Family(es) x						
		Total:						

	Family x day(s) x
9.	Establishment Allowance (Fixed Rate)
	Expenses for legal documents in country extension of permits, work permits, etc.
	(a) For short term staff assignments less than 6 months
	x
	(b) Long term staff
	person(s) xtrip(s)
	Total:
10.	Exit Charges (Reimbursable)
	Allow for expatriate staff with assignments of more than 6 months per exit at cost
	person(s) x trip(s)
Acco	mmodation for Consultants' Expatriate Staff (Fixed Rate)
	Per Diem Allowance Short Term Staff
1.	
1.	Total staff months of days is days  Reimbursement of the cost will be on actual day basis
1.	Total staff months of days is days  Reimbursement of the cost will be on actual day basis  days x
	Reimbursement of the cost will be on actual day basis
2.	Reimbursement of the cost will be on actual day basis  days x

Purchase of documents	
Budget for purchase of documents, books,	
maps, International standards etc., to be	
reimbursed at cost. Allow as ceiling amount	

TOTAL:

# Payment Schedule in Foreign Currency

No.	Item	Mont h	Month	Mont h	Month	Month	Mont h	Mont h	Month
	Advance Payment *								
I	Remuneration for Expatriate Staff								
1.	International Airfares								
2.	Inland Travel in Home Country								
3.	Excess Luggage								
4.	Unaccompanied Luggage Allowance		-						
5.	Re-allocation / Storage Allowance								
6.	Miscellaneous Travel Expenses					120.20			
	Sub-Total:								
	Advance Repayment*:								
	TOTAL PAYMENT :	1-4 · ·							
ACC	UMULATED TOTAL :					* 5			

<sup>\*</sup> See footnote for payment schedule in local currency at page 40.

### SECTION 5. TERMS OF REFERENCE

Terms of Reference normally contain the following sections:

- 1. BACKGROUND
- 2. A CONCISE STATEMENT OF OBJECTIVES
- 3. AN OUTLINE OF THE TASKS TO BE CARRIED OUT
- 4. SCHEDULE FOR COMPLETION OF TASKS
- 5. DATA, SERVICES AND FACILITIES TO BE PROVIDED BY THE CLIENT
- 6. FINAL OUTPUTS (i.e., REPORTS, DRAWINGS, etc.) THAT WILL BE REQUIRED OF THE CONSULTANT
- 7. COMPOSITION OF REVIEW COMMITTEE TO MONITOR CONSULTANTS WORK
- 8. PROCEDURE FOR REVIEW OF PROGRESS REPORTS, INCEPTION, STATUS, FINAL DRAFT AND FINAL REPORTS
- LIST OF KEY PROFESSIONAL POSITIONS WHOSE CV AND EXPERIENCE WOULD BE EVALUATED. (This should be same as indicated in Clause 3.3 (iv) of Data Sheet to Information to Consultants.)

# SECTION 6. STANDARD FORM OF CONTRACT

# CONTRACT FOR CONSULTANT'S SERVICES

between	
[name of Client]	
and	
[name of Consultants]	
Dated :	
	<u> </u>

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### I. FORM OF CONTRACT

### COMPLEX TIME-BASED ASSIGNMENTS

This CONTRACT (hereinafter called the "Contract") is made the	day of the
month of, 19, between, on the one hand,	(hereinafter
called the "Client") and, on the other hand,(hereinafter	called the
"Consultants").	
[Note*: If the Consultants consist of more than one entity, the above should be paramended to read as follows:  "(hereinafter called the "Client") and, on the other hand, a joint venture consisting following entities, each of which will be jointly and severally liable to the Client for a Consultants' obligations under this Contract, namely,	of the
(hereinafter called the "Consultants.")"].	

### WHEREAS

- (a) the Client has requested the Consultants to provide certain consulting services as defined in the General Conditions of Contract attached to this Contract (hereinafter called the "Services");
- (b) the Consultants, having represented to the Client that they have the required professional skills, and personnel and technical resources, have agreed to provide the Services on the terms and conditions set forth in this Contract;
- (c) the Client has received [or: has applied for] a loan from the International Bank for Reconstruction and Development (hereinafter called the "Bank") [or: a credit from the International Development Association (hereinafter called the "Association")] towards the cost of the Services and intends to apply a portion of the proceeds of this loan [or: credit] to eligible payments under this Contract, it being understood (i) that payments by the Bank [or:

<sup>\*</sup> All notes should be deleted in the final text

the Association] will be made only at the request of the Client and upon approval by the Bank [or: the Association], (ii) that such payments will be subject, in all respects, to the terms and conditions of the agreement providing for the loan [or: the credit], and (iii) that no party other than the Client shall derive any rights from the agreement providing for the loan [or: the credit] or have any claim to the loan [or: the credit] proceeds;

NOW THEREFORE the parties hereto hereby agree as follows:

		20 20 2	
1.		following docur	nents attached hereto shall be deemed to form an integral part of
	(a)	The General	Conditions of Contract (hereinafter called "GC");
	(b)	The Special (	Conditions of contract (hereinafter called "SC");
	(c)	The following	g Appendices:
		be inserted be	of these Appendices are not used, the words "Not Used" should elow next to the title of the Appendix on the sheet attached hereto title of that Appendix.].
		Appendix A:	Description of the Services
		Appendix B:	Reporting Requirements
		Appendix C:	Key Personnel and Sub-consultants
		Appendix D:	Medical Certificate
		Appendix E:	Hours of Work for key Personnel

		Appendix F:	Duties of the Client
		Appendix G:	Cost Estimates in Foreign Currency
		Appendix H:	Cost Estimates in Local Currency
		Appendix I:	Form of Guarantee for Advance Payments
2.		nutual rights and the Contract;	d obligations of the Client and the Consultants shall be as set in particular:
	(a)	The Consultan	its shall carry out the Services in accordance with the provisions t; and
	(b)	the Client sha	all make payments to the Consultants in accordance with the he Contract.
IN WI	TNESS	WHEREOF, th	ne Parties hereto have caused this Contract to be signed in their
			y and year first above written.
			FOR AND ON BEHALF OF [NAME OF THE CLIENT]
			Ву
			(Authorized Representative)
			FOR AND ON BEHALF OF [NAME OF THE CONSULTANTS]
			By(Authorized Representative)

[Note: If the Consultants consist of more than one entity, all of these entities should appear as signatories, e.g., in the following manner:]

# FOR AND ON BEHALF OF EACH OF THE MEMBERS OF THE CONSULTANTS

[Name of the Member]
By(Authorized Representative)
[Name of the Member]
By(Authorized Representative)
etc.

### II. GENERAL CONDITIONS OF CONTRACT

### 1. General Provisions

### 1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- (a) "Applicable Law" means the laws and any other instruments having the force of law in the Government's country [or in such other country as may be specified in the Special Conditions of Contract (SC)], as they may be issued and in force from time to time;
- (b) "Bank" means the International Bank for Reconstruction and Development, Washington, D.C., U.S.A.;

or

- "Association" means the International Development Association, Washington, D.C., U.S.A.;
- (c) "Contract" means the Contract signed by the Parties, to which these General Conditions of Contract are attached, together with all the documents listed in Clause 1 of such signed Contract;
- (d) "Effective Date" means the date on which this Contract comes into force and effect pursuant to Clause GC 2.1;
- (e) "foreign currency" means any currency other than the currency of the Government;
- (f) "GC" means these General Conditions of Contract;
- (g) "Government" means the Government of Client's Country;
- (h) "Local currency" means the currency of the Government;
- (i) "Member", in case the Consultants consist of a joint venture of more than one entity, means any of these entities, and "Members" means all of these entities;
- (j) "Party" means the Client or the Consultants, as the case may be, and Parties means both of them;

- (k) "Personnel" means persons hired by the Consultants or by any Sub-consultant as employees and assigned to the performance of the Services or any part thereof; "Foreign Personnel" means such persons who at the time of being so hired had their domicile outside the Government's Country; "Local Personnel" means such persons who at the time of being so hired had their domicile inside the Government's Country; and 'key personnel' means the personnel referred to in Clause GC 4.2 (a).
- (1) "SC" means the Special Conditions of Contract by which these General Conditions of Contract may be amended or supplemented;
- (m) "Services" means the work to be performed by the Consultants pursuant to this Contract, as described in Appendix A hereto;
- (n) "Sub-consultant" means any entity to which the Consultants subcontract any part of the Services in accordance with the provisions of Clause GC 3.7; and
- (o) "Third Party" means any person or entity other than the Government, the Client, the Consultants or a Sub-consultant.

### 1.2 Relation between the Parties

Nothing contained herein shall be construed as establishing a relation of master and servant or of principal and agent as between the Client and the Consultants. The Consultants, subject to this Contract, have complete charge of Personnel and Subconsultants, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.

### 1.3 Law Governing Contract

This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.

### 1.4 Language

This Contract has been executed in the language specified in the SC, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

### 1.5 Headings

The headings shall not limit, alter or affect the meaning of this Contract.

### 1.6 Notices

- 1.6.1 Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram or facsimile to such Party at the address specified in the SC.
- 1.6.2 Notice will be deemed to be effective as specified in the SC.
- 1.6.3 A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the SC with respect to Clause GC 1.6.2.

### 1.7 Location

The Services shall be performed at such locations as are specified in Appendix A hereto and, where the location of a particular task is not so specified, at such locations, whether in Government's Country or elsewhere, as the Client may approve.

### 1.8 Authority of Member in Charge

In case the Consultants consist of a joint venture of more than one entity, the Members hereby authorize the entity specified in the SC to act on their behalf in exercising all the Consultants' rights and obligations towards the Client under this Contract, including without limitation the receiving of instructions and payments from the Client.

### 1.9 Authorized Representatives

Any action required or permitted to be taken, and any document required or permitted to be executed, under this Contract by the Client or the Consultants may be taken or executed by the officials specified in the SC.

### 1.10 Taxes and Duties

Unless otherwise specified in the SC, the Consultants, Sub-consultants and Personnel shall pay such taxes, duties, fees and other impositions as may be levied under the Applicable Law.

### 2. Commencement, Completion, Modification and Termination of Contract

### 2.1 Effectiveness of Contract

This Contract shall come into force and effect on the date (the "Effective Date") of the Client's notice to the Consultants instructing the Consultants to begin carrying out the Services. This notice shall confirm that the effectiveness conditions, if any, listed in the SC have been met.

### 2.2 Termination of Contract for Failure to Become Effective

If this Contract has not become effective within such time period after the date of the Contract signed by the Parties as shall be specified in the SC, either Party may, by not less than four (4) weeks' written notice to the other Party, declare this Contract to be null and void, and in the event of such a declaration by either Party, neither Party shall have any claim against the other Party with respect hereto.

### 2.3 Commencement of Services

The Consultants shall begin carrying out the Services at the end of such time period after the Effective Date as shall be specified in the SC.

### 2.4 Expiration of Contract

Unless terminated earlier pursuant to Clause GC 2.9 hereof, this Contract shall expire when services have been completed and all payments have been made at the end of such time period after the Effective Date as shall be specified in the SC.

### 2.5 Entire Agreement

This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein.

### 2.6 Modification

Modification of the terms and conditions of this Contract, including any modification of the scope of the Services, may only be made by written agreement between the Parties and shall not be effective until the consent of the Bank or of the Association, as the case may be, has been obtained. Pursuant to Clause GC 7.2 hereof, however, each Party shall give due consideration to any proposals for modification made by the other Party.

### 2.7 Force Majeure

### 2.7.1 Definition

- (a) For the purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Party, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent), confiscation or any other action by government agencies.
- (b) Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such Party's Sub-consultants or agents or employees, nor (ii) any event which a diligent Party could reasonably have been expected to both (A) take into account at the time of the conclusion of this Contract and (B) avoid or overcome in the carrying out of its obligations hereunder.
- (c) Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

### 2.7.2 No Breach of Contract

The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

### 2.7.3 Measures to be Taken

- (a) A Party affected by an event of Force Majeure shall take all reasonable measures to remove such Party's inability to fulfill its obligations hereunder with a minimum of delay.
- (b) A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any event not later than fourteen (14) days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give notice of the restoration of normal conditions as soon as possible.

(c) The Parties shall take all reasonable measures to minimize the consequences of any event of Force Majeure.

### 2.7.4 Extension of Time

Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

### 2.7.5 Payments

During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultants shall be entitled to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Services and in reactivating the Services after the end of such period.

### 2.7.6 Consultation

Not later than thirty (30) days after the Consultants, as the result of an event of Force Majeure, have become unable to perform a material portion of the Services, the Parties shall consult with each other with a view to agreeing on appropriate measures to be taken in the circumstances.

### 2.8 Suspension

The Client may, by written notice of suspension to the Consultants, suspend all payments to the Consultants hereunder if the Consultants fail to perform any of their obligations under this Contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall request the Consultants to remedy such failure within a period not exceeding thirty (30) days after receipt by the Consultants of such notice of suspension.

### 2.9 Termination

### 2.9.1 By the Client

The Client may, by not less than thirty (30) days' written notice of termination to the Consultants (except in the event listed in paragraph (f) below, for which there shall be a written notice of not less than sixty (60) days), such notice to be given after the occurrence of any of the events

specified in paragraphs (a) through (g) of this Clause GC 2.9.1, terminate this Contract:

- (a) if the Consultants fail to remedy a failure in the performance of their obligations hereunder, as specified in a notice of suspension pursuant to Clause GC 2.8 hereinabove, within thirty (30) days of receipt of such notice of suspension or within such further period as the Client may have subsequently approved in writing;
- (b) if the Consultants become (or, if the Consultants consist of more than one entity, if any of their Members becomes) insolvent or bankrupt or enter into any agreements with their creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;
- (c) if the Consultants fail to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GC 8 hereof;
- (d) if the Consultants submit to the Client a statement which has a material effect on the rights, obligations or interests of the Client and which the Consultants know to be false;
- (e) if, as the result of Force Majeure, the Consultants are unable to perform a material portion of the Services for a period of not less than sixty (60) days; or
- (f) if the Client, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.
- (g) if the consultant, in the judgment of the Client has engaged in corrupt or fraudulent practices in competing for or in executing the Contract. For the purpose of this clause:

"corrupt practice" means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the selection process or in contract execution.

"fraudulent practice" means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the Borrower, and includes collusive practice among consultants (prior to or after submission of proposals) designed to establish prices at artificial non-competitive levels and to deprive the Borrower of the benefits of free and open competition.

### 2.9.2 By the Consultants

The Consultants may, by not less than thirty (30) days' written notice to the Client, such notice to be given after the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause GC 2.9.2, terminate this Contract:

- (a) if the Client fails to pay any money due to the Consultants pursuant to this Contract and not subject to dispute pursuant to Clause 8 hereof within forty-five (45) days after receiving written notice from the Consultants that such payment is overdue;
- (b) if the Client is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Consultants may have subsequently approved in writing) following the receipt by the Client of the Consultants' notice specifying such breach;
- (c) if, as the result of Force Majeure, the Consultants are unable to perform a material portion of the Services for a period of not less than sixty (60) days; or
- (d) if the Client fails to comply with any final decision reached as a result of arbitration pursuant to Clause GC 8 hereof.

### 2.9.3 Cessation of Rights and Obligations

Upon termination of this Contract pursuant to Clauses GC 2.2 or GC 2.9 hereof, or upon expiration of this Contract pursuant to Clause GC 2.4 hereof, all rights and obligations of the Parties hereunder shall cease, except:

- (i) such rights and obligations as may have accrued on the date of termination or expiration;
- (ii) the obligation of confidentiality set forth in Clause GC 3.3 hereof;
- (iii) the Consultants' obligation to permit inspection, copying and auditing of their accounts and records set forth in Clause GC 3.6 (ii) hereof; and
- (iv) any right which a Party may have under the Applicable Law.

### 2.9.4 Cessation of Services

Upon termination of this Contract by notice of either Party to the other pursuant to Clauses GC 2.9.1 or GC 2.9.2 hereof, the Consultants shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the Consultants and equipment and materials furnished by the Client, the Consultants shall proceed as provided, respectively, by Clauses GC 3.9 or GC 3.10 hereof.

### 2.9.5 Payment upon Termination

Upon termination of this Contract pursuant to Clauses GC 2.9.1 or GC 2.9.2 hereof, the Client shall make the following payments to the Consultants (after offsetting against these payments any amount that may be due from the Consultant to the Client)):

- (a) remuneration pursuant to Clause GC 6 hereof for Services satisfactorily performed prior to the effective date of termination;
- (b) reimbursable expenditures pursuant to Clause GC 6 hereof for expenditures actually incurred prior to the effective date of termination; and
- (c) except in the case of termination pursuant to paragraphs (a) through (d) of Clause GC 2.9.1 hereof, reimbursement of any reasonable cost incident to the prompt and orderly termination of the Contract including the cost of the return travel of the Consultants' personnel and their eligible dependents.

### 2.9.6 Disputes about Events of Termination

If either Party disputes whether an event specified in paragraphs (a) through (e) of Clause GC 2.9.1 or in Clause GC 2.9.2 hereof has occurred, such Party may, within forty-five (45) days after receipt of notice of termination from the other Party, refer the matter to arbitration pursuant to Clause GC 8 hereof, and this Contract shall not be terminated on account of such event except in accordance with the terms of any resulting arbitral award.

# 3. Obligations of the Consultants

#### 3.1 General

#### 3.1.1 Standard of Performance

The Consultants shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced technology and safe and effective equipment, machinery, materials and methods. The Consultants shall always act, in respect of any matter relating to this Contract or to the Services, as faithful advisers to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with Sub-consultants or Third Parties.

#### 3.1.2 Law Governing Services

The Consultants shall perform the Services in accordance with the Applicable Law and shall take all practicable steps to ensure that any Subconsultants, as well as the Personnel of the Consultants and any Subconsultants, comply with the Applicable Law. The Client shall advise the Consultants in writing of relevant local customs and the Consultants shall, after such notifications, respect such customs.

#### 3.2 Conflict of Interests

# 3.2.1 Consultants Not to Benefit from Commissions, Discounts, etc.

The remuneration of the Consultants pursuant to Clause GC 6 hereof shall constitute the Consultants' sole remuneration in connection with this Contract or the Services and, subject to Clause GC 3.2.2 hereof, the Consultants shall not accept for their own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of their obligations hereunder, and the Consultants shall use their best efforts to ensure that any Subconsultants, as well as the Personnel and agents of either of them, similarly shall not receive any such additional remuneration.

# 3.2.2 Procurement Rules of Funding Agencies

If the Consultants, as part of the Services, have the responsibility of advising the Client on the procurement of goods, works or services, the Consultants shall comply with any applicable procurement guidelines of the Bank or of the Association, as the case may be, and other funding agencies and shall at all times exercise such responsibility in the best interest of the Client. Any discounts or commissions obtained by the Consultants in the exercise of such procurement responsibility shall be for the account of the Client.

# 3.2.3 Consultants and Affiliates Not to engage in Certain Activities

The Consultants agree that, during the term of this Contract and after its termination, the Consultants and any entity affiliated with the Consultants, as well as any Sub-consultant and any entity affiliated with such Sub-consultant, shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

# 3.2.4 Prohibition of Conflicting Activities

The Consultants shall not engage, and shall cause their Personnel as well as their Sub-consultants and their Personnel not to engage, either directly or indirectly, in any of the following activities:

- (a) during the term of this Contract, any business or professional activities in the Government's country which would conflict with the activities assigned to them under this Contract; and
- (b) after the termination of this Contract, such other activities as may be specified in the SC.

# 3.3 Confidentiality

The Consultants, their Sub-consultants and the Personnel of either of them shall not, either during the term or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Project, the Services, this Contract or the Client's business or operations without the prior written consent of the Client.

#### 3.4 Liability of the Consultants

Subject to additional provisions, if any, set forth in the SC, the Consultants' liability under this Contract shall be as provided by the Applicable Law.

# 3.5 Insurance to be Taken Out by the Consultants

The Consultants (i) shall take out and maintain, and shall cause any Sub-consultants to take out and maintain, at their (or the Sub-consultants', as the case may be) own cost but on terms and conditions approved by the Client, insurance against the risks, and for the coverages, as shall be specified in the SC, and (ii) at the Client's request, shall provide evidence to the Client showing that such insurance has been taken out and maintained and that the current premiums therefor have been paid.

# 3.6 Accounting, Inspection and Auditing

The Consultants (i) shall keep accurate and systematic accounts and records in respect of the Services, hereunder, in accordance with internationally accepted accounting principles and in such form and detail as will clearly identify all relevant time charges and cost, and the bases thereof (including such bases as may be specifically referred to in the SC); (ii) shall permit the Client or its designated representative periodically, and up to one year from the expiration or termination of this Contract, to inspect the same and make copies thereof as well as to have them audited by auditors appointed by the Client; and (iii) shall permit the Bank to inspect the Consultant's accounts and records relating to the performance of the Consultant and to have them audited by auditors appointed by the Bank, if so required by the Bank.

# 3.7 Consultants' Actions Requiring Client's Prior Approval

The Consultants shall obtain the Client's prior approval in writing before taking any of the following actions:

- (a) appointing such members of the Personnel as are listed in Appendix C ("Consultants' Sub-consultants' Key Personnel") merely by title but not by name;
- (b) entering into a subcontract for the performance of any part of the Services, it being understood (i) that the selection of the Sub-consultant and the terms and conditions of the subcontract shall have been approved in writing by the Client prior to the execution of the subcontract, and (ii) that the Consultants shall remain fully liable for the performance of the Services by the Subconsultant and its Personnel pursuant to this Contract; and

(c) any other action that may be specified in the SC.

# 3.8 Reporting Obligations

The Consultants shall submit to the Client the reports and documents specified in Appendix B hereto, in the form, in the numbers and within the time periods set forth in the said Appendix.

# 3.9 Documents Prepared by the Consultants to Be the Property of the Client

All plans, drawings, specifications, designs, reports, other documents and software prepared by the Consultants for the Client under this Contract shall become and remain the property of the Client, and the Consultants shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Client, together with a detailed inventory thereof. The Consultants may retain a copy of such documents and software. Restrictions about the future use of these documents and software, if any, shall be specified in the SC.

# 3.10 Equipment and Materials Furnished by the Client

Equipment and materials made available to the Consultants by the Client, or purchased by the Consultants with funds provided by the Client, shall be the property of the Client and shall be marked accordingly. Upon termination or expiration of this Contract, the Consultants shall make available to the Client an inventory of such equipment and materials and shall dispose of such equipment and materials in accordance with the Client's instructions. While in possession of such equipment and materials, the Consultants, unless otherwise instructed by the Client in writing, shall insure them at the expense of the Client in an amount equal to their full replacement value.

#### 4. Consultants' Personnel and Sub-consultants

#### 4.1 General

The Consultants shall employ and provide such qualified and experienced Personnel and Sub-consultants as are required to carry out the Services.

# 4.2 Description of Personnel

(a) The titles, agreed job descriptions, minimum qualification and estimated periods of engagement in the carrying out of the Services of each of the Consultants' Key Personnel are described in Appendix C. If any of the Key Personnel has already been approved by the clients his/her name is listed as well.

- (b) If required to comply with the provisions of Clause GCC 3.1.1 hereof, adjustments with respect to the estimated periods of engagement of Key Personnel set forth in Appendix C may be made by the Consultants by written notice to the Client, provided (i) that such adjustments shall not alter the originally estimated period of engagement of any individual by more than 10% or one week, whichever is larger, and (ii) that the aggregate of such adjustments shall not cause payments under this Contract to exceed the ceilings set forth in Clause GC 6.1(b) of this Contract. Any other such adjustments shall only be made with the Client's written approval.
- (c) If additional work is required beyond the scope of the Services specified in Appendix A, the estimated periods of engagement of Key Personnel set forth in Appendix C may be increased by agreement in writing between the Client and the Consultants, provided that any such increase shall not, except as otherwise agreed, cause payments under this Contract to exceed the ceilings set forth in Clause GC 6.1(b) of this Contract.

# 4.3 Approval of Personnel

The Key Personnel and Sub-consultants listed by title as well as by name in Appendix C are hereby approved by the Client. In respect of other Key Personnel which the Consultants propose to use in the carrying out of the Services, the Consultants shall submit to the client for review and approval a copy of their biographical data and (in the case of Key personnel to be used within the country of the Government) a copy of a satisfactory medical certificate in the form attached hereto as Appendix D. If the Client does not object in writing (stating the reasons for the objection) within twenty-one (21) calendar days from the date of receipt of such biographical data and (if applicable) such certificate, such Key Personnel shall be deemed to have been approved by the Client.

# 4.4 Working Hours, Overtime, Leave, etc.

- (a) Working hours and holidays for Key Personnel are set forth in Appendix E hereto. To account for travel time, foreign Personnel carrying out Services inside the Government's country shall be deemed to have commenced (or finished) work in respect of the Services such number of days before their arrival in (or after their departure from) the Government's country as is specified in Appendix E hereto.
- (b) The Key Personnel shall not be entitled to be paid for overtime nor to take paid sick leave or vacation leave except as specified in Appendix E hereto, and except as specified in such Appendix, the Consultants' remuneration shall be deemed to cover these items. All leave to be allowed to the Personnel is

included in the staff-months of service set for thin Appendix C. Any taking of leave by Personnel shall be subject to the prior approval by the Consultants who shall ensure that absence for leave purposes will not delay the progress and adequate supervision of the Services.

# 4.5 Removal and/or Replacement of Personnel

- (a Except as the Client may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Consultants, it becomes necessary to replace any of the Personnel, the Consultants shall forthwith provide as a replacement a person of equivalent or better qualifications.
- (b) If the Client (i) finds that any of the Personnel has committed serious misconduct or has been charged with having committed a criminal action, or (ii) has reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultants shall, at the Client's written request specifying the grounds therefor, forthwith provide as a replacement a person with qualifications and experience acceptable to the Client.
- (c) Any of the Personnel provided as a replacement under Clauses (a) and (b) above, the rate of remuneration applicable to such person as well as any reimbursable expenditures (including expenditures due to the number of eligible dependents) the Consultants may wish to claim as a result of such replacement, shall be subject to the prior written approval by the Client. Except as the Client may otherwise agree, (i) the Consultants shall bear all additional travel and other costs arising out of or incidental to any removal and/or replacement, and (ii) the remuneration to be paid for any of the Personnel provided as a replacement shall not exceed the remuneration which would have been payable to the Personnel replaced.

# 4.6 Resident Project Manager

If required by the SC, the Consultants shall ensure that at all times during the Consultants' performance of the Services in the Government's country a resident project manager, acceptable to the Client, shall take charge of the performance of such Services.

# 5. Obligations of the Client

# 5.1 Assistance and Exemptions

Unless otherwise specified in the SC, the Client shall use its best efforts to ensure that the Government shall:

- (a) provide the Consultants, Sub-consultants and Personnel with work permits and such other documents as shall be necessary to enable the Consultants, Sub-consultants or Personnel to perform the Services;
- (b) assist for the Personnel and, if appropriate, their eligible dependents to be provided promptly with all necessary entry and exit visas, residence permits, exchange permits and any other documents required for their stay in Government's country;
- (c) facilitate prompt clearance through customs of any property required for the Services and of the personal effects of the Personnel and their eligible dependents;
- (d) issue to officials, agents and representatives of the Government all such instructions as may be necessary or appropriate for the prompt and effective implementation of the Services;
- (e) assist the Consultants and the Personnel and any Sub-consultants employed by the Consultants for the Services from any requirement to register or obtain any permit to practice their profession or to establish themselves either individually or as a corporate entity according to the Applicable Law;
- (f) grant to the Consultants, any Sub-consultant and the Personnel of either of them the privilege, pursuant to the Applicable Law, of bringing into Government's country reasonable amounts of foreign currency for the purposes of the Services or for the personal use of the Personnel and their dependents and of withdrawing any such amounts as may be earned therein by the Personnel in the execution of the Services; and
- (g) provide to the Consultants, Sub-consultants and Personnel any such other assistance as may be specified in the SC.

#### 5.2 Access to Land

The Client warrants that the Consultants shall have, free of charge, unimpeded access to all land in the Government's country in respect of which access is required for the performance of the Services. The Client will be responsible for any damage

to such land or any property thereon resulting from such access and will indemnify the Consultants and each of the Personnel in respect of liability for any such damage, unless such damage is caused by the default or negligence of the Consultants or any Sub-consultant or the Personnel of either of them.

# 5.3 Change in the Applicable Law

If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost or reimbursable expenses incurred by the Consultants in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Consultants under this Contract shall be increased or decreased accordingly by agreement between the Parties hereto, and corresponding adjustments shall be made to the ceiling amounts specified in Clause GC 6.1(b).

# 5.4 Services, Facilities and Property of the Client

The Client shall make available to the Consultants and the Personnel, for the purposes of the services and free of any charge, the services, facilities and property described in Appendix F at the times and in the manner specified in said Appendix F, provided that if such services, facilities and property shall not be made available to the Consultants as and when so specified, the Parties shall agree on (i) any time extension that it may be appropriate to grant to the Consultants for the performance of the Services, (ii) the manner in which the Consultants shall procure any such services, facilities and property from other sources, and (iii) the additional payments, if any, to be made to the Consultants as a result thereof pursuant to Clause GC 6.1(c) hereinafter.

# 5.5 Payment

In consideration of the Services performed by the Consultants under this Contract, the Client shall make to the Consultants such payments and in such manner as is provided by Clause GC 6 of this Contract.

# 5.6 Counterpart Personnel

(a) If so provided in Appendix F hereto, the Client shall make available to the Consultants, as and when provided in such Appendix F, and free of charge, such counterpart personnel to be selected by the Client, with the Consultants' advice, as shall be specified in such Appendix F. Counterpart personnel shall work under the exclusive direction of the Consultants. If any member of the counterpart personnel fails to perform adequately any work assigned to him by the Consultants which is consistent with the position occupied by such

- member, the Consultants may request the replacement of such member, and the Client shall not unreasonably refuse to act upon such request.
- (b) If counterpart personnel are not provided by the Client to the Consultants as and when specified in Appendix F, the Client and the Consultants shall agree on (i) how the affected part of the Services shall be carried out, and (ii) the additional payments, if any, to be made by the Client to the Consultants as a result thereof pursuant to Clause GC 6.1(c) hereof.

# 6. Payments to the Consultants

# 6.1 Cost Estimates; Ceiling Amount

- (a) An estimate of the cost of the Services payable in foreign currency is set forth in Appendix G. An estimate of the cost of the Services payable in local currency is set forth in Appendix H.
- (b) Except as may be otherwise agreed under Clause GC 2.6 and subject to Clause GC 6.1(c), payments under this Contract shall not exceed the ceilings in foreign currency and in local currency specified in the SC. The Consultants shall notify the Client as soon as cumulative charges incurred for the Services have reached 80% of either of these ceilings.
- (c) Notwithstanding Clause GC 6.1(b) hereof, if pursuant to clauses GC 5.3, 5.4 or 5.6 hereof, the Parties shall agree that additional payments in local and/or foreign currency, as the case may be, shall be made to the Consultants in order to cover any necessary additional expenditures not envisaged in the cost estimates referred to in Clause GC 6.1(a) above, the ceiling or ceilings, as the case may be, set forth in Clause GC 6.1(b) above shall be increased by the amount or amounts, as the case may be, of any such additional payments.

# 6.2 Remuneration and Reimbursable Expenditures

- (a) Subject to the ceilings specified in Clause GC 6.1(b) hereof, the Client shall pay to the Consultants (i) remuneration as set forth in Clause GC 6.2(b), and (ii) reimbursable expenditures as set forth in Clause GC 6.2(c). If specified in the SC, said remuneration shall be subject to price adjustment as specified in the SC.
- (b) Remuneration for the Personnel shall be determined on the basis of time actually spent by such Personnel in the performance of the Services after the date determined in accordance with Clause GC 2.3 and Clause SC 2.3 (or such other date as the Parties shall agree in writing) (including time for necessary

travel via the most direct route) at the rates referred to, and subject to such additional provisions as are set forth, in the SC.

(c) Reimbursable expenditures actually and reasonably incurred by the Consultants in the performance of the Services, as specified in Clause SC 6.3(b).

# 6.3 Currency of Payment

- (a) Foreign currency payments shall be made in the currency or currencies specified as foreign currency or currencies in the SC, and local currency payments shall be made in the currency of the Government.
- (b) The SC shall specify which items of remuneration and reimbursable expenditures shall be paid, respectively, in foreign and in local currency.

# 6.4 Mode of Billing and Payment

Billing and payments in respect of the Services shall be made as follows:

- (a) The Client shall cause to be paid to the Consultants an advance payment as specified in the SC, and as otherwise set forth below. The advance payment will be due after provision by the Consultants to the Client of a bank guarantee by a bank acceptable to the Client in an amount (or amounts) and in a currency (or currencies) specified in the SC, such bank guarantee (I) to remain effective until the advance payment has been fully set off as provided in the SC, and (ii) to be in the form set forth in Appendix I hereto or in such other form as the Client shall have approved in writing.
- (b) As soon as practicable and not later than fifteen (15 days) after the end of each calendar month during the period of the Services, the Consultants shall submit to the Client, in duplicate, itemized statements, accompanied by copies of receipted invoices, vouchers and other appropriate supporting materials, of the amounts payable pursuant to Clauses GC 6.3 and 6.4 for such month. Separate monthly statements shall be submitted in respect of amounts payable in foreign currency and in local currency. Each such separate monthly statement shall distinguish that portion of the total eligible costs which pertains to remuneration from that portion which pertains to reimbursable expenditures.
- (c) The Client shall cause the payment of the Consultants periodically as given in schedule of payment above within sixty (60) days after the receipt by the Client of bills with supporting documents. Only such portion of a monthly statement that is not satisfactorily supported may be withheld from payment. Should any discrepancy be found to exist between actual payment and costs authorized to

be incurred by the Consultants, the Client may add or subtract the difference from any subsequent payments. Interest at the rate specified in the SC shall become payable as from the above due date on any amount due by, but not paid on, such due date.

- (d) The final payment under this Clause shall be made only after the final report and a final statement, identified as such, shall have been submitted by the Consultants and approved as satisfactory by the Client. The Services shall be deemed completed and finally accepted by the Client and the final report and final statement shall be deemed approved by the Client as satisfactory ninety (90) calendar days after receipt of the final report and final statement by the Client unless the Client, within such ninety (90)-day period, gives written notice to the Consultants specifying in detail deficiencies in the Services, the final report or final statement. The Consultants shall thereupon promptly make any necessary corrections, and upon completion of such corrections, the foregoing process shall be repeated. Any amount which the Client has paid or caused to be paid in accordance with this Clause in excess of the amounts actually payable in accordance with the provisions of this Contract shall be reimbursed by the Consultants to the Client within thirty (30) days after receipt by the Consultants of notice thereof. Any such claim by the Client for reimbursement must be made within twelve (12) calendar months after receipt by the Client of a final report and a final statement approved by the Client in accordance with the above.
- (e) All payments under this Contract shall be made to the account of the Consultants specified in the SC.

#### 7. Fairness and Good Faith

#### 7.1 Good Faith

The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

# 7.2 Operation of the Contract

The Parties recognize that it is impractical in this Contract to provide for every contingency which may arise during the life of the Contract, and the Parties hereby agree that it is their intention that this Contract shall operate fairly as between them, and without detriment to the interest of either of them, and that, if during the term of this Contract either Party believes that this Contract is operating unfairly, the Parties will use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness, but no failure to agree on any action pursuant to

this Clause shall give rise to a dispute subject to arbitration in accordance with Clause GC 8 hereof.

# 8. Settlement of Disputes

#### 8.1 Amicable Settlement

The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or the interpretation thereof.

# 8.2 Dispute Settlement

Any dispute between the Parties as to matters arising pursuant to this Contract which cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions specified in the SC.

# III. SPECIAL CONDITIONS OF CONTRACT

Number of GC Clause	
<b>A.</b>	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.1(a)	The words "in the Government's country" are amended to read "in INDIA"
1.4	The language is: English
1.6.1	The addresses are:
	Client:
	Attention:
	Cable address: Telex: Facsimile:
	Consultants:
	Attention:

		Cable address:
		Telex :
		Facsimile :
		[Note1: Fill in the Blanks]
1.6.2	Notice will	be deemed to be effective as follows:
	(a)	in the case of personal delivery or registered mail, on delivery;
	(b)	in the case of telexes, 24 hours following confirmed transmission;
	(c)	in the case of telegrams, 24 hours following confirmed transmission; and
	(d)	in the case of facsimiles, 24 hours following confirmed transmission.
1.8	The Member	r in Charge is: (Name of Member)
entity	whose address	Itants consist of a joint venture of more than one entity, the name of the ss is specified in SC 1.6.1 should be inserted here. If the Consultants entity, this Clause 1.8 should be deleted from the SC.)
1.9	The A	Authorized Representatives are:
	For th	ne Client:
	For th	ne Consultants:
	[Note: Fill in	n the Blanks]
1.10	For domestic residents in l	consultants / personnel and foreign personnel who are permanent
The co	onsultants, Sul her imposition	b-consultants and the Personnel shall pay the taxes, duties, fees, levies as levied under the existing, amended or enacted laws during life of this

contract and the client shall perform such duties in regard to the deduction of such tax as may

be lawfully imposed.

<sup>1</sup> All notes should be deleted in the final text

# For foreign Consultants / Personnel

The client warrants that the client shall pay on behalf of the Consultants, Sub-consultants and the Personnel any taxes, duties, fees, levies and other impositions imposed, under the Applicable Law, on the Consultants, Sub-consultants and the Personnel in respect of:

- (a) any payments whatsoever made to the Consultants, Sub-consultants and the Personnel of either of them (other than Indian nationals or foreign nationals now permanently residing in India), in connection with the carrying out of the Services;
- (b) any equipment, materials and supplies brought into India by the Consultants or Subconsultants for the purpose of carrying out the Services and which, after having been bought into such territories, will be subsequently withdrawn therefrom by them;
- (c) any equipment imported for the purpose of carrying out the Services and paid for out of funds provided by the client and which is treated as property of the client;
- (d) any property brought into India by the Consultants, any Sub-consultants, the Personnel of either of them (other than Indian nationals or permanent residents of India), or the eligible dependents of such Personnel for their personal use and which will subsequently be withdrawn therefrom by them upon their respective departure from India, provided that:
  - (1) the Consultants, Sub-consultants and Personnel, and their eligible dependents, shall follow the usual customs procedures of the Government in importing property into India; and
  - (2) if the Consultants, Sub-consultants or Personnel, or their eligible dependents, do not withdraw but dispose of any property in India upon which customs duties and taxes have been exempted, the Consultants, Sub-consultants or Personnel, as the case may be,
    - (i) shall bear such customs duties and taxes in conformity with the regulations of the Government, or
    - (ii) shall reimburse them to the client if they were paid by the client at the time the property in question was brought into India.

- (ii) for any direct loss or damage that exceeds (A) the total payments for Professional Fees and Reimbursable Expenditures made or expected to be made to the Consultants hereunder, or (B) the proceeds the Consultants may be entitled to receive from any insurance maintained by the Consultants to cover such a liability, whichever of (A) or (B) is higher.
- (b) This limitation of liability shall not affect the Consultants' liability, if any, for damage to Third Parties caused by the Consultants or any person or firm acting on behalf of the Consultants in carrying out the Services.
- 3.5 The risks and the coverages shall be as follows:
  - (a) Third Party motor vehicle liability insurance as required under Motor Vehicles Act, 1988 in respect of motor vehicles operated in India by the Consultants or their Personnel or any Sub-consultants or their Personnel for the period of consultancy.
  - (b) Third Party liability insurance with a minimum coverage, of Rs. ..... for the period of consultancy.
  - (c) Professional liability insurance, with a minimum coverage equal to estimated remuneration and reimbursables as per 3.4 (a) (ii) of SC of the consultancy.
  - (d) Employer's liability and workers' compensation insurance in respect of the Personnel of the Consultants and of any Sub-consultant, in accordance with the relevant provisions of the Applicable Law, as well as, with respect to such Personnel, any such life, health, accident, travel or other insurance as may be appropriate; and
  - (e) Insurance against loss of or damage to (i) equipment purchased in whole or in part with funds provided under this Contract, (ii) the Consultants' property used in the performance of the Services, and (iii) any documents prepared by the Consultants in the performance of the Services.

[Note: Fill in the blanks and delete what is not applicable.]

[3.7(c) The other actions are:

Note: If there are no other actions, delete this Clause SC 3.7 from the SC. If the Services consist of civil works, the following should be added here:

- "(i) taking any action under a civil works contract designating the Consultants as "Engineer", for which action, pursuant to such civil works contract, the written approval of the Client as "Employer" is required".]
- 3.9 The Consultants shall not use these documents for purposes unrelated to this Contract without the prior written approval of the Client.
- [4.6 Note: If there is a resident project manager, state here: "The person designated as resident project manager in Appendix C shall serve in that capacity, as specified in Clause GC 4.6." If there is no such manager, delete this Clause SC 4.6 from the SC.]
- [5.1 Note: List here any changes or additions to Clause GC 5.1. If there are no such changes or additions, delete this Clause SC 5.1 from the SC.]

6.1(b)	The amount payable in foreign currency or currencies is:				
	The ceiling in local currency is:				

Note: In order to adjust the remuneration for foreign and/or local inflation, a price adjustment provision should be included here if the contract has a duration of more than 18 months or if the foreign or local inflation is expected to exceed 5% per annum. The adjustment should be made every 12 months after the date of the contract for remuneration in foreign currency and — except if there is very high inflation in the Client's country, in which case more frequent adjustments should be provided for — at the same intervals for remuneration in local currency. Remuneration in foreign currency should be adjusted by using the relevant index for salaries in the country of the respective foreign currency (which normally is the country of the Consultants) and remuneration in local currency by using the corresponding index for the Client's country. A sample provision is provided below for guidance:

"Payments for remuneration made in accordance with Clause GC 6.2(a) in [foreign and/or] [local] currency shall be adjusted as follows:

(i) Remuneration paid in foreign currency pursuant to the rates set forth in Appendix G shall be adjusted every 12 months (and, the first time, with effect for the remuneration earned in the 13th calendar month after the date of the Contract) by applying the following formula:

#### $Rf = Rfo \times If/Ifo$

where Rf is the adjusted remuneration, Rfo is the remuneration payable on the basis of the rates set forth in Appendix G for remuneration payable in foreign currency, If is the official index for salaries in the country of the foreign currency for the first month for which the adjustment is supposed to have effect, and Ifo is the official index for salaries in the country of the foreign currency for the month of the date of the Contract. (the index for "wages" published by International Monetary Fund in its monthly "International Financial Statistics" for the country could be considered for adoption)

(ii) Remuneration paid in local currency pursuant to the rates set forth in Appendix H shall be adjusted every twelve (12) months (and, for the first time, with effect for the remuneration earned in the .13th calendar month after the date of the Contract) by applying the following formula:

#### $R1 = Rlo \times II/Ilo$

where R1 is the adjusted remuneration, R10 is the remuneration payable on the basis of the rates set forth in Appendix H for remuneration payable in local currency, Il is the official index for salaries in the client's country (Indices for "urban Non Manual Employees" for \_\_\_\_\_ published by Ministry of Labour/Government of India) for the first month for which the adjustment is to have effect, and Ilo is the official index for salaries in the client's country for the month of the date of the Contract.]

- 6.2(b)(i) (1) It is understood (i) that the remuneration rates shall cover (A) such salaries and allowances as the Consultants shall have agreed to pay to the Personnel as well as factors for social charges and overhead, and (B) the cost of backstopping by home office staff not included in the Personnel listed in Appendix C, and (C) the Consultants' fee, (ii) that bonuses or other means of profit-sharing shall not be allowed as an element of overhead, and (iii) that any rates specified for persons not yet appointed shall be provisional and shall be subject to revision, with the written approval of the Client, once the applicable salaries and allowances are known.
  - (2) Remuneration for periods of less than one month shall be calculated on an hourly basis for actual time spent in the Consultants' home office and directly attributable to the Services (one hour being equivalent to 1/240th of a month)

and on a calendar-day basis for time spent away from home office (one day being equivalent to 1/30th of a month).

- 6.2(b)(ii) The rates for foreign [and local] Personnel are set forth in Appendix G [and the rates for local Personnel, in Appendix H].
- 6.3(a) The foreign currency [currencies] shall be the following:

name of foreign currency)
-

[(ii) \_\_\_\_\_]

- 6.3(b)(i) Remuneration for foreign Personnel shall be paid in foreign currency and remuneration for local Personnel shall be paid in local currency.
- 6.3(b)(ii) The reimbursable expenditures in foreign currency shall be the following:
  - (1) a per diem allowance for each of the Personnel for every day in which such Personnel shall be absent from his home office and shall be outside India for the purpose of the Services at the daily rate specified in Appendix G.
  - (2) the following transportation costs:
    - (i) the cost of international transportation of the foreign personnel and, as specified below, eligible dependents of the foreign Personnel, by the most appropriate means of transport and the most direct practicable route to and from the Consultants' home office; in the case of air travel, this shall be by less than first class;
    - (ii) for any foreign Personnel spending twenty-four (24) consecutive months or more in the Government's country, one extra round trip will be reimbursed for every twenty-four (24) months of assignment in India. Such Personnel will be entitled to such extra round trip only if upon their return to India, such Personnel are scheduled to serve for the purposes of the Project for a further period of not less than six (6) consecutive months;
    - (iii) the cost of transportation to and from India of eligible dependents who shall be the spouse and not more than two (2) unmarried dependent children under eighteen (18) years of age of those of the foreign Personnel assigned to resident duty in India for the purpose of the Services for periods of six (6) consecutive months or longer,

provided that the stay of such dependents in India shall have been for not less than three (3) consecutive months duration. If the assignment period for resident staff of the foreign Personnel will be thirty (30) months or more, one extra economy class air trip for their eligible dependents for every twenty-four (24) month assignment will be reimbursed;

- (iv) for the air travel of each of the foreign Personnel, and each eligible dependent, the cost of excess baggage up to twenty (20) kilograms per person, or the equivalent in cost of unaccompanied baggage or air freight; and
- (v) miscellaneous travel expenses such as the cost of transportation to and from airports, airport taxes, passport, visas, travel permits, vaccinations, etc. at a fixed unit price per round trip as specified in Appendix G.
- (3) the cost of communications (other than those arising in India) reasonably required by the Consultants for the purposes of the Services.
- (4) the cost of printing, reproducing and shipping of the documents, reports, drawings, etc. Specified in Appendices A and B hereof;
- (5) the cost of acquisition, shipment and handling of the following equipment, instruments, materials and supplies required for the Services
- (6) the cost of shipment of personal effects up to \_\_\_\_\_;
- (7) the cost of programming and use of, and communication between, the computers for the purposes of the Services at the rate set forth in Appendix G;
- (8) the cost of training of the Client's personnel outside India, as specified in Appendix G;
- (9) the cost of laboratory tests on materials, model tests and other technical services authorized or requested by the Client, as specified in Appendix G;
- (10) the foreign currency cost of any subcontract required for the Services and approved in writing by the Client;

- (11) the cost of items not covered in the foregoing but which may be required by the Consultants for completion of the Services, subject to the prior authorization in writing by the Client; and
- (12) any such additional payments in foreign currency for properly procured items as the Parties may have agreed upon pursuant to the provisions of clause GC 6.1(c).
  [Note: Items that are not applicable should be deleted; others may be added]
- 6.3(b)(iii) The reimbursable expenditures in local currency shall be the following:
  - (1) a per diem allowance at a rate in local currency equivalent to

    [Note: Name agreed foreign currency specified in Clause SC 6.1(b)] per
    day, for each of the short-term foreign Personnel (i.e. with less than
    twelve (12) months consecutive stay in India) for the first sixty (60) days
    during which such Personnel shall be in India;
  - (2) a per diem allowance at a rate in local currency equivalent to

    [Note: Name agreed foreign currency specified in Clause
    SC 6.1(b)] per day, for each of the short-term foreign Personnel for each
    day in excess of sixty (60) days during which such Personnel shall be in
    India;
  - (3) a living allowance for each of the long-term foreign Personnel (twelve (12) months or longer consecutive stay in India) at the rates specified in Appendix H;
  - (4) the cost of the following locally procured items: local transportation, office accommodations, camp facilities, camp services, subcontracted services, soil testing, equipment rentals, supplies, utilities and communication charges arising in India, all if and to the extent required for the purpose of the Services, at rates specified in Appendix H;
  - (5) the cost of equipment, materials and supplies to be procured locally in India as specified in Appendix H;
  - (6) the local currency cost of any subcontract required for the Services and approved in writing by the Client;
  - (7) any such additional payments in local currency for properly procured items as the Parties may have agreed upon pursuant to the provisions of Clause GC 6.1(c); and

	(0)	the purpose of the Serv		ng by the Client.
		added, like e.g. a prov Clause SC 6.3(b)(ii) in	vision drafted along t n case local Personne	d be deleted; others may be he lines of paragraph (2) of al have to work for extended eir normal duty station.]
6.4(a)		The following provision advance payment guara	ns shall apply to the acountee:	lvance payment and the
	(1)	in lo	ocal currency] [Note:	in foreign currency] [and of The advance payment could
		days after receipt of ac will be set off by the Cl	lvance payment guara lient in equal installme months of the	e made within
	(2)	The bank guarantee sh [foreign] [and local] c Select whichever is apple	urrency portion of th	and in the currency of the e advance payment [Note:
6.4(c)		The interest rate is:		
		for foreign currency:	London Inter-Bank plus 2% per annum	On-Lending Rate (LIBOR)
	-	for local currency:		% per annum
	[Not	te: Fill in the blanks]		
6.4(e)		The accounts are:		
	-	For foreign currency:		
	-	For local currency:		
[Note	: Inse	rt account number, type o	of account and name a	nd address of the Bankl

8.2 Disputes shall be settled by arbitration in accordance with the following provisions:

#### 8.2.1 Selection of Arbitrators

Each dispute submitted by a Party to arbitration shall be heard by a sole arbitrator or an arbitration panel composed of three arbitrators, in accordance with the following provisions:

- (a) Where the Parties agree that the dispute concerns a technical matter, they may agree to appoint a sole arbitrator or, failing agreement on the identity of such sole arbitrator within thirty (30) days after receipt by the other Party of the proposal of a name for such an appointment by the Party who initiated the proceedings, either Party may apply to the President, Institution of Engineers India\*, New Delhi, for a list of not fewer than five nominees and, on receipt of such list, the Parties shall alternately strike names therefrom, and the last remaining nominee on the list shall be the sole arbitrator for the matter in dispute. If the last remaining nominee has not been determined in this manner within sixty (60) days of the date of the list, the President, Institution of Engineers India\*, New Delhi, shall appoint, upon the request of either Party and from such list or otherwise, a sole arbitrator for the matter in dispute.
- (b) Where the Parties do not agree that the dispute concerns a technical matter, the Client and the Consultants shall each appoint one arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall chair the arbitration panel. If the arbitrators named by the Parties do not succeed in appointing a third arbitrator within thirty (30) days after the latter of the two arbitrators named by the Parties has been appointed, the third arbitrator shall, at the request of either Party, be appointed by Secretary, the Indian Council of Arbitration, New Delhi.
- (c) If, in a dispute subject to Clause SC 8.2.1 (b), one Party fails to appoint its arbitrator within thirty (30) days after the other Party has appointed its arbitrator, the Party which has named an arbitrator may apply to the Secretary, Indian Council of Arbitration, New Delhi, to appoint a sole arbitrator for the matter in dispute, and the arbitrator appointed pursuant to such application shall be the sole arbitrator for that dispute.

Insert President Indian Roads Congress (for roads and bridge works) or any other appropriate Institution (for other type of consultancies)

#### 8.2.2 Rules of Procedure

Arbitration proceedings shall be conducted in accordance with procedure of the Arbitration & Conciliation Act 1996, of India unless the Consultant is a foreign national/firm, where arbitration proceedings shall be conducted in accordance with the rules of procedure for arbitration of the United Nations Commission on International Trade Law (UNCITRAL) as in force on the date of this Contract.

#### 8.2.3 Substitute Arbitrators

If for any reason an arbitrator is unable to perform his function, a substitute shall be appointed in the same manner as the original arbitrator.

#### 8.2.4 Qualifications of Arbitrators

The sole arbitrator or the third arbitrator appointed pursuant to paragraphs (a) through (c) of Clause 8.2.1 hereof shall be an internationally recognized legal or technical expert with extensive experience in relation to the matter in dispute.

#### 8.2.5 Miscellaneous

In any arbitration proceeding hereunder:

- (a) proceedings shall, unless otherwise agreed by the Parties, be held in .
- (b) the English language shall be the official language for all purposes; and [Note: English language may be changed to any other Language, with the agreement of both the parties.]
- (c) the decision of the sole arbitrator or of a majority of the arbitrators (or of the third arbitrator if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction, and the Parties hereby waive any objections to or claims of immunity in respect of such enforcement.

Consulting Firm: Assignment: Country: Date:

MODEL FORM I [See clause 6.2 (b)(i)]

# Consultants' Representations Regarding Costs and Charges

We hereby confirm that (a) the basic salaries indicated below are taken from the firm's payroll records and reflect the current salaries of the staff members listed which have not been raised other than within the normal annual salary increase policy as applied to all the firm's staff; (b) attached are true copies of the latest salary slips of the staff members listed; (c) the overseas allowances indicated below are those that the Consultants have agreed to pay for this assignment to the staff members listed; (d) the factors listed below for social charges and overhead are based on the firm's average cost experience for the latest three years as represented by the firm's financial statement; and (e) said factors for overhead and social charges do not include any bonuses or other means of profit-sharing.

Name	Position	Basic Salary per working Month/Day/Hour	Social Charges (_% of 1)	Overhead (% of 1)	4 Overseas Allowance (_% of 1)
			(Expressed i	n [name currency	<b>/]</b> )
			[ Nan	ne of Consulting	Firm]
				Authorized Re	presentative
			Name		
			Title: Date:	-	7,000

[Note: For field staff, use Basic Salary per Working Month; for home office staff, Basic Salary per Working Day or Hour. For field staff, also fill in Overseas Allowance, if any. This Form should not be part of the signed Contract but should be executed by the Consultants separately.]

Consulting Firm
Assignment:
Country:

(See notes to form on preceding page and to Clause SC 6.2 (b) (i))

# BREAKDOWN OF AGREED FIXED RATES IN CONSULTANTS' CONTRACTS

We hereby conform that we have agreed to pay to the staff members listed, who will be involved in this assignment, the basic salaries and overseas allowances (if applicable) indicated below:

Agreed Fixed Rate (% of 1)	8	
Agreed fixed rate per Working Month/Day/	7	
Overseas/Field Agreed fixed Allowance rate per (_% of 1) Working Month/Day/ Hour	9	ency)]
%	5	(name of currency)]
Overhead Sub Total Fee (	4	
Overhead of 1)	3	[Expressed in
Social Overhead Charges ( % of 1)	2	
n n	1	
Name Position Basic Salary Per Worki Month Day/		
Name		

Date	
Signature	
	Name: Fitle:

#### IV. APPENDICES

# Appendix A: Description of the Services

[Give detailed descriptions of the Services to be provided; dates for completion of various tasks, place of performance for different tasks; specific tasks to be approved by Client, etc.]

# Appendix B: Reporting Requirements

[List format, frequency, contents of reports and number of copies; persons to receive them; dates of submission, etc. If no reports are to be submitted, state here "Not applicable".]

# Appendix C: Key Personnel and Sub-consultants

- [List under: C-1 Titles [and names, if already available], detailed job descriptions and minimum qualifications. experience of Personnel to be assigned to work in India, and staff-months for each.
  - C-2 Same information as C-1 for Key local Personnel.
  - C-3 Same as C-1 for Key foreign Personnel to be assigned to work outside India.
  - C-4 List of approved Sub-consultants [if already available]; same information with respect to their Personnel as in C-1 through C-4)]

# Appendix D: Medical Certificate

[Show here an acceptable form of medical certificate for foreign Personnel to be stationed in India. If there is no need for a medical certificate, state here: "Not applicable."]

# Appendix E: Hours of Work for Key Personnel

[List here the hours of work for key Personnel; travel time to and from the country of the Government (India) for foreign personnel. (Clause GC 4.4(a); entitlement, if any, to overtime pay, sick leave pay, vacation leave pay, etc.]

# Appendix F: Duties of the Client

# [List here under:

- F-1 Services, facilities and property to be made available to the Consultants by the Client.
- F-2 Counterpart personnel to be made available to the Consultants by the Client.]

C-12<sub>N</sub>

January 1997 Consultancy Guidelines

# **Hiring of Consultants in Bank-Financed Projects**





# Procedures for Hiring of Consultants in Bank Financed Projects

# [January 1997 Consultancy Guidelines (CGL)]

#### 1. General Considerations

- 1. the need for high-quality services;
- 2. the need for economy and efficiency;
- the need to give qualified consultants from all eligible countries an opportunity to compete in providing the services financed by the Bank;
- 4. the Bank's interest in encouraging the development and use of national consultants in it's developing member countries; and
- 5. the importance on transparency in the selection process.

The Bank considers that, in the majority of cases, these considerations can best be addressed through competition among qualified short-listed firms in which the selection is based both on the quality of the proposal and on the cost of the services to be provided (Quality- and cost-Based Selection [QCBS]). Section II of Consultancy Guidelines, January 1997 (CGL) describes the procedures for QCBS. However, there are cases when QCBS is not the most appropriate method of selection. For complex or highly specialized assignments or those which invite innovations, selection based on the quality of the proposal along (Quality-Based Selection [QBS]), as described in Section III of CGL, would be more appropriate. The procedures to be followed in all cases are given below in brief.

# 2. Steps

- preparation of the Terms of Reference (TOR);
- preparation of cost estimate and the budget;
- advertising;
- preparation of the shortlist of consultants;
- preparation and issue of the Request for Proposal (RFP);
  - (i) Letter of Invitation (LOI);
  - (ii) Information to Consultants (ITC); and
  - (iii) Proposed contract;

- receipt of proposals;
- evaluation of technical proposals : consideration of quality;
- evaluation of financial proposal;
- final evaluation of quality and cost; and
- negotiations and award of the contract to the selected firm.

# The Terms of Reference should include:

- A precise statement of objectives;
- An out line of the tasks to be carried out;
- A schedule for completion of tasks;
- The support/inputs provided by the client;
- The final outputs that will be required of the Consultant;
- Composition of Review Committee (not more than three members) to monitor the Consultant's works and procedures for; and
  - Mid term review and Progress Reports required from Consultant;
  - Review of the final draft report;
- List of key positions whose CV and experience would be evaluated.
- 4. The Cost Estimates or Budget should be based on the borrower's assessment of the resources needed to carry out the assignment; staff time, logistical support, and physical inputs (for example, vehicles and laboratory equipment). Costs shall be divided in to two broad categories; (a) fee or remuneration and (b) reimbursables and further divided into foreign and local costs.
- 5. Advertising (seeking Expression of Interest) for shortlisting.
  - UNDB;
  - National Newspapers;

- International Newspapers; and
- Technical Magazines

(The advertisement is mandatory for all consultancies valued US \$200,000 and over)

# 6. Shortlisting

Borrowers are responsible for preparation of the shortlist and shall give first consideration to those firms expressing interest which possess the relevant qualifications. The shortlists shall comprise three to six firms with a wide geographic spread, with no more than two firms from any one country and at least one firm from a developing country, unless qualified firms from developing countries are not identifiable.

The shortlist can comprise of entirely national consultants if the value of assignment is less than US\$ 200,000. However, if foreign firms have expressed interest, they shall not be excluded from consideration.

Single source selection is appropriate only if it presents a clear advantage over competition:

- (a) for tasks that represent a natural continuation of previous work carried out by the firm;
- (b) where a rapid selection is essential (emergency operation);
- (c) for very small assignments (not to exceed US \$100,000); or
- (d) when only one firm is qualified or has experience of exceptional worth for the assignment.

(These cases should be identified and agreed between Bank and Borrower at appraisal and are to be specified in the Loan Agreement).

- 7. Government-owned enterprises in the Borrower's country may participate only if they can establish that they:
  - are legally and financially autonomous, and
  - operate under commercial law.

No dependent agency of the Borrower or Sub-borrower of the project or their employees shall be permitted to submit or participate in a proposal for the provision of consulting services under the project.

### **Selection Procedures**

The acceptable procedures are described in detail in Consultancy Guidelines, January 1997 (CGL) as under:

- Quality and Cost Based Selection (QCBS) (Chapter II of CGL);
- Quality Based Selection (QBS) (Paragraph 3.2 of CGL);
- Fixed Budget (Paragraph 3.5 of CGL);
- Least Cost (Paragraph 3.6 of CGL);
- Qualification (Paragraph 3.7 of CGL);
- Single Source (Paragraphs 3.8 to 3.10 of CGL); and
- Commercial Practices (Paragraph 3.12 of Guidelines)

### 9. Selection of Particular Types of Consultants

- UN Agencies (Paragraph 3.13 of CGL)
  - Shall not receive any preferential treatment in a competitive selection;
  - Privileges to be neutralized to compare with others; and
  - Single source threshold will apply for this as well
- Procurement and Inspection Agents (Paragraphs 3.15/3.16 of CGL)
  - QCBS is to be used (upto 50 % weightage for cost)
- Banks in the context of Privatization Operations (Paragraph 3.17 of CGL)
  - QCBS is to be used; and
  - In addition to the conventional remuneration called a retainer fee, the compensation could include a 'success fee'
- Auditors (Paragraph 3.18 of CGL)

- QCBS or Least Cost is to be used; and
- Cost could be given weightage upto 40-50 points
- Service Delivery Contractors [social workers, nurses and para-medics] (Paragraph 3.19 of CGL)
  - Loan Agreement should specify job description, minimum qualifications, terms of employment, selection procedures and the extent of Bank review.
- Selection of Individual Consultants (Paragraphs 5.1 to 5.3 of CGL)
  - Teams of personnel are not required
  - No additional outside (home office) professional support is required
  - Experience and Qualifications of the individual are the paramount requirement

(when coordination, administration or collective responsibility becomes difficult because of the number of individuals, it would be advisable to recruit a firm.)

### 10. NGOs (Non Government Organization)

Paragraph 3.14 of CGL

- All procedures specified in Consultancy Guidelines will apply; and
- No preference.

The selection of NGOs in the shortlist should generally take into account, among others, the following criteria:

- The NGO should be non-political and should be having a proven track record on similar assignments (at least two years' of experience in works of this type). (Period could be modified to suit individual cases.);
- it should consist of an adequate number of experienced field staff conversant with the local culture and language, and the socio-economic dimensions of the beneficiary groups;
- the staff of the selected NGO should have excellent communication skills;

- it should be registered as a society or have other corporate status;
- it should have facilities to maintain separately, records and accounting and auditing of funds allocated for the assignment;
- it should possess internal stability so as to assure long-term support; and
- it should not have been blacklisted by the Central Social & Welfare Board (CSWB) and Council for the Advancement of Peoples Action & Rural Technology (CAPART).
- 11. The evaluation of the technical proposals should done as per criteria specified in the Letter of Invitation. The evaluation report should be compiled in the format attached and forwarded to Bank for review and comment for all prior review cases, firstly before price envelopes are opened publically and combined evaluation is done (financial cum technical), and secondly after final selection is made following combined evaluation and before the contract is negotiated with selected consultant.

<b>Evaluation Factors</b>		As per Guidelines	GOI Task Force
• Quality	Experience	5-10	10
	Methodology	20 – 50	20
	• Personnel	30-60	55
	Transfer of Knowledge	0-10	5
	Nationals in key staff	0-10	10
Price (cost)	Exclusive of taxes		
• Combined	Quality	100 – 70	80
	Cost	0-30	20

### 12. Negotiations (Paragraphs 2.23 to 2.26 of CGL)

Negotiations shall include discussions of the TOR, the methodology, staffing, Borrower's inputs, and special conditions of contract.

The selected firm should not be allowed to substitute key staff, unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment.

Financial negotiations shall include clarification of the consultants' tax liability in the Borrower's own country (if any), and how this tax liability has been or would be reflected in the contract.

Where QCBS procedure is followed, proposed unit rates for staff months and reimbursables shall not be negotiated (since these have already been a factor of selection) unless there are exceptional reasons.

### 13. Rejection

Cases of rejection of all proposals received need to be referred to the Bank for no objection and clearance.

### 14. Selection and Employment of Consultants

Types of Contracts specified in CGL are as under:

Lump Sum (Paragraph 4.1 of CGL);

Lump Sum contracts are used for assignments in which the content and the duration of the work is clearly defined. Payment is made upon delivery of outputs. The main advantage of this type of contract is that it is easy to administer.

Examples of Lump Sum contracts include -

- Feasibility Studies
- Environmental Studies
- Detailed design of a standard structure
- Time Based (Paragraph 4.2 of CGL);

Time Based contracts are used for assignments in which it is difficult to define the scope and the duration of the work to be performed. Payment is based upon an hourly, daily, or monthly rate, plus reimbursable expenses using actual expenses or agreed-upon unit prices. This type of contract provides for a maximum total payable amount that includes a contingency for unforeseen work and duration, price adjustments etc.

Examples of Time Based contracts include -

- Preparation of data
- Complex Studies
- Supervision of construction
- Training assignments
- Advisory services
- Retainer and/or Contingency Fee (Paragraph 4.3 of CGL);

Retainer and/or contingency-fee (success-fee) contracts are used to remunerate consultants or banks on performance – for example for privatization of public assets.

Example of success-fee contracts include -

- Privatization (sale of publicly-owned assets)
- Percentage (Paragraph 4.4 of CGL); and

Percent contracts relate to the fee paid to the consultant based upon the estimated or actual project construction cost or the cost of the goods to be procured or inspected. Percent is established based upon market norm or standard practice in the industry.

Examples of percent contracts include -

- Architectural services
- Engineering services
- Procurement services
- Inspection agents
- Indefinite Delivery (Paragraph 4.5 of CGL)

Indefinite-delivery contracts are used for on-call specialized services. The Borrower and the firm agree upon the unit rates to be paid to the experts, and payments are made on the basis of the time actually used.

Examples of Indefinite-delivery contracts include -

- Advisors for complex projects, e.g., dam panel
- Expert adjudicators
- Technical troubleshooting

(use of Bank issued Contract Forms is mandatory)

### 15. Request for Proposals (RFPs)

The RFP shall include:

- a Letter of Invitation (LOI);
- Information to Consultants;
- the TOR; and
- the proposed contract

Borrowers shall use the standard RFPs issued by the Bank.

### 16. The Model Request for Proposal (RFP) Documents are available as follows:

- Hiring of Consultancy Services Request for Proposals Quality & Cost Based Selection (QCBS) Time Based Payments;
- Hiring of Consultancy Services Request for Proposals Quality & Cost Based Selection (QCBS) Lump Sum Payments;
- Hiring of Consultancy Services Request for Proposals Quality Based Selection (QBS);
- Hiring of Consultancy Services Request for Proposals Fixed Budget Selection (FBS);
- Hiring of Consultancy Services Request for Proposals Least Cost Selection (LCS);
   and
- Hiring of Consultancy Services Request for Proposals Selection Based on Qualification or Single Source Selection (SSS).

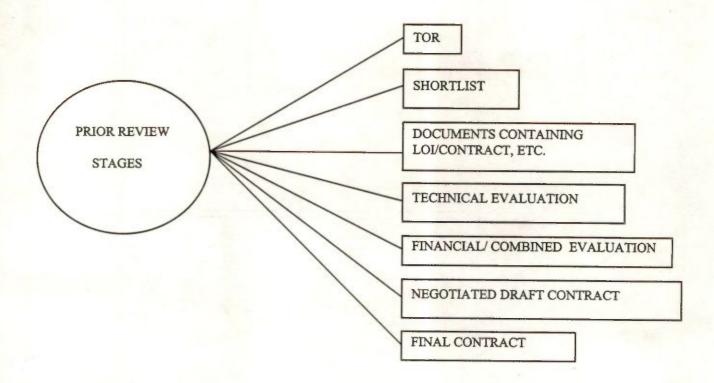
Standard Forms of Contract:

- Small Assignments Time Based Payments
- Small Assignments Lump Sum Payments

The above models should only be used for inviting proposals from short-listed firms (including sole source).

### 17. Prior Review

- 17.1 Prior review is necessary for the following:
  - Contracts for Consultancy Services valued:
    - US \$ 100,000 and above for Consulting Firms;
    - US \$ 50,000 and above for Individuals at all stages.
  - Terms of Reference (TOR) for consultant contracts, regardless of value, preferably during project appraisal;
  - Single Source Contracts, regardless of value (not applicable to contracts for individuals);
  - All Consultant Contracts for assignment of a critical nature regardless of value;
  - Contract amendments valued at more than the equivalent of US \$100,000 and US \$50,000 for Firms and Individuals, respectively, or those that raise the total contract value above these thresholds;
  - Any standard document that the Borrower intends to develop and use repeatedly; and
  - First few contracts (say three), irrespective of value in the case of all new projects.
- 17.2 Prior review would be at every stage as follows:
  - Terms of Reference
  - Short List;
  - RFP documents containing Letter of Invitation, Information to Consultants and Conditions of Contract;
  - Evaluation report of the technical proposals;
  - Report after financial / combined evaluation (with a copy of the winning proposal);
  - Negotiated draft contact; and
  - Final Contract (to be accompanied by Checklist).



### 18. Post Review

All other cases.

Post review cover the final contract along with appendices and copy of evaluation note/award recommendations, which should be submitted along with the Checklist. (However, Terms of Reference and Consultants contracts for assignments of critical nature will be reviewed in all cases, regardless of value)

### SUGGESTED FORMAT FOR EVALUATION REPORT OF TECHNICAL PROPOSALS CONSULTANCY ASSIGNMENTS

- Scope of Consultancy assignment and Estimated cost:
  - Outline brief description of the Consultancy assignment.
  - Furnish estimated of cost at the time of appraisal and the current estimated cost.
  - Give the estimated period of the assignment.
- Letter of Invitation Package:

Briefly discuss and indicate:

- Selection method adopted Sole source/Short list.
- Details of approval of the Bank for:
  - Sole source/Short list; Firm or Individual;
  - Terms of Reference;
  - Lump sum or Time based;
  - Evaluation criteria adopted Only Technical or Technical cum price;
  - LOI package.

[Enclose copy of the LOI package and amendments if any, if not sent earlier(Annexure I)]

- 3. Proposal invitation process: Furnish the following details:
  - Date of issue of letter of invitation;
  - Names and nationality of the firms/individuals to which/whom LOI was sent;
  - Pre-proposal conference, minutes and resulting amendments if any;
  - Last date of submission of proposals;

[ Enclose copy of pre-proposal conference minutes (Annexure II)]

- Proposal response:
  - State number of proposals received, from whom received, joint ventures if any and the nationality;
  - State whether any joint venture of shortlisted firms approved;

[ Enclose copy of the approval of joint venture proposals of shortlisted consultants (Annexure III)]

- Evaluation Committee:
  - Give names and position of each of the member (this should be limited to 4 only);
  - State whether any detailed breakup of the broad criteria given in the LOI was developed by the Committee before the receipt of proposals;

6.	Evaluation criteria:		
	- Give the evaluation criteria given in the L	OI and the breakup as develope	ed by the Committee;
7.	Evaluation of the Technical proposals:		
	- Give the result of evaluation by the Comr	mittee:	
Sl.No.	Name of consultant	Points obtained	Rank
2.			
3.			
4.			
5.			
6.			
	[Enclose Summary of evaluation and evaluation	worksheets (Annexure IV/1 to	IV/5)]
8.	Recommendations:		
	[Enclose a copy of the Winning Proposal]		
	Evaluation Committee	Signature of the Chairman of	
		Signature of the Competent Ar	uthority

Enclosures:

Note: For guidance in evaluation, a sample evaluation worksheet is appended.

### Evaluation Work Sheet SUMMARY OF EVALUATION

Description of Assignment:
Date of Evaluation:
Evaluation By:

CONSULTANT			2	3	4	3.	9
ITEM	MAXIMUM POINTS *	SCORE	SCORE	SCORE	SCORE	SCORE	SCORE
Specific Experience related to the Assignment		X X X					
Adequacy of Proposed Work plan and Methodology in responding to the TOR	20	X X X					
Qualifications and Competence of Key Staff proposed for the Assignment	09	× × ×					
Suitability of Skills Transfer Program (training)	. 00	× ×					
Others	0						, -
Total Score	001						

\* Points as given in Paragraph 5.1 of Letter of Invitation Data Sheet.

NOTE: Indicate the points allotted by 4 members of Evaluation Committee alongwith averages, as shown in the model in the end.

# Evaluation Work Sheet SPECIFIC EXPERIENCE OF THE FIRM RELATED TO THE ASSIGNMENT

Description of Assignment:

Date of Evaluation :

Evaluation By:

CONSULTANT							1		4		\$		
ITEM AS PER BREAK-UP DEVELOPED	MAXIMUM RATING POINTS* #		SCORE	RATING #	SCORE	RATING	SCORE	RATING SCORE RATING SCORE RATING	SCORE	RATING	SCORE	ATING #	SCORE
										,	•		
		*:											
	3					-							
					٠			,					
TOTAL SCORE	. 81												

<sup>&</sup>quot; Break-up of Points as developed by the Committee.

# Raiing expressed in percentage or as fraction of 'I'.

NOTE: (a) Score - Rating x Points

((b) Attach the evaluation sheet of each member.)

Evaluation Work Sheet
ADEQUACY OF PROPOSED WORKPLAN AND
METHODOLOGY IN RESPONDING TO TOR

Description of Assignment:

Date of Evaluation :

Evaluation By :

CONSULTANT					2				4		¥1		6.
ITEM AS PER BREAK-UP DEVELOPED	MAXIMUM RATING SCORE RATING SCORE RATING POINTS * # # # #	RATING	SCORE	RATING #	SCORE	RATING #	SCORE	RATING #	SCORE	SCORE RATING SCORE RATIN	SCORE	RATIN	SCORE
•													
						1							
	•				-								
TOTALSCORE	20												

<sup>\*</sup> Break-up of Points as developed by the Conunditee.

<sup>#</sup> Railng expressed in percentage or as fraction of 'I'.

NOTE: (a) Score - Railing x Points

<sup>((</sup>b) Attach the evaluation sheet of each member.)

## Evaluation Work Sheet CONSOLIDATED KEY PERSONNEL SCORE (Qualification and Competence of Key Staff for the Assignment)

Description of Assignment: Date of Evaluation:

Evaluation By :

CONSULTANT	**				2)						e to		9
KEY PERSONNEL AS PER GROUPS DEVELOPED BY COMMITTEE	MAXIMUM POINTS*	RATING #	SCORE	RATING	SCORE	RATING SCORE RATING	SCORE	RATING #	SCORE	RATING	SCORE	RATING	SCORE
Project Leader			* .	a ste						į.	•		
Groups/Staff Names:		•					. ,						
		*			٠	-							
•													
												-	
TOTAL SCORE	09											1.5	

<sup>\*</sup> Break-up of Points as developed by the Conmittee.

# Railing expressed in percentage or as fraction of 1 to be taken from Attachment II, Annex 1V/4.

NOTE: Score - Railing x Points

((b) Attach the evaluation sheet of each member!

### Evaluation Work Sheet KEY PERSONNEL EVALUATION SHEET (Staff Qualifications and Experience)

Description of Assignment:

Date of Evaluation :

Evaluation By :

Average Group Railog						* 5
Staff	(B)+(D)+(F)				*	
	E) x (Points					*
Language and Experience	. Rating *:					
1.5	(C) x (Points					
Adequacy for Project	Rating .	-				
u de	(A) x (Points					
eneral Qualificatii	Reting*	*				
5	уве	-		* *		
N2-7	Position					
	Siaff Names					
Consulting Firms	. Group		•		•	

<sup>\*</sup> Rating expressed as percentage or fraction of 'I'.

<sup>\*\*</sup> Points as given in Paragraph 5.1 of the Letter of Invitation Data Sheet.

### GROUP RATING

	Group/Team Staring		
Gryupi Sixi Acine	Rating far rath Group Member (Col. G Attachment I)	Waight (FA) forestels Group Member	Weighted Rating
Group	1		
Group Average			
Group			7
		-	
Group Average			
Group			
Group Average			

This sheet shall be evaluated only if, instead of average Group Rating, Weighted Group Rating is appropriate.

Box No.22

			t Study. Weightings				
Experience	Points	Methodology and Work Plan	Points '	Staff		·	
(10 Points)	•	(25 Polats)		(55 Points)			
Would be subdivided	lato:	Would be subdivided into:					
Largo breakwater	2	Hydrological data collection	5 .	Team leader		20	
Dredging design	2	Shipping forecasts	4	Economics group		13	
Hydraulic works	1	Analysis of alternatives	9	Civil engineering	40 to	13	
Port scasibility study	3	Preliminary engineering	5		-		:-
					:		
Oversea	2	Economic methodology	6	Mechanical engineering group	·.,	9	
		Internodal facilities	_3		Ī,	•	*
		; Team Schedule and logistics	1		. **-		4 1485
		Activity schedule and logistics	2			•	14

After evaluation of the consultants' experience and methodology, the worksheer of one committee member for two of the consultants may look as in Box No. 23.

Box No.23

	Port Evaluation Result for	Study or Technica	l Proposal	۲.	
	Point	ACD Con	nakarda .' Prisa X Rating	Roting	erds Frien X Rating on
	1 :	(%)	Source	(%)	Source
ECTERIENCE					
Large break-new expensation	. 2	30'	Lao	73	L30
Dradging during experience	2	60	1.20	* 73	1.30
Civil works experience	1	70	0.70	90	6.90
Part famility andy experience	3	22	1.43	· ea .	LED 1
Overen esperimen	.2.		1.2	. 10 ,	1.60
Substant	10 /		ens.		7.30
AIETHODOLOGT AND WORK HAN					+
Hydrological Dam collection	3	60	3.00		
Shipping forman	4	71	3.12	17	3.4
Analysis of sharming	•	87	7.23	a . =	4.75
Preliatiney angiousing	3	20	4.00	75	1.75
Commis metholity	• .	, 73	4.20	15	110
letermoint Factions	3,	:0	130	12	244
Tenns achedule and logicies	_ · · · · ·	<b>70</b>	6.70	3	0.73
Activity schedule and legistics		70	L.40 . *		1.00
Subtract	35		16.05	•	28.14

ACD consultants appear to have been weak in its hydrological and intermodal approach. JCL consultants have put forward an attractive economic methodology and approach to hydrological studies and shipping forecasts.

Key Staff are evaluated using a special staff sheet, of which a completed example for firm ACD is given in Box 24. During the evaluation of key staff, the following elements were considered by the committee:

Language ability and experience in region: Where language other than English is essential, then equal weight was given to both language and experience (say, 10 percent weighting each). Where language capability is useful but not essential, then the greater weight was given to experience (say, 15 percent for experience, and 5 percent for language).

Group ratings: Most assignments require more than one specialist in each major discipline. For example, the key members of a civil engineering team could be made up of a chief, a soils, and a structural engineer. Each of the three engineers' contribution to the civil engineering team depends on the nature of their work and, to some extent, their individual time spent on the project. To develop only one rating for the civil engineering team as a whole, each member's contribution was weighted along the lines of the following example (Box No. 25) taken from Box No. 24:

Consulting Firm: (Name) ADC	(ame) ADC			Project: P	Project: Port Feasibility Study (Country) Colate						Sheet No. Date:
•				Central	General Qualification 30 Fairts	Adequa	Adequacy for Project 58 Paints	Language a	Laquage and Esperiment In Regime 10 Felesa	Paramed Raing	Graup Rathy
Comp.	Pathe	Name .		Į.	K 1 (3)	N. W.	(G) 2.36	Rein -	U) t 10	(D+qu+q)	Z.
143	(g)		(g)	101	(i)	(5)	· uı	5	5	(K)	
1. Mayersan	Tona Louis	1	;	2	n	'n	17.3	2	=	<b>911</b>	***
1. Economy	Oid Esmenie	ď	7	P	31.0	3	7.0	R	14.0	**	
	Tranport Exercise	Said	n n	3	18.3	3	11.5	3	13.0	679	1 47.00
3. Civil Espinering C	Child Espans	120	n n	3	13.1	ח	413	R	0.11	11.3	
	Sale Engineer	T.		:	3	2	35.0	2.	. 10.0	7	174.33
•	Sourcel Espieer	Pul	2	11		Ř	150	S.	16.0	. 11.1	_
4. NVE Extimering	Mermaical Espiane	1	3	=	2	8	45.0		9'61	. 11.0	97.
	Berrial Estison	lanea.	" .	R	13.0	. 13	. 60	п	14.4	11.90	111.43
Hear All rates as but of 100											

Exam	Port Str	in Scoring	,
Team Member Sc	ore	(%)	Weighted Score
CHIEF THE MAN	77.2	65 .	50.18
Soils Engineer	63.5	15	9.53
Structural Engineer	83.2	20	16.64
Group Score		100	76.35
-			:

After the evaluation is completed, a summary evaluation sheet of a committee member, for two consultants, might look as in Box. No.26.

		ACD Con	sultants	- JCL Cor	sultants
Critoria	Points	Rating .	Points x Rating (Score)	Rating	Points x Rating (Score)
General Experience	• • 10	•	6.35		7.30
Methodology & Work Plan	: ` 35	•	· 26.05	•	28.14
Key Staff	55		•		
a) Team Leader	. 20	81.00	16.20	76.40	15.28
b) Economics Team	13	67.00	8.71	81.35	10.58
c) Civil Engineering Team	13	76.35	8.93	67.49	8.77
d) Mechanical Engineering Team	1 . 9	81.45	7.33	71.50	6.44
Total Score	- 100	*	74.57		. 76.51

After the individual rankings of the four evaluation committee members are averaged, the record of this averaging for the two firms appears in Box. 27.

		Port Study valuation of Fection	test Bennesia		
	Summery of &	AUTON OF TOCIAL	HER LIGHTANA		
		ACD Consulta Scores	inte	JCL Consu	
. General Experience	¥	6.35	7.30	7.30 · 7.1	8,25
		8.72	7.10	6.14	9.53
	: `	-	28.14	28.14	
2. Methodology and Work Plan	**	28.45	•	31.3	
	*	32.80	27.49	30.63	33,40
		16.20	15.28	15.28 .	10.51
I. Staff		15.22	•	17.83	
(a) Team Leader	-	17.50	13.20	17.83	10.42
(b) Economics Team		8.71	10.50	10.58	12.46
•		11.70	7.49	10.58 10. 7.24	10.60
(c) Engineering Team		. 9.93	8.77	8.77	12,50
,		7.40	9,49	11.72	11.81
(d) Mechanical Team	17:	7.31	6.44	6.44	6.21
	-	6.45	6.12 .	7.21 <u>6</u>	8.02
		70.44		82	.55
Total Score		70.4.		24	
Note: * Average Value		7.			

In this simple example, ICL Consultants were the clear winners.

### K1 - K5 SAMPLE EVALUATIONS

### PROPOSAL EVALUATION SAMPLE NO. 1

ASSIGNMENT: ROAD MASTER PLANNING

### MAIN ITEMS TO BE CONSIDERED:

- a) Qualifications of firm(s)
- b) Experience in computer modeling
- c) Home office support for multidisciplinary team
- d) Low importance of methodology which is dictated by the computer models
- e) High importance of staff qualifications
- f) Training of local staff

WEIGHING OF MAIN EVALUA	points	
a) Qualifications of firm(s)		30
b) Methodology	1	20
c) Qualifications of personnel		50

### SUBDIVISION OF MAIN CRITERIA

a) Qualifications of firm(s) (30 points)

### A. EXPERIENCE IN SIMILAR PROJECTS (15 points\*)

- major countrywide road master plans based on successful application of HDM III model. (reference projects should demonstrate experience and preferably include acknowledgments by clients of successful completion);
- efficient and comprehensive data collection;
- multimodal transport systems and modal splits;
- planning and conducting transport surveys;
- traffic patterns and traffic projections;
- river crossing (bridges, tunnels, ferries);and
- infrastructure (investigations, testing, design of low maintenance constructions).
- \* High weight because of need for specific experience in HDM III modeling.

### B. EXPERIENCE IN SIMILAR AREAS (5 points)

- physical environment, topography, availability of building materials, socioeconomical conditions.

### C. OTHER FACTORS (10 POINTS)

- training of local staff on the job, and through seminars;
- management of multidisciplinary studies; and
- adequacy of experienced backstop staff.

### b) Methodology (20 points)

### A. UNDERSTANDING OF TERMS OF REFERENCE (5 points)

- interpretation of assignment;
- comments on TOR; and
- coverage of TOR.

### B. QUALITY OF METHODOLOGY (5 points)

- specific approach to carrying out the assignment; and
- innovativeness.

### C. WORK PROGRAM (5 points)

- coordination between local and foreign experts;
- organization, staffing and activity schedules; and
- duration and input of staff months.

### C. OTHER FACTORS (5 POINTS)

- training program;
- counterpart facilities; and
- proposal presentation.

### c) Qualifications of personnel (50 points)

### A. EDUCATION (10 points)

undergraduate, bachelor's degree, master's degree, doctorate

### B. EXPERIENCE (30 points)

- no. of years of experience

### C. PROFESSIONAL AFFILIATIONS/ PUBLICATIONS/AGE (10 points)

- professional affiliations;
- number of publications on relevant subjects; and
- age.

### PROPOSAL EVALUATION

### SAMPLE NO. 2

### ASSIGNMENT: HYDROPOWER DEVELOPMENT STUDY -

### MAIN ITEMS TO BE CONSIDERED:

- a) Qualifications of firm(s)
- b) Experience in hydropower sector
- c) Logical activity programming and methodology
- d) High importance of staff qualifications

WI	EIGHING OF MAIN EVAL	UATION CRITERIA	points
	Qualifications of firm(s)	- 1.	15
	Methodology		35
c)	Qualifications of personnel		50

### SUBDIVISION OF MAIN CRITERIA

- a) Qualifications of firm(s) (15 points)
- A. EXPERIENCE IN SIMILAR PROJECTS (10 points)
- Small scale hydropower, run of the river hydroelectric projects. (reference projects should demonstrate experience and preferably include acknowledgments by clients of successful completion);
- planning and conducting hydro power surveys; and
- infrastructure (investigations, testing, design of low maintenance constructions, design of tunnels, pipelines and small hydropower plants).
- B. EXPERIENCE IN SIMILAR AREAS (5 points)
- physical environment, topography, availability of building materials, socioeconomical conditions.

### b) Methodology (35 points)

### A. UNDERSTANDING OF TERMS OF REFERENCE (10 points)

### site visit

- interpretation of assignment;
- comments on TOR; and
- coverage of TOR.

### B. QUALITY OF METHODOLOGY (15 points)

- appropriate approach to: site investigations, design alternatives, cost estimates, economic and financial evaluation,
- environmental impact.
- specific approach to carrying out the assignment;
- innovativeness;

### C. WORK PROGRAM (10 points)

- organization, staffing and activity schedules; and
- duration and input of staff months.

### c) Qualifications of personnel (50 points)

### A. EDUCATION (10 points)

- undergraduate, bachelors degree, masters degree, doctorate

### B. EXPERIENCE (30 points)

- number of years of experience; and
- project related

### C. PROFESSIONAL AFFILIATIONS/ PUBLICATIONS/AGE (10 points)

- professional affiliations;
- number of publications on relevant subjects; and
- age.

### REQUIRED KEY STAFF:

- Team leader, hydropower engineer with at least 15 years professional experience;
- Senior civil engineer, with about 10 years experience;
- Geo-hydrologist, with at least 10 years experience;
- Tunnel engineer, with at least 15 years experience; and
- Civil Engineer, Electrical and Mechanical Engineer, Environmental specialist with at least five years
  of experience

No additional credit will be given to staff who are over qualified.

### PROPOSAL EVALUATION SAMPLE NO. 3

### ASSIGNMENT: INSTITUTIONAL STRENGTHENING

### MAIN ITEMS TO BE CONSIDERED

- a) Experience in sector development
- b) Home office support
- c) Low importance of methodology
- d) High importance of staff qualifications
- e) Training of local staff

WEIGHING OF MAIN EVALUATI	points	
i) Qualifications of firm(s)		10
ii) Methodology	. 1	15
iii) Qualifications of personnel		75

### SUBDIVISION OF MAIN CRITERIA

i) Qualifications of firm(s) (10 points)

### A. EXPERIENCE IN SIMILAR PROJECTS (5 points)

- Experience in institutional strengthening of the relevant sector, maximum points for the highest number of relevant assignments carried out. Reference projects should demonstrate experience and preferably include acknowledgments by clients of successful completion; and
- efficient and comprehensive data collection;

### B. EXPERIENCE IN SIMILAR AREAS (5 points)

sector profile, socio-economical conditions.

### ii) Methodology (15 points)

### A. UNDERSTANDING OF TERMS OF REFERENCE (5 points)

- interpretation of assignment;
- comments on TOR: and
- coverage of TOR.

### B. QUALITY OF METHODOLOGY (5 points)

- specific approach to carrying out the assignment; and
- innovativeness:

### C. WORK PROGRAM (5 points)

- coordination between local and foreign experts;
- organization, staffing and activity schedules;
- duration and input of staff months;
- home office support; and
- counterpart facilities.

### iii) Qualifications of personnel (75 points)

### A. TRAINING COMPONENT(25 Points)

### 1. Financial Analyst (15 points)

- Academic Qualification 4 points, post graduate degree required.
- Practical Experience 8 points, e.g. training in financial analysis and planning, computer applications,
   project appraisal, financial structuring of sectors in similar countries.
- Language proficiency 3 points, good command of the official language.

### 2. Project Economist (10 points)

- Academic Qualification 2 points, graduate degree required.
- Practical Experience 6 points, (e.g. training in macroeconomic analysis and planning, computer applications, project identification, and economic project analysis).
- Language proficiency 2 points, good command of the official language.

### B. MARKETING COMPONENT(10 points)

- 1. Marketing Adviser (10 points)
- Academic Qualification 2 points, graduate degree in marketing required.
- Practical Experience 6 points, e.g. assessment of market opportunities for sector products, development of marketing strategies, assessment of pricing strategies, market surveys and marketing campaigns.
- Language proficiency 2 points, good command of the official language.

### C. SUPERVISION AND MONITORING COMPONENT (20 [points)

- 1. Team leader/Financial Specialist (20 points)
- Academic Qualification 4 points, graduate degree in finance/business administration requir. ...
- Practical experience 14 points (e.g. loan supervision and loan recovery, design and impler ation of supervision procedures, staff training, in one or more financial institutions in the Region a... in the sector).
- Language proficiency 2 points, good command of the official language.

### D. ORGANIZATIONAL PLANNING FOR SECTOR LENDING (20 points)

- 1. Institutional expert (10 points)
- Academic Qualifications 2 points, post graduate degree in finance/ business administration preferably in the sector required.
- Practical Experience 6 points (e.g. institutional organization and structure in the sector, operations of sector institutions, requirements of financing institutions in the Region and in the sector).
- Language proficiency 2 points, good command of the official language.
- 2. Development Banking Specialist (5 points)
- Academic Qualifications 1 point, graduate degree in a relevant subject preferably in the sector required.
- Practical Experience 3 points (e.g. development banking operations, requirements of financing institutions in the Region and in the sector, sector loan operations).
- Language proficiency 1 points, good command of the official language.
- 3. Systems Analyst (5 points)
- Academic Qualifications 1 point, graduate degree in management and/or relevant subject preferably in the sector required.
- Practical Experience 3 points (e.g. design and implementation of loan processing systems, lending operations and monitoring systems).
- Language proficiency 1 point, good command of the official language.

October 7, 1996

### PROPOSAL EVALUATION SAMPLE NO 4

### ASSIGNMENT: ELECTRICITY TRANSMISSION STUDY

### MAIN ITEMS TO BE CONSIDERED

Equal emphasis on the following items:

- a) Qualifications of firm(s)
- b) Approach and methodology
- c) High importance of computer software capability
- d) High importance of staff qualifications
- e) Training of local staff.

WEIGHING OF MAIN EVALUATION O	RITERIA:	points
i) Qualifications of firm(s) ii) Methodology		20 20
iii) Qualifications of personnel	1	60

### SUBDIVISION OF MAIN CRITERIA

i) Qualifications of firm(s) (10 points)

### A. EXPERIENCE IN SIMILAR PROJECTS (10 points)

Experience in long-range investment planning studies on mixed hydro-power systems with high voltage transmission facilities of 200 KV or higher, including the following components:

- identification of supply and transmission options
- planning parameters and data collection
- transmission alternatives
- cost estimates
- economic appraisal of alternatives
- operation and maintenance
- computer hardware and software
- training of staff

### B. EXPERIENCE IN COMPUTERIZED POWER SYSTEM ANALYSIS (5 points)

Proven capability in developing and applying computer software for power system analysis, including

- load flow
- transient and dynamic stability
- fault analysis
- other relevant software

### C. EXPERIENCE IN SIMILAR GEOGRAPHIC AREAS (5 points)

L'\winword\handbook\annex-k.doc Printed 8/22/96 Edited 10/7/96 Highest rating to firms having experience in similar countries and in the region.

### ii) Approach and Methodology (20 points)

### A. UNDERSTANDING OF TERMS OF REFERENCE (5 points)

- interpretation of assignment
- identification of supply and transmission options
- comparative economic evaluation
- comments on TOR
- coverage of TOR

### B. QUALITY OF METHODOLOGY (5 points)

- specific approach to carrying out the assignment; and
- innovativeness;

### C. WORK PROGRAM (10 points)

- suitability of organization, staffing and activity schedules; and
- duration and input of staff months.

### iii) Qualifications of personnel (60 points)

- Project manager 20 points.
- Transmission System Planning Engineer 20 points.
- Systems Analyst 5 points.
- Systems Operation and Control Engineer 10 points.
- Power Economist 50 points.

### Key staff will be evaluated under three criteria:

- General and overseas experience;
- Project related experience; and
- Language, academic and other qualifications.

### PROPOSAL EVALUATION SAMPLE NO. 5 SAMPLE RATINGS OF SUBCRITERIA

### Qualifications:

Allocate different points to each relevant component, e.g. points for every relevant study carried out, points for other related assignments, points for experience in similar countries, points for capacity of firm, points for performance of firm etc. Rate qualification of firm for each component, (e.g. 25 % for relevant studies carried out within a given maximum of four).

### Understanding of TOR:

Allocate different points to relevant components, such as general understanding, covering of TOR, relevant comments on TOR. Rate firm's understanding for each component, e.g. excellent 100%; good 80%; acceptable 60%; poor 40%.

### Quality of Methodology:

 Allocate points to consistency between methodology and work program, innovativeness, etc. Rate agreement according to consistency of relationship, (e.g. adequate 100%; doubtful 60 %; not evident 40%).

### Staff-month Requirements:

- Allocate maximum points to proposal following recommended number of staff months, and rate deviations in staff months lower.
  - e.g. Required staff months 100 %, 5 % variation 80 %, 10 % variation 60 % etc.

### Personnel Qualifications:

Allocate points to level of education, project experience, language ,etc. and rate these factors.

### Project related experience:

0% no relevant project experience; 50 % one relevant project; 80 % two relevant projects; 100 % three or more relevant projects.

### Education:

- 100 % post graduate (Ph.D.), 90% masters degree ,80 % bachelors degree, 70 % undergraduate.

### Professional experience:

- 5 years 70 %; more than 10 years 80 %; more than 15 years 90 %; more than 20 years 100 %.

### Professional Affiliations and Publications:

<b>Affiliations</b>	Publications	Rating
None	None	70 %
1	5	80 %
2	10	90 %
3 and above	15 and above	

Age:	25 -29	70 %
	30 -39	80 %
	40-49	90 %
	50-59	100 %
	60-69	90 %
	70 and above	80 %

### **Example of Evaluation of Technical Proposals**

(Given below is a typical example explaining how technical proposals are to be evaluated for guidance).

Technical proposals have been invited from six consultants for a port feasibility study. The following evaluation criteria and points were given in the Letter of Invitation:

General	Points	Evaluation of Personnel	Points
Firm's Experience	10	General Qualifications	30
Methodology	35	Adequacy for Project	50
Personnel	55	Language and Experience in Region	20

An evaluation committee composed of four members, first meets to receive copies of the technical proposals (every member should have a complete set) and worksheets, and agrees on the committee methodology and time schedule and any further evaluation details.

In the example, the following subdivision of points (Box Number 22) were agreed at the meeting. Actual evaluations might use more or (often) less categories.

#### HIRING OF CONSULTANCY SERVICES CHECK LIST FOR PRIOR REVIEW OF CONSULTANCY CONTRACTS

(to be enclosed along with final contract)

1. Name of Project	•
	•

2. Credit/Loan Number :

3. Type of Consultancy Assignment : Pre-investment Studies/ Preparation

Services/Implementation Services

4. Whether the terms of reference have been : Yes/No reviewed and cleared with the Bank? If yes,

give reference

5. Request for expression of interest

- Publication in UNDB : Date

Publication in National Newspaper : Date & Name

Number of responses received:

6. Whether a short list of the consultants/ : Yes/No consultant firms has been drawn and

cleared with the Bank? (The short list should indeed be short and prepared through clients knowledge of consultant/consultant firms either from various working experience, from meeting their representatives or from references from other clients, Bank, etc. Normally this should not be less than three and more

than six .)

Give the names of shortlisted consultants.

7. Whether the draft letter of Invitation with draft or contract according to the Standard Yes/No

If not/reasons thereof

cleared with the Bank?

8. Whether the draft letter of invitation : Yes/No along with contract were reviewed and

cleared with the Bank? If yes, give reference

9. Date of invitation of proposals : Yes/No

10. Last date of receipt of technical proposals : Yes/No

(45 to 60 days from date of invitation)

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11.	Whether the technical proposals were evaluated and cleared with the Bank?  If yes, give reference.	1	Yes/No
12.	What is the result of evaluation. Give list of consultants with ranking		
13.	Whether the negotiations were held with the best technically ranked firm and draft contract finalized? If yes, When? Give dates. If the contract is not finalized with the best technically ranked firm, whom has the contract finalized? Give reasons.	:	Yes/No
14.	Whether the draft contract negotiated with the selected firm was reviewed and cleared with the Bank. If yes, When? Give date	.:	Yes/No
15.	Name of consultant/consultant firm	:	
16.	Date of Award of the contract	:	
17.	Date of signing of the contract	:	Currency/ Amount
18.	Contract value as awarded	;	;
19.	Contract number and date	:	:
20.	Stipulated period of completion	:	
21.	Enclosure: (one copy of the final contract with Appendix)		
		Nam	ature: e: gnation:
Date:			

#### HIRING OF CONSULTANCY SERVICES CHECK LIST FOR POST AWARD REVIEW OF CONSULTANCY CONTRACTS

(to be enclosed along with final contract)

2.	Credit/Loan Number	:	
3.	Type of Consultancy Assignment	:	Pre-investment Studies/ Preparatio Services/Implementation Services
4.	Whether the terms of reference include the following? (answer each of the following separately)	:	Yes/No
	i) Concise statement of objectives		

ii) Outline of tasks to be carried out :
iii) Schedule for completion of tasks :
iv) Support/inputs to be provided by the employer :

1.

Name of Project

- v) Final outputs required from the consultant vi) Review procedures
- 5. Whether the terms of reference have been : Yes/No reviewed and cleared with the Bank? If yes, give reference
- 6. Whether the cost estimate has been prepared and advised to the Bank? If yes, indicate value, (Cost estimate, or budget, should be based on borrower's perception of the assignment requirements in terms of level and type of personnel, period to be spent in the field and in the home office, physical inputs and other items required for the services.)
- 7. Whether a short list of the consultants/
  consultant firms has been drawn and
  cleared with the Bank? (The short list
  should indeed be short and prepared
  through clients knowledge of consultant/
  consultant firms either from various
  working experience, from meeting their
  representatives or from references from
  other clients, Bank, etc. Normally this
  should not be less than three and more
  than six.)

Give the names of shortlisted consultants.

8.	Whether the draft letter of Invitation with draft or contract according to the Standard cleared with the Bank?	:	Yes/No	
	If not/reasons thereof			
9.	Date of invitation of proposals	:	Yes/No	
10.	Last date of receipt of technical proposals (30 to 60 days from date of invitation)	:	Yes/No	
11.	Whether the technical proposals were evaluated as per criteria set out in the Letter of invitation.	:	Yes/No	
12.	What is the result of evaluation? Give the list of consultants with ranking.			
13.	Whether the negotiations were held with the highest technically ranked firm and draft contract with Appendix finalized? If yes, When? Give dates. If the contract is not finalized with the best technically ranked firm, whom has the contract finalized? Give reasons.	:	Yes/No	
14.	Name of consultant/consultant firm	:		
15.	Date of Award of the contract	:		
16.	Date of signing of the contract	;	Currency/ Amount	
17.	Contract value as awarded	*		**
18.	Contract number and date	:		••
19.	Stipulated period of completion	:		••
20.	Enclosure: (one copy of the final contract with Appendix)			
		Signa Name Desig	Activities and activities activities and activities activities activities and activities activities and activities activit	
Date:				
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#### H1- Sample Letter for Expression of Interest

#### [Integrated Water Resource Development Project]

#### Dear Sir/Madam:

- 1. Letters of interest are invited from qualified and experienced consulting firms who wish to be considered to undertake [name of study]. The Government of [name of country] has applied [has received] for a loan [credit] from the IBRD [IDA] and intends to apply a portion of the proceeds of this loan [credit] to finance the above study.
- 2. The objectives of the study [which will be carried out jointly with staff of the Department of Water Resources of the Ministry of Works] are
  - to improve the institutional capability of [the Department of Water Resources] to solve complex water resource planning and management;
  - to achieve an optimized approach for integrated water resource;
  - to train staff in the planning and management of water resources; and
  - to recommend appropriate tariff structures in the water sector.
- The expected results of the study are
  - recommendations to the Government of [name of country] on the further development of its water resources;
  - the establishment of well trained operational units [in the Department of Water Resources];
  - the availability of general and specific databases and computer models for water resource management;
  - an equitable tariff structure in the water sector.
- 4. The duration of the study will be about three years, and it should begin in [mm/dd/yy]. The total cost of the study is estimated at about USD [amount].
- 5. Consultants or associations of consultants who are interested in being considered for the assignment, should submit information in the format indicated in the attachment to this letter Information Form. They should support their experience in integrated water resource management and, in particular, in the above-mentioned fields. They should also indicate their experience in conducting similar assignments in developing countries.

- 6. Expressions of interest with the accompanying material should be submitted to [the Directorate General of Water Resource Development, DGWRD], for the attention of [Name and Address].
- 7. Please note that no proposals are required now. On the basis of obtained information from interested consultants, [the DGWRD] will prepare a shortlist of 4 to 6 consultants who will be invited to submit proposals.

Sincerely yours

[name]
[position]

Attachment: Information Form

4

Ministry of Public Works

DGWRD

Assignment:

Country: Project:

Integrated Water Resource Development Study

Date:

#### INFORMATION FORM

Name of Consultants (Leading Partner).

Address

Telephone No:

Telex

Telefax:

Registered office address.

- Description of consulting firm (Ownership and Organization).
- Number of years experience (internationally).
- Names and addresses of associated consultants and subsidiaries to be involved in the study, and a short description of their role in the study.
- 5 Experience in the region.
- Organization chart showing the consultants' structure.
- Capital of consultant (Financial Statements for the last three years).
   Subsidiaries and associates
   Annual fees in the last five years in current US dollars
   Financial references (name and address of banks)
- 8. Professional staff available for the assignment (CVs).
- 9. Relevant experience of consultants and their associates obtained in the last five years.
- Additional information.

#### H2 - Sample Advertisement for Expression of Interest

#### URBAN TRANSPORT STUDY

Invitation to international consulting firms to register interest.

The Government of Sri Lanks (GOSL) has applied for a credit from the International Development Association (IDA) to finance the Colombo Urben Transport Project. The major project components include traffic management schemes, construction of a multi-spen bridge at Maradara Junction and technical assistance. As part of the technical assistance, about US\$1.2 million is earmarked for the Susacing of a Colombo Urban Transport Study. Terms of Reference are available from the Ministry of Transport and Highways (first address below).

Interested international consulting firms are invited herewith to register their interest in perticipating in the study by sending the following information (four copies in English):

n Name, address and factimile number of consulting firms

Names and short CVs of principal officers

Ownership and organizational structure of the firm

Financial statement for the last three years

List of major assignments undertaken with special emphasis on the type and scope of urban transport feasibility studies leted in recent years

The deadline date for receipt of the above statement by interest consulting firms in 15 December 1992. Documents received thereafter will not be accepted. A final list of international consultants invited to submit proposals for the Colombio Urban Transport and Femiliality Studies will be prepared from the firms responding to this notice, as well as to the notices circulated locally in newspapers and to the embassies. Only firms with demonstrated experience and excellent track record in similar assignments will be considered and notified by the Secretary, Ministry of Transport and Highways to submit proposals.

Interested firms should address their inquiries and submit the formation requested above to either of the addresses below:

(1) Mr. A.R.M. Jayawardens, Socretary Ministry of Transport & Highways LDR Wijewardena Mawatha Colombo 10, Sri Lanka Telephone 587212, 687284

(Z)M.: M. Perers, Director Transport Studies & Planning Contre 12 Tower Building Station Road Colombo 4, Sri Laoka Facsimile 583601 Telephone 502227

#### TECHNOLOGY COMPONENT

Loan number 3432-TR Request for Letters of Interest

Letters of interest are invited from qualified and experienced occusating firms and individual consultants who wish to be considered for consultancy assignments for the Technology Component of a Business Expension and Industrial Restructuring Project in Trinided and Tobago. The project is funded by the World Bank and is for a period of approximately three years.

The objective of this component of the project is to increase the quality of competitiveness of local industry through the institutional strengthening of the Trinidad and Tobago Bureau of Standards (TTBS) and The Caribbean Industrial and Research Institute (CARIRI) so that both organizations can better assist industry by expanding their technical capabilities and the range of services offered to industry.

The consultancies, with the exception of 4, 10, 11, 12 and 13 below, are short-term assignments of typically one to four weeks duration and are in the following fields of specialization.

1. Metrology and Calibration - training of staff in metrology laboratory operations, utilization of equipment and hosting of metrology and calibration seminars for industry.

2. Laboratory Accreditation - to develop a strategy for obtaining international lab accreditation, advise on a national lab accreditation system and conduct accreditation acminers for industry.

Quality Management System Training - to develop curricula and identify course material for Total Quality Management (TQM) and ISQ 9000 Auditor Training and to prepare terms of reference and contract documents for the hiring of a Quality Management

Training Services Company.

4. Quality Awareness Campaign Promotion (Communications and Graphics Company) - to develop promotional materials and a

Quality Management and Promotion - Experts to conduct Quality Seminars and host meetings with industry and government

6. Quality Problem Troubleshooting - to advise on particularly troublescene quality problems faced by local industry.

7. National Quality System Development - to assist in defining a National Quality System for product and quality system registration/certification.

2. Strategic Planning - to assess and advise on TTBS and CARIRI strategic plans and to propose an action plan to facilitate cooperation and coordination between TTBS and CARIRI.

9. Standards Development and Management - to advise on standards development and management of standardization projects and train staff in standardization.

10. Standards Information Specialist - to develop operational procedures for a Standards Information Centre.

11. Mariot Research Analysis - to perform market surveys and analyses to determine client bases and near and long-term client monts of TTBS and CARIFIL

12. Public Relations and Promotion - to assist in implementing outreach programs to industry through public service manages, case studies and the like.

13. Techno-Economic Assistance - to train staff to provide tence to small and medium sized industries focusing on Total Quality Management (TQM) and the economics of menufacturing processes for producers of engineering products, chemical products sed foods.

14. Laboratory Design - to update 10-year old plans for a collocated laboratory facility and assess the long-term laboratory de of TIBS and CARIRI

Laboratory Operations (mechanical or electrical and chemical or petroleum engineering) - to appraise existing TTBS and CARIRI

labs, identify needs and recommend appropriate equipment.

Consultants who are interest in being considered for the ignment should submit information supporting their experience and capability in the respective field of specialization and in conducting similar assignments in both developed and developing countries. Information on adequacy and availability of recurous to entry out the respective senignments should also be provided. Letters of interest, with accompanying materials, including a current

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statement of the financial position of the firm, or consultant, should be automitted by 18 December 1992 to the Project-Manager for the World Bank finded Project at the address below.

Please note that this is not a request for proposals. After a review of the Letters of Interest, short lists will be prepared and those listed consultants will be invited to submit proposals through Letters' of Invitation, including specific Terms of Reference. Any additional information requested will be at the cost of the interest consultant.

The Project Manager for the World Bank Funded Project Trinidad and Tobago Buranu of Standards P.O. Box 467 Port of Spain. Republic of Trinidad and Tobago, West Indias Feminale 1 (209) 663–4335 Telephone 1 (209) 662–2227

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#### SELECTION OF CONSULTANTS BY THE BANK'S BORROWERS SAMPLE FORMAT FOR REQUEST FOR EXPRESSIONS OF INTEREST

[Name of Country]

[Name of Project2]

[Services<sup>3</sup>]

Loan [Credit/Grant] No.

- 1. This Request for Expressions of Interest follows the general procurement notice for this project that appeared in *Development Business*, issue no. [insert number] of [insert date].<sup>4</sup>
- 2. The [insert name of borrower/beneficiary<sup>5</sup>] [has received/has applied for/intends to apply for] a [loan/credit/grant] from the [International Bank for Reconstruction and Development/International Development Association] and intends to apply part of the proceeds of this [loan/credit/grant] to payments under the contract for [insert project<sup>2</sup> /the Services<sup>3</sup>].
- 3. The Services include [brief description, organization, implementation period...].
- 4. The [insert name of implementing agency/client] now invites eligible consultants to indicate their interest in providing the Services. Interested consultants must provide information indicating that they are qualified to perform the Services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.) Consultants may associate to enhance their qualifications.
- 5. A consultant will be selected in accordance with the procedures set out the World Bank's Guidelines: Selection and Employment of Consultants by Bank Borrowers, January 1997.
- 6. Interested consultants may obtain further information from Background documents at the address given below. [state address at the end of document] from [insert office hours]<sup>8</sup>.
- 7. Expressions of interest must be delivered to the address below by no later than [insert date].

Bank means International Bank for Reconstruction and Development (IBRD), or International Development Association (IDA).

If appropriate. In some cases there may be no project properly said but only a specific consulting assignment.

Insert title of Services.

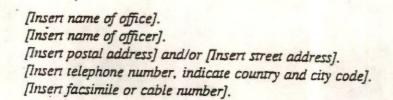
Day, month, year, for example 31 January, 1996; delete if not appropriate.

In case of a grant.

The intent is to enable potentially interested consultants to decide whether or not to prepare an expression of interest.

See Guidelines for eligibility requirements.

For example, 0900 to 1200 hours."



#### **PROCUREMENT**

Family Welfare [Urban Slums] Project

[IPP - VIII]

(Cr.2394-IN)

[Bangalore, Calcutta, Delhi, and Hyderabad]

#### **Table of Contents**

1.	Procurement - General	
2.	Methods of Procurement	Annexure - I
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4.	Procurement Plan	Annexure II
5.	Important points to be noted in Bank Financed Contracts	Annexure - III
6.	Procedures for Hiring of Consultants in Bank Financed Projects	Annexure - IV

### Procurement - General

#### **PROCUREMENT**

#### 1. Objectives

- to firm up procurement arrangement for investment operations of the project;
- to frame the bidding strategy and initiate preparation of procurement plan indicating the bid packages and schedule for procurement;
- to familiarize borrower on the Bank's procurement guidelines, bidding procedures,
   Bank's standard bidding documents; and
- Preparation of specific bidding documents for the project after completion of detailed engineering, finalization of specifications for the packages planned to be taken up in the first two years of implementation of project.

#### 2. Why detailed Procurement procedures for Bank-financed Projects?

- (a) The Articles of agreement require the Bank to ensure that the proceeds of Loan/Credit are used for the purposes intended with due attention to economy and efficiency.
- (b) Accordingly, Bank has developed Guidelines for procurement of Goods, Works, and Consultancy, which represents
  - -- Accumulated Experience of Bank/IDA; and
  - Good Public Procurement practices on a Global Scale.

Bank Guidelines explain the various procedures acceptable and these are applicable only to the extent provided in the Legal Agreements for specific projects.

- (c) Bank is a co-operative institution and equal business opportunities have to be provided to all the member countries of the Bank. Impartial administration of procurement among all eligible bidders is essential to maintain Bank's ability to raise financial resources from it's member countries and in the Capital Markets.
- (d) Procurement is an important aspect of Bank's operation. It is a critical element in Project Implementation and unless it is carried out efficiently and promptly, the full benefits of the Project cannot be realized. Bank loans/credits are normally disbursed as expenditures are incurred. Since, delays in procurement delays disbursements, every effort should be made to ensure prompt handling of procurement.

- (e) Good procurement practices alone cannot assure that the Bank assisted Projects will achieve their developmental goals; but it will definitely enhance the development effectiveness. However, poor procurement practices virtually guarantee that these goals will not be fully achieved.
- (f) The responsibility for the execution of the Project and therefore for the award and administration of the contracts under the Project rests with the Borrower.

#### (g) Role of Procurement

#### It is critical for:

- ensuring satisfactory implementation;
- ensuring speedy transfer of resources by way of disbursement;
- achieving economy and efficiency; and
- ensuring success of the Project.

Sound public procurement is a vital arm for promoting good governance and better fiscal management of projects. Bank supports clients developing capacity for the above.

#### (h) Corruption:

The Bank firmly believes that corruption is a major factor impending development. The World Bank President has observed, "Corruption hampers economic growth, burdens the poor disproportionately, and undermines the effectiveness of investment and aid. Anti-corruption strategies need to be an integral part of a development framework designed to help countries eradicate poverty." The Bank supports all steps in the above direction.

#### (i) Four considerations generally guide procurement in Bank financed projects:

- need for economy and efficiency in the execution of the project;
- Bank's interest as a co-operative institution in giving all eligible bidders from developed and developing countries an opportunity to compete;
- Bank's interest as a development institution in encouraging the development of domestic contracting and manufacturing industries; and
- the importance of transparency in the procurement process.

#### Preferred Procurement Procedures

- ICB; open to all eligible bidders with an element of Domestic preference.

#### (j) Thrust of Bank's current procurement policy:

- stronger focus on the development function and on increased borrower accountability;
- Emphasis on upfront project work, stressing better procurement planning and client capacity analysis to ensure good quality at entry; and
- an integral approach to supervision of procurement that strengthens post review of contracts and sets prior review thresholds on the basis of borrower's procurement capacity and past performance.

#### (k) Features of Bank's Model Procurement Documents

- sharing of risks between the parties of the contract;
- incorporation of suitable qualification criteria;
- incorporation of precise and fair evaluation criteria;
- incorporation of non-discriminatory/broad technical specification;
- ensure transparency by public bid opening, pre-disclosure of qualification and evaluation criteria, absence of negotiations;
- award to the lowest evaluated responsive bidder; and
- incorporation of a suitable dispute resolution mechanism and market oriented payment terms.

#### (1) Business Community's Perception:

- Timely and accurate information on business opportunities;
- Predictable procurement system;
- Level playing field; and
- Open competition.

#### (m) Specific Concerns in India:

- Delays in finalization of bidding documents;
- Delays in bid evaluation and award of contracts;
- Delays in signing of contracts after obtaining no objection from Bank;
- Delays in releasing of advances and other payments during execution;
- Inadequate engineering leading to wide variations at the time of implementation and consequent disputes;
- Delays in resolving issues during contract implementation; and
- Weak contract administration.

#### 3. Procurement Arrangement for Investment Operation

#### Steps:

- list out all the identifiable items (similar items should be aggregated for one state/organization) for each main category such as - Civil Works, Goods,

Equipment, Vehicles, Supplies, Consultancies etc. in the formats enclosed (Annexure II/1, II/2 and II/3);

- work out the number, estimated cost, source of supply, year wise requirement over the project period in the formats enclosed (Annexure II/1, II/2 and II/3);
- identify the procurement method best suited for the items and enter in the formats enclosed (Annexure II/1, II/2 and II/3).

#### The methods of procurement are:

- International Competitive Bidding;
- National Competitive Bidding;
- Shopping: International / National;
- Direct Contracting; and
- Force Account.

The various methods of procurement are discussed in the Bank procurement guidelines. However a brief note detailing the salient points on methods of procurement is enclosed - Annexure I.

- Prepare a General Procurement Notice for publication in UNDB.
- Identify the agency/agencies responsible for the procurement in the project. The agency should be well versed in the Bank procurement procedures (to assess the institutional capacity, information should be collected as per model questionnaire). Good procurement practices alone cannot assure that the Bank assisted projects will achieve their developmental goals. But poor procurement practices virtually guarantee these goals will not be fully achieved; hence the need for good, knowledgeable, efficient procurement agency. If the State/Organization does not have the requisite expertise, employment of procurement agents is suggested. Fees paid to such agents is reimbursable under the credit (as consultant fee). RITES, NTPC, HSCC (Hospital Services Consultancy Corporation), MECON (GOI undertakings), Global Procurement Consultants Limited (of EXIM Bank), S.G.S. (India) Ltd., Crown Agents, TCS, TCE, Kirloskar Consultants etc. (Private) etc. are working as procurement agents for some of the projects (The Consultant Guidelines shall apply for the selection of procurement and inspection agents).

#### 4. Preparation of Procurement Plans

#### Steps:

- Review by the Bank and finalization of the lists prepared, the packages and method of procurement proposed in **Annexure II/1**, **II/2** and **II/3** (prepared as per para 3 above);

- Compilation of the procurement schedule for the finalized packages and review by the Bank. (Annexure II/4 and II/5);
- The factors to be considered for determining the size of packages will include:
  - Timeliness
  - Economies of Scale
  - Geographical Location (dispersal of work)
  - Institutional capacity of the Employer
  - Capacity of likely qualified bidders
  - Plant and equipment required

#### 5. Bank Guidelines, Procurement Procedures and Bidding Documents

#### (a) Bank Guidelines:

These guidelines are mentioned in the booklets:

- Guidelines: Procurement under IBRD Loans and IDA Credits (May 1985) for Works and Goods;
- Guidelines: Use of Consultants by World Bank Borrowers and by the World Bank as Executing Agency (August 1981).

#### (b) Procurement Procedures:

Detailed instructions on procedures to be followed along with the suggested formats for preparation of evaluation reports, and other procurement documentation are given in the following brochures:

- Procurement of Civil Works and Goods under NCB procedures in Bank financed projects; and
- Procurement of Civil Works and Goods under ICB procedures in Bank financed projects.

Methods of procurement and procurement arrangements are explained in attached Annexure I.

Prior to the issuance of any Invitation to bid for contracts, the proposed Procurement Plan (Procurement Schedules) for the Project should be furnished to the Bank for its review and approval in accordance with the provisions of Paragraph 1 of Appendix 1 of the Guidelines. Procurement of all Goods and Works should be undertaken in accordance with the approved Procurement Plan (Annexure II/4 and II/5).

Some of the important points to be noted in Bank financed contracts are attached (Annexure III).

A note on the Procedures for Hiring of Consultants is also attached (Annexure IV).

#### (c) Bidding Documents:

#### (i) Works / Goods / Equipment

Model documents for the following are available. These have to be invariably used irrespective of the agency procuring the Works/Goods/ Equipment / Drugs etc.

- Civil Works costing more than equivalent of US \$10 Million (ICB);
- Civil Works costing equivalent of US \$10 Million and below (ICB);
- Civil Works costing more than US \$ 100,000 (NCB);
- Civil Works costing US \$ 100,000 and below (NCB);
- Pre-qualification (Procurement of Works including Major Equipment and Industrial Installation);
- Supply of Goods and Equipment (ICB);
- Supply of Goods and Equipment (NCB);
- Supply and Installation of Plant and Equipment (ICB);
- Supply of Pharmaceuticals and Vaccines (ICB);
- Supply of Pharmaceuticals and Vaccines (NCB);
- Supply of Kits (containing drug & non-drug items) (NCB);
- Supply of Computers (ICB);
- Supply of Computers (NCB); and
- Supply of Vehicles (ICB)

For Procurement of other specialized equipments, appropriate modifications are to be made in the standard bidding document.

#### (ii) <u>Hiring of Consultants</u>

Models for the following are available and can be obtained as and when required:

- Hiring of Consultancy Services Request for Proposals Quality & Cost Based Selection (QCBS) Time Based Payments;
- Hiring of Consultancy Services Request for Proposals Quality & Cost Based Selection (QCBS) - Lump Sum Payments;
- Hiring of Consultancy Services Request for Proposals Quality Based Selection (QBS);

- Hiring of Consultancy Services Request for Proposals Selection Based on Qualification or Single Source Selection (SSS).
- Small Assignments (Firms Selection through short list) Time Based upto US \$ 50,000;
- Small Assignments (Firms Selection through short list) Lumpsum upto US \$ 50,000.
- Small Assignments (Firms Local, Sole Source Selection) Lumpsum upto US \$ 50,000.
- Small Assignments (Individuals Sole Source Selection) Lumpsum upto US \$ 50,000.
- Short Term Assignments (Individuals) Time Based Upto US \$ 50,000; and
- Long-term Assignments (Individuals) Time Based.

#### Standard Forms of Contract:

- Small Assignments Time Based Payments
- Small Assignments Lump Sum Payments

The above models should only be used for inviting proposals from short-listed firms (including sole source).

Note: The particular method of Procurement and the categories of Goods and Works to which they apply are determined by agreement between the Bank and the Borrower and are specified in the loan agreements which governs the legal relationships between the Borrower and the Bank. Procurement guidelines are made applicable to Procurement of Goods and Works for the Project, only to the extent provided in these agreements.

#### Annexure - I

**Methods of Procurement** 

IPP-VIII Project

#### Methods of Procurement



#### 1. International Competitive Bidding (ICB):

Affords opportunity to all eligible prospective bidders from member countries of the Bank and Taiwan, China to bid.

#### To be Adopted:

- Generally for packages costing more than the equivalent of US \$200,000\* (Goods)/US \$ 10,000,000\* (Works);
- Irrespective of value, where supplies need import and entail payment in foreign currency; and
- Generally for all contracts in which foreign firms can be expected to participate.

[\* Actual Threshold Limits are as indicated in legal agreement]

#### Requirement:

- Publication of General Procurement Notice, followed by specific Invitation for Bid (IFB) in United Nations' Development Business (UNDB) published fortnightly from Washington Bank will arrange this minimum period required 30-35 days;
- Transmission of IFB to embassies and trade representatives of countries of likely suppliers/contractors of the Goods and Works required and also to those who have expressed interest in response to the General Procurement Notice;
- Publication of IFB in national newspapers having wide circulation in all regions of country;
- Use of Bank's standard bidding document;
- Sale of bidding document to start only after publication of IFB in UNDB and national newspapers; and
- Bidding period 45 to 90 days from date of start of sale of bidding documents.

IPP-VIII Project

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#### Steps:

- Notification/Advertising;
- (Pre-qualification, if provided in legal agreement);
- Issue of Bidding Documents;
- Submission of Bid;
- Public opening of bids;
- Evaluation;
- Selection of lowest evaluated responsive bid based on post qualification;
- Contract Award; and
- Contract Performance.

#### 2. National Competitive Bidding (NCB):

Competitive bidding advertised nationally for procuring Goods or Works which by their nature or scope are unlikely to attract foreign competition. Currency specified is Indian Rupees for bidding as well as for payment. However, foreign bidders are not to be precluded from participation, if they wish to bid; but they are also to be paid only in Indian Rupees. Domestic preference will not be applicable.

#### Requirement:

- Publication of IFB in newspapers having a wide circulation in the country;
- Use of Bank's standard bidding document;
- Sale of bidding documents to start only after publication of IFB in newspapers;
- Bidding period 30 days to 60 days from date of start of sale of bidding documents;
- Payment in local currency; and
- If foreign firms wish to participate, they shall be allowed to do so.

#### Steps:

- Notification / Advertising;
- Issue of Bidding Documents;
- Submission of Bid;

- Public opening of bids;
- Evaluation;
- Selection of lowest evaluated responsive bid based on post qualification;
- Contract Award; and
- Contract Performance.

#### 3. Shopping: International / National (Local)

Shopping is a Procurement method based on comparing price quotations obtained from several Foreign or National suppliers, usually at least three, to ensure competitive prices. It is an appropriate method for procuring readily available off-the-shelf goods or standard specification commodities that are small in value and are ordinarily available from more than one source.

Under International shopping, quotations should be solicited from at least three suppliers in two different countries.

The requests for quotations shall indicate the description and quantity of the goods, as well as desired delivery time and place. Quotations could be obtained by telex or facsimile. The evaluation shall follow sound public or private sector practices. The terms of the accepted offer shall be incorporated in a purchase order.

Rate Contracts of Directorate General of Supplies and Disposals (DGS&D) are acceptable under National shopping (Rate Contracts of State Governments are not acceptable, but they can be considered as one quotation and compared with those obtained from other suppliers).



#### **Direct Contracting**

Direct contracting without competition may be an appropriate method under the following circumstances:

- Extension of existing contracts for Works or Goods awarded with procedures acceptable to Bank, justifiable on economic grounds;
- Standardization of equipment or spare parts to be compatible with existing equipment;
- Proprietary equipment;
- Need for early delivery to avoid costly delays; and
- In exceptional case, such as in response to natural disasters.

#### 5. Force Account

Force Account is construction by the use of borrower's own personnel, materials and equipment (generally limited to 10% of the cost of Civil Works) where:

- Quantities of work involved cannot be defined in advance;
- Works are small and scattered or in remote locations where mobilization costs for contractors would be unreasonably high;
- Work must be carried out without disrupting on going operations;
- The risk of unavoidable work interruption are better borne by the borrower than by a contractor; or
- There are emergencies needing prompt attention.

#### **Procurement Arrangements**

#### (As per Schedule 1 of Project Agreement)

#### Category

#### Procedure to be followed

1. Civil Works

a) National Competitive Bidding (NCB):

Except (b) below

b) Force Account or Direct Contracting or under quotations solicited from three eligible qualified contractors:

Estimated to cost less than the equivalent of US\$ 50,000 per contract upto an aggregate amount not exceeding US\$ 7.15 million. [Hyderabad (\$ 0.858 M), Bangalore (\$ 0.926 M), Calcutta (\$ 2.646 M), Delhi (\$ 1.716 M) and others (\$ 1.004 M)].

- 2. Equipment, Vehicles, Furniture, Medicines and MCH Materials
- a) International Competitive Bidding (ICB):

Except (b) below and para 3 and 4.

b) National Competitive Bidding (NCB):

Estimated to cost less than the equivalent of US\$ 200,000 per contract upto an aggregate of US\$ 20.10 million. [Hyderabad (\$ 2.412 M), Bangalore (\$ 2.613 M), Calcutta (\$ 7.437 M), Delhi (\$ 4.824 M) and others (\$ 2.814 M)].

3. Equipment, Furniture, Medicines, Books, IEC and MCH Materials.

#### National (Local) Shopping:

Estimated to cost less than the equivalent of US\$ 50,000 per contract upto an aggregate of US\$ 10.60 million. [Hyderabad (\$ 1.272 M), Bangalore (\$ 1.378 M), Calcutta (\$ 3.922 M), Delhi (\$ 2.544 M) and others (\$ 1.484 M)].

#### 4. Vehicles

#### National (Local) Shopping):

Estimated to cost less than the equivalent of US\$ 50,000 per contract upto an aggregate amount not exceeding US\$ 300,000 [Hyderabad (\$ 36,000), Bangalore (\$ 39,000), Calcutta (\$ 1,11,000), Delhi (\$ 72,000) and others (\$ 42,000)].

5. Consultancy

Bank's Consultancy Procedures.

- 6. Review
- 6.1 Goods and Works
  - a) Prior Review

All contracts of works and goods valued equivalent of US\$ 200,000 and above.

#### Prior Review consists of review of:

- invitation for bids;
- bidding documents;
- minutes of pre-bid conference wherever bidding documents provide pre-bid conference;
- bid evaluation report (in the Bank's suggested format); and
- final contract(s) with checklist (in the bank's checklist format).
- b) Post Review

All other cases as follows:

- 6.2 Consultancy
  - a) Prior Review

#### Prior review is necessary for the following:

- Terms of Reference, regardless of value;
- All single source selection of consulting firms;

- Contracts for Consultancy Service valued -
  - US\$ 100,000 and above for Consulting Firms;
  - US\$ 50,000 and above for Individuals;
- All Consultant contracts for assignment of a critical nature, regardless of value;
- Contract amendments raising the contract value equivalent of US\$ 100,000 or above and US\$ 50,000 or above for Firms and Individuals, respectively; and
- Any standard documents that the Borrower intends to develop and use repeatedly.

#### Prior review would be at every state as follows:

- Terms of Reference;
- Shortlist;
- RFP documents containing Letter of Invitation, Supplementary Information to Consultants and Conditions of Contract;
- Evaluation Report of the technical proposals (with a copy of the winning proposal);
- Report after financial or combined evaluation (with a copy of the winning financial proposal)
- Negotiated draft contract; and
- Final contract (to be accompanied by Checklist).
- b) Post Review

All other cases.

#### Annexure - II

Procurement Plan (Procurement Schedule)

IPP-VIII Project

#### LIST OF WORKS TO BE PROCURED

Name of State/Department/Organization

S.No.	Description of Work	Est. Cost (Rs. M)	Y	ear-wis	se Proc	cureme	Remarks on proposed Method of Procuremen [ICB, NCB, Three Quotations, Direct contracting, Force Account (FA) etc.]						
			I	II	III	IV	V						
1.													
2.				12									
3.					10	1							
4.	8												
5.													
6. *	- 8												

IPP-VIII Project

#### LIST OF GOODS ÆQUIPMENT /VEHICLES /FURNITURE ETC. TO BE PROCURED

Name of State/Department/Organization	
Titaline of State T character - S	 

Item Description	Number	Mode of Tendering*	Est-Cost (Rs. M)	7	(ear W	ise Proc	Remarks on Proposed Methods of Procurement (ICB/ NCB/ Shopping [I or N])					
				I	II	Ш	IV	V				
		-										
Goods:			1									
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3.			l. i									
4.												
5.												
3.												
Equipment:												
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2.		1			7							
3.					6 4	= 1						
4.	1											
5.	-											
Vehicles:												
1.												
2.												
3.							1					
4.							-					
5.					-							
Furniture:												
1. 2.			}					1				
3.												
4.	1								l			
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J.												
Drugs:												
1.												
2.												
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etc.												
									and the second			

State whether it is Supply, Supply supervision of erection, Supply/Erection/Commissioning or Turnkey.

#### LIST OF CONSULTANCY SERVICES TO BE HIRED

Name of State / Department / Organization

Name of Consultancy (Brief Description)	Estimated Man months	Estimated Cost	Year	wise Pr	rocuren	nent	Remarks on Proposed Method of Procurement [QCBS/QBS/ Single Source etc.]
			I	П	III	IV	5.6.,
International:							
1.							
2.							
3.							
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5.							
National:							
1.							
2.							-
3.							
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5.							
Individual or Sole Source :		120-2					
1.							
2.							
3.							
4.							

## PROCUREMENT SCHEDULE FOR CIVIL WORKS

COUNTRY:

PROJECT:

DEC TGBS DUA חחדג 5 BNOC 99A YAM SAM 834 NAL DEC AON 100 1436 DUA Ann YAM APR MAM 834 NAL DEC TOO SEPT env ARM 9 DINE YAM APR SAM FEB DEC 100 YJUL ĐUA T⊄∃\$ 40 BNUL AVW AGA 834 MAL AON 100 2EPT DUA -ATIN BNUL YAM AAM FFR 631 NAL DEC NUG SEPT OCT אחרג 40 JWUL YAM APR AAM FEB APPRAISAL REVISED ACTUAL ESTIMATED METHOD OF PROCURE. MENT DESCRIPTION OF WORKS

PROCUREMENT ACTIONS		
1 INITIATE PREPARATION OF SPECIFICATIONS AND BID DOCUMENTS	a	9 CONSTRUCTION 25% COMPLETE
2 TRANSMIT SPECIFICATIONS AND BID DOCUMENTS TO IDA	10	10 CONSTRUCTION 50% COMPLETE
3 IDA CLEARANCE OF SPECIFICATION AND BID DOCUMENTS	44	11 CONSTRUCTION 75% COMPLETE
4 ISSUE INVITATION TO BID	12	12 CONSTRUCTION 100% COMPLETE
5 OPEN BIDS		
6 TRANSMIT EVALUATION REPORT AND AWARD RECOMMENDATIONS TO IDA		
7 IDA CLEARANCE OF RECOMMENDATIONS		
8 AWARD CONTRACT		

METHOD OF PROCUREMENT
ICB - INTERNATIONAL
COMPETITIVE BIDDING
NCB - NATIONAL COMPETITIVE

- FORCE ACCOUNT
- NATIONAL SHOPPING NS NS

# PROCUREMENT SCHEDULE FOR EQUIPMENT AND MATERIALS

COUNTRY:

PROJECT:

	DESCRIPTION OF ITEM AND QUANTITY											2000																												
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PROCUREMENT ACTIONS

1 INITIATE PREPARATION OF SPECIFICATIONS AND BID DOCUMENTS

2 TRANSMIT SPECIFICATIONS AND BID DOCUMENTS TO IDA

3 IDA CLEARANCE OF SPECIFICATION AND BID DOCUMENTS

4 ISSUE INVITATION TO BID

5 OPEN BIDS

● TRANSMIT EVALUATION REPORT AND AWARD RECOMMENDATIONS TO IDA 7 IDA CLEARANCE OF RECOMMENDATIONS
■ AWARD CONTRACT

METHOD OF PROCUREMENT ICB . INTERNATIONAL

NCB - NATIONAL COMPETITIVE COMPETITIVE BIDDING

9 INITIAL DELIVERY AT SITE 10 INTERIM DELIVERY AT SITE 11 FINAL DELIVERY AT SITE

NS - NATIONAL SHOPPING
IS - INTERNATIONAL SHOPPING

#### Annexure - III

Important Points to be noted in Bank Financed Contracts

IPP-VIII Project

#### IMPORTANT POINTS TO BE NOTED IN BANK FINANCED CONTRACTS

- Principal criteria followed in Bank procurement procedures is transparency, economy and efficiency, opportunity to all eligible bidders of member countries, and encouraging development of domestic contracting and manufacturing industries.
- Bank approved model bidding documents for procurement of Works and Equipment (ICB/NCB) should be used; fixing appropriate qualification & evaluation criteria and ensuring filling of all blanks.
- Detailed design and engineering, including soil investigation, acquisition of land for works and preparation of technical specification for equipment, to be completed before invitation of bids.
- 4. Bank will normally not finance additional floors in existing buildings. However, as an exception, where the initial design of a building contemplated additional floors, which were not built due to budgetary constraints, and the TTL is fully satisfied of the design, then only the Bank will agree for financing those additional floors under the credit/loan.
- 5. Schedule of rates (based on which estimates are prepared) should be updated regularly taking into account realistic data based on the construction methodology to be used, current market prices for materials and labour, and reasonable contractor's profit.
- 6. Bill of Quantities should have a separate schedule for those general items which are not covered in analysis of rates adopted for estimation.
- 7. (a) Bid Security:

A fixed amount usually 2 to 5% for Goods and 1 to 3 % for Works [For small value purchases and in some specific cases, where bid security is considered not essential, (for example, vehicles) it could be dispensed with].

(b) Performance Security:

Works

Goods

5% of contract price

5 to 10% of contract price

(c) Retention Money:

Works

Goods

5% of contract price (50% to be retained till completion of the whole of the works and 50% to be retained till the end of defects liability period) Nil

[Bank guarantees submitted by Bidders / Contractors / Suppliers should be unconditional and in the specified formats].

#### 8. Samples:

Bidding documents should generally avoid submission of samples along with bids by bidders as this requirement discourages competition and increases the bid prices. Alternatively, bidders should be requested to confirm that their product meets with the required specifications and in support attach appropriate test certificates from recognized testing laboratories.

- 9. No filtration in the sale of bidding document. It should be sold and made available by mail as well, to all whosoever pays the required fee and requests for it.
- 10. Where Bidders are not prequalified, minimum post qualification criteria to be clearly specified in the bidding document and enforced.
- 11. Contractors should be made responsible to provide all materials including Cement and Steel etc.
- 12. Minimum bidding period for NCB 30 days and ICB 45 days (from the date of publication of IFB in press /UNDB or the date the documents are made ready for sale, whichever is later).
- 13. Bidding documents should be made available for sale till a day prior to the last date of receipt of bids. The time for the bid opening should be the same as the deadline for receipt of bids or promptly thereafter (to allow only sufficient time to take the bids to the place announced for public bid opening).

Bidders could submit their bids either by post or in person on any day during the bidding period. Bids should be received only at one place and should be kept in safe custody till the stipulated time of opening.

### 14. Publicity of Bid Notices

UNDB insertion (mandatory for all cases over \$ 10 M & encouraged for others)

Bank will arrange this].

Copies to local representatives of eligible countries (encouraged).

Copies to bidders who have expressed interest in response

to the General Procurement Notice.

 Publicity in the national press having a wide circulation in all regions of the country.

- Publicity in the national press having a wide circulation in the country.
- For large, specialized or important contracts, publicity in well known technical magazines, newspapers and trade publications of wide international circulation.
- 15. No preference to any bidder or class of bidders, either for price or for other terms and conditions.
- 16. Two or three envelope system is un-acceptable.
- 17. All bids received should be opened and read out at the time of bid opening which should be immediately after the dead line for submission of bids. No bid should be rejected at bid opening except for late bids, which shall be returned unopened to the Bidder. Minutes of bid opening must be prepared and one copy forwarded to the Bank for information.
- 18. No negotiations.
- 19. Evaluation of bids should be made strictly in terms of the provisions in the bidding document. Evaluation report should be drafted on the suggested format.

W 26.

Single bids should also be considered for award if it is determined that publicity was adequate, bid specifications/ conditions were not restrictive or unclear and bid prices are considered reasonable.

- 21. Award should be in favour of the lowest evaluated responsive bidder, who is determined to be qualified to perform the contract satisfactorily.
- 22. Evaluation and award decision of bids including Bank review should be completed within the initial period of bid validity. An extension of bid validity, if justified by exceptional circumstances shall be requested in writing from all bidders (of valid bids only) before the expiration date. The extension shall be for the minimum period required to complete evaluation, obtain necessary approvals, and award the contract.

If there is undue delay in awarding the contract, Bank may consider declaring the same as misprocurement.

[To ensure the above, the necessary streamlining of the systems and procedures should be undertaken by the Project Authorities].

23. For works valued Rupees ten million and above the construction method(s)/Program and quality control details submitted by the bidders in response to Clause 4.3 (k) of ITB (W2) should be examined for acceptability before finalizing award recommendation; this

should be attached to the contract agreement for facilitating monitoring during implementation.

- 24. The system of rejecting bids outside a predetermined margin or bracket of prices will not be used. Rejection of all bids, irrespective of value, should be referred to the Bank for review and issue of no objection in the specified format.
- 25. Rejection of bids due to submission of collusive (unreasonably high) prices will attract provisions of para 1.15 of Procurement Guidelines. In such cases bidders must be requested to furnish breakdown of unit rates in terms of clause 25.1 of ITB (NCB works) providing justification for higher bid prices. If this justification, after review, is determined rational, contract should be awarded to the lowest evaluated responsive bidder. If not, these bidders must be declared as ineligible from bidding in the rebid for that contract as specified in clause 4.8 of ITB (NCB works).
- 26. In the case of civil works splitting in award of contracts shall not be carried out. When two or more bidders quote the same lowest price, an investigation should be made to determine any evidence of collusion, following which:
  - i) if collusion is determined, the parties involved should be disqualified and the award should then be made to the next lowest evaluated and qualified bidder; and
  - ii) if no evidence of collusion can be confirmed, then fresh bids should be invited after receiving the concurrence of the Bank.
- 27. Under ICB/NCB bids should not be invited on the basis of bidders quoting a percentage premium or discount over the estimated cost of the Employer.
- During execution of contracts, before granting a material extension of stipulated time for performance of a contract, agreeing to any modification or waiver of the conditions of such contract, including issuing any change order or orders under such contract (except in cases of extreme urgency) which would in aggregate increase the original amount of the contract by more than 15 percent of the original price, the Borrower shall inform the Bank of the proposed extension, modification, or change order and the reasons therefor, in the prescribed format as per Paragraph 4, Appendix I of the Procurement Guidelines.
- 29. Repeat order system (in vogue with government) is not acceptable.
- 30. In all contracts for works (civil as well as supply / erection), the adjudicator / technical expert or Dispute Review Board should be in position / constituted immediately on signing of the Contract Agreement.
- 31. Review of Contracts (thresholds will be fixed in PAD/LEGAL Agreements)

As mentioned in procurement arrangements under Annexure I.

# Annexure - IV

Procedures for Hiring of Consultants in Bank-Financed Projects

IPP-VIII Project

#### Procedures for Hiring of Consultants in Bank Financed Projects

#### [August 1981 Consultancy Guidelines (CGL)]

#### 1. General Considerations

- 1. the need for high-quality services;
- 2. the need for economy and efficiency;
- 3. the need to give qualified consultants from all eligible countries an opportunity to compete in providing the services financed by the Bank;
- 4. the Bank's interest in encouraging the development and use of national consultants in it's developing member countries; and
- 5. the importance on transparency in the selection process.

The Bank considers that, in the majority of cases, these considerations can best be addressed through competition among qualified short-listed firms in which the selection is based both on the quality of the proposal and on the cost of the services to be provided (Quality- and cost-Based Selection [QCBS]). However, there are cases when QCBS is not the most appropriate method of selection. For complex or highly specialized assignments or those which invite innovations, selection based on the quality of the proposal alone (Quality-Based Selection [QBS]), would be more appropriate. The procedures to be followed in all cases are given below in brief.

#### 2. Steps

- preparation of the Terms of Reference (TOR);
- preparation of cost estimate and the budget;
- advertising;
- preparation of the shortlist of consultants;
- preparation and issue of the Request for Proposal (RFP);
  - (i) Letter of Invitation (LOI);
  - (ii) Information to Consultants (ITC); and
  - (iii) Proposed contract;
- receipt of proposals;
- evaluation of technical proposals : consideration of quality;
- evaluation of financial proposal;

- final evaluation of quality and cost; and
- negotiations and award of the contract to the selected firm.

#### 3. The Terms of Reference should include:

- A precise statement of objectives;
- An out line of the tasks to be carried out;
- A schedule for completion of tasks;
- The support/inputs provided by the client;
- The final outputs that will be required of the Consultant;
- Composition of Review Committee (not more than three members) to monitor the Consultant's works and procedures for; and
  - Mid term review and Progress Reports required from Consultant;
  - Review of the final draft report;
- List of key positions whose CV and experience would be evaluated.
- 4. The Cost Estimates or Budget should be based on the borrower's assessment of the resources needed to carry out the assignment; staff time, logistical support, and physical inputs (for example, vehicles and laboratory equipment). Costs shall be divided in to two broad categories; (a) fee or remuneration and (b) reimbursables and further divided into foreign and local costs.
- 5. Advertising (seeking Expression of Interest) for shortlisting.
  - UNDB;
  - National Newspapers;
  - International Newspapers; and
  - Technical Magazines.

(The advertisement is mandatory for all consultancies valued US\$ 200,000 and over)

#### 6. Shortlisting

Borrowers are responsible for preparation of the shortlist and shall give first consideration to those firms expressing interest which possess the relevant qualifications. The shortlists shall comprise three to six firms with a wide geographic spread, with no more than two firms from any one country and at least one firm from a developing country, unless qualified firms from developing countries are not identifiable.

The shortlist can comprise of entirely national consultants if the value of assignment is less than US\$ 200,000. However, if foreign firms have expressed interest, they shall not be excluded from consideration.

Single source selection is appropriate only if it presents a clear advantage over competition:

- (a) for tasks that represent a natural continuation of previous work carried out by the firm;
- (b) where a rapid selection is essential (emergency operation);
- (c) for very small assignments (not to exceed US \$100,000); or
- (d) when only one firm is qualified or has experience of exceptional worth for the assignment.

(These cases should be identified and agreed between Bank and Borrower at appraisal and are to be specified in the Loan Agreement).

- 7. Government-owned enterprises in the Borrower's country may participate only if they can establish that they:
  - are legally and financially autonomous, and
  - operate under commercial law.

No dependent agency of the Borrower or Sub-borrower of the project or their employees shall be permitted to submit or participate in a proposal for the provision of consulting services under the project.

8. There are two basic types of selection procedures. The first, those which rely solely on an evaluation of the technical competence of the firm, the personnel undertaking the assignment and the suitability of the proposal. The second, those that involve both a technical evaluation and consideration of the offered price of the services. If quality of services is of paramount importance, the consulting firms should be selected on technical grounds alone and price and contract should be then negotiated with the best technically ranked firm. If prices should also be considered as a selection factor for certain types of services, it should not dominate the process of selection and can best be a factor with a

nominal weightage (usually 10 to 30% only). (No negotiations on unit rates including man-month rates will be permitted if price is taken as a factor in the evaluation of proposals).

- 9. The evaluation of the technical proposals should be done as per criteria specified in the Letter of Invitation. The evaluation report should be compiled as per Bank's format and forwarded to Bank for review and comment for all prior review cases only, before price envelopes are opened and contract negotiated with selected consultant.
- 10. During negotiations, the Bank recommends that discussion of the work plan, staffing, borrower's input and form of proposed contract should be completed prior to the financial negotiations. Paras 2.45 to 2.47 of the CGL may be referred to for further details.

#### 11. NGOs (Non Government Organization)

In these cases as well, all procedures specified in Consultancy Guidelines will apply; and no preference shall be given to NGOs, unless otherwise agreed with IDA.

The selection of NGOs in the shortlist should generally take into account, among others, the following criteria [Also refer Annexure A attached]:

- The NGO should be non-political and should be having a proven track record on similar assignments (at least two years' of experience in works of this type). (Period could be modified to suit individual cases.);
- it should consist of an adequate number of experienced field staff conversant with the local culture and language, and the socio-económic dimensions of the beneficiary groups;
- the staff of the selected NGO should have excellent communication skills;
- it should be registered as a society or have other corporate status;
- it should have facilities to maintain separately, records and accounting and auditing of funds allocated for the assignment;
- it should possess internal stability so as to assure long-term support; and
- it should not have been blacklisted by the Central Social & Welfare Board (CSWB) and Council for the Advancement of Peoples Action & Rural Technology (CAPART).
- 12. The evaluation of the technical proposals should done as per criteria specified in the Letter of Invitation. The evaluation report should be compiled in the Bank's format and forwarded to Bank for review and comment for all prior review cases, firstly before price envelopes

. IPP-VIII Project

are opened publically and combined evaluation is done (financial cum technical), and secondly after final selection is made following combined evaluation and before the contract is negotiated with selected consultant.

<b>Evaluation Factors</b>		As per Guidelines	INDIA
• Quality	Experience	5-10	5 to10
	Methodology	20 - 50	20 to 25
	Personnel	30-60	55 to 60
	Transfer of Knowledge	0-10	5
	Nationals in key staff	0-10	10
• Price (cost)	Exclusive of taxes		
Combined	Quality	90 – 70	80
	Cost	10-30	20

#### 13. Negotiations (Paragraphs 2.45 to 2.47 of CGL)

Negotiations shall include discussions of the TOR, the methodology, staffing, Borrower's inputs, and special conditions of contract.

The selected firm should not be allowed to substitute key staff, unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment.

Financial negotiations shall include clarification of the consultants' tax liability in the Borrower's own country (if any), and how this tax liability has been or would be reflected in the contract. [Consultancy Services tax (in respect of all consultancies) and tax on fees for technical services provided by foreign consultants, payable as per Section 115A(1)(b) of Income Tax Act and duties on imported equipment brought by foreign consultants to India for providing the required services are to be paid/reimbursed by the client separately. (Bank does not finance taxes imposed by borrowing country)].

Where QCBS procedure is followed, proposed unit rates for staff months and reimbursables shall not be negotiated (since these have already been a factor of selection) unless there are exceptional reasons:

#### 14. Rejection

Cases of rejection of all proposals received need to be referred to the Bank for no objection and clearance.

#### 15. Selection and Employment of Consultants

Types of Contracts specified in CGL are as under:

Lump Sum (Paragraph 3 of Annex II of CGL);

Lump Sum contracts are used for assignments in which the content and the duration of the work is clearly defined. Payment is made upon delivery of outputs. The main advantage of this type of contract is that it is easy to administer.

Examples of Lump Sum contracts include -

- Feasibility Studies
- -- Environmental Studies
- Detailed design of a standard structure
- Time Based (Paragraph 1 of Annex II of CGL);

Time Based contracts are used for assignments in which it is difficult to define the scope and the duration of the work to be performed. Payment is based upon an hourly, daily, or monthly rate, plus reimbursable expenses using actual expenses or agreed-upon unit prices. This type of contract provides for a maximum total payable amount that includes a contingency for unforeseen work and duration, price adjustments etc.

Examples of Time Based Contracts include -

- Preparation of Data
- Complex Studies
- Supervision of construction
- Training Assignments
- Advisory Services.
- Retainer and/or Contingency Fee (Paragraph 8 of Annex II of CGL);

Retainer and/or contingency-fee (success-fee) contracts are used to remunerate consultants or banks on performance – for example for privatization of public assets.

Example of success-fee contracts include:

- -- Privatization (sale of publicly-owned assets)
- Percentage (Paragraph 4 of Annex II of CGL);

Percent contracts relate to the fee paid to the consultant based upon the estimated or actual project construction cost or the cost of the goods to be procured or inspected. Percent is established based upon market norm or standard practice in the industry.

Examples of percent contracts include -

- Architectural services
- -- Engineering services
- -- Procurement services
- -- Inspection agents

#### 16. Request for Proposals (RFPs)

The RFP shall include:

- a Letter of Invitation (LOI);
- Information to Consultants;
- the TOR; and
- the proposed contract

Borrowers shall use the standard RFPs issued by the Bank.

#### 17. The Model Request for Proposal (RFP) Documents are available as follows:

- Hiring of Consultancy Services Request for Proposals Quality & Cost Based Selection (QCBS) - Time Based Payments;
- Hiring of Consultancy Services Request for Proposals Quality & Cost Based Selection (QCBS) - Lump Sum Payments;
- Hiring of Consultancy Services Request for Proposals Quality Based Selection (QBS);
- Hiring of Consultancy Services Request for Proposals Selection Based on Qualification or Single Source Selection (SSS).
- Small Assignments (Firms Selection through short list) Time Based upto US \$ 50,000;
- Small Assignments (Firms Selection through short list) Lumpsum upto US \$ 50,000.

- Small Assignments (Firms Local, Sole Source Selection) Lumpsum upto US \$ 50,000.
- Small Assignments (Individuals Sole Source Selection) Lumpsum upto US \$ 50,000.
- Short Term Assignments (Individuals) Time Based Upto US \$ 50,000; and
- Long-term Assignments (Individuals) Time Based.

#### Standard Forms of Contract:

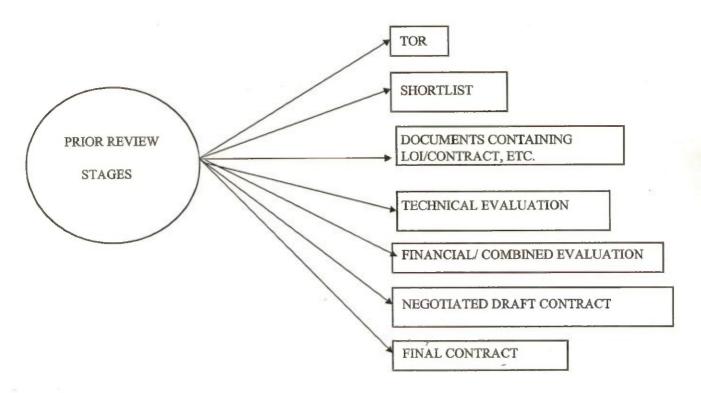
- Small Assignments Time Based Payments
- Small Assignments Lump Sum Payments

The above models should only be used for inviting proposals from short-listed firms (including sole source).

#### 18. Prior Review

- 18.1 Prior review is necessary for the following:
  - Contracts for Consultancy Services valued:
    - US \$ 100,000 and above for Consulting Firms;
    - US \$ 50,000 and above for Individuals.
  - Terms of Reference (TOR) for consultant contracts, regardless of value, preferably during project appraisal; and
  - All Consultant Contracts for assignment of a critical nature regardless of value.
- 18.2 Prior review would be at every stage as follows:
  - Terms of Reference;
  - Short List;
  - RFP documents containing Letter of Invitation, Supplementary Information to Consultants and Conditions of Contract;
  - Evaluation report of the technical proposals (with a copy each of the winning proposals);

- Report after financial or combined evaluation (with a copy of the winning financial proposal);
- Negotiated draft contact; and
- Final Contract (to be accompanied by Checklist).



#### 19. Post Review

All other cases.

- However, Terms of Reference and Consultants contracts for assignments of critical nature will be reviewed in all cases, regardless of value.

#### **CHECKLIST FOR SELECTION OF INTERMEDIARIES**

This annex provides issue to be considered in selection of NGOs. Project designers must select from this list based on the needs of their proposed project and based on an understanding of the profile and characteristics of NGOs operating in the country. For example, where there are very few operational NGOs to select from, the legal requirements would continue to be important, while other criteria cannot be strictly applied. At the same time, it would be important to ensure requisite capacity building exercises in areas that have been highlighted.

#### Legal or Regulatory Requirements

- (a) the NGOs is validly registered under existing regulations in the country;
- (b) the NGO is validly registered to work in the particular geographic locality; and
- (c) the NGO's articles of association or by-laws permit operating in the sub-project sector.

#### **Institutional Aspects**

#### (a) Human and Physical Resources

- there is committed leadership at the top, supported by adequate second level leadership;
- ii) existence of adequate and skilled staff in relation to needs for sub-project implementation; \*\* and
- iii) NGO has the necessary physical resource base (accessible office space, vehicles, communication facilities and so on).

## (b) Community Sensitivity

- NGO has prior experience in the community where the project is to be implemented.
- ii) community/beneficiaries' perception about the NGO is positive;
- iii) NGO, through its personnel, has a keen understanding of, and are sensitive to issues concerning women and weaker sections of the society; \*\*
- iv) NGO, through its personnel, have a keen understanding of, and are sensitive to issues related to environment; \*\*

IPP-VIII Project

v) NGO, through its personnel have a philosophy suitable for implementation of community initiated sub-projects with community participation.

#### **Financial Aspects**

#### (a) Financial Capacity

- i) NGO has required financial strength and stability;
- ii) NGO will not need the payment of non-incremental recurrent administrative cost; and
- iii) NGO has access to other sources of financing and will not be totally dependent on sub-project financing.

#### (b) Account Capacity

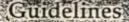
- i) NGO has knowledge of, and practices sound accounting principles; \*\* and
- ii) NGO has no objection to external auditing (where applicable or when acting as implementing agency).

#### **Demonstrated Experience**

### (a) Relevant Sectoral and Operational Experience

- i) NGO has prior experience in related sectors (construction/survey/services etc.);
- ii) NGO has adequate technical expertise;\*\* and
- iii) NGO must have been functioning at least \_\_\_\_\_ year(s) (where there are a large number of NGOs say 2 years).
- \*\* highlights the need for capacity building.

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Guidelines
Selection
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of Consultants
by World Bank
Borrowers

Consultants Guidelines.

The first sentence of paragraph 4.6, Important Provisions, of the Consultant Guidelines and footnote 26 will be amended to read as follows:

"4.6 Currency. RFPs shall clearly state that firms may express the price for their services, in the currency of any Bank member country.

currencies of the member countries of the European Monetary Union (the Austrian schilling, Belgian franc, currencies. From that date these currencies were irrevocably fixed vis-à-vis the euro. Until December 31, Finnish markka, French franc, Deutsche mark, Irish pound, Italian lira, Luxembourg franc, Netherlands guilder, Portuguese escudo and Spanish peseta). On January 1, 1999, the euro was substituted for these "26 Until December 31, 2001, the price of the services may also be expressed in the former national 2001 these currencies remain in existence as non-decimal sub-denominations of the euro."

> The World Bank 1818 H Street, NW Washington, D.C. 20433

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#### FOREWORD

- i. These Guidelines: Selection and Employment of Consultants by World Bank Borrowers (January 1997, Revised September 1997) replace the 1981 Guidelines: Use of Consultants by World Bank Borrowers and the World Bank as Executing Agency. They take into account the following important developments, among others:
- (a) diversification of Bank lending to new sectors and the need to address the specific issues that apply to the use of consultants in these new areas;
- (b) Bank's continuing policy to promote the development and use of consultants in Borrower countries;
- (c) worldwide increased use of cost as a factor in the selection of consultants, in both the public and the private sectors;
- (d) increased emphasis on transparency in the selection process;
- need for simplification of the selection and review process; and
- (f) the Bank's policy of entrusting the beneficiary with the selection of consultants funded by trust funds, with the Bank acting as executing agency only exceptionally.
- ii. The basic principles underlying the procedures for selecting consultants financed under Bank operations remain the same: the overriding concern for quality of the services provided, with due attention to economy, efficiency, fair opportunity for all firms, and transparency of process.

#### I. INTRODUCTION

#### Purpose

- 1.1 The purpose of the Guidelines: Selection and Employment of Consultants by World Bank Borrowers (hereinafter referred to as "Guidelines") is to define the procedures for selecting, contracting, and monitoring consultants required for projects that are financed in whole or in part by loans from the International Bank for Reconstruction and Development (IBRD), credits from the International Development Association (IDA), or grants from the Bank or trust funds<sup>2</sup> administered by the Bank and executed by the beneficiary.
- 1.2 The Loan Agreement governs the legal relationships between the Borrower and the Bank, and the Guidelines apply to the selection and employment of consultants for the project as provided in the Agreement. The rights and obligations of the Borrower<sup>3</sup> and the Consultant are governed by the specific Request for Proposals (RFP) issued by the Borrower and by the contract signed by the Borrower with the Consultant, and not by these Guidelines or the Loan Agreement. No party other than the parties to the Loan Agreement shall derive any rights therefrom or have any claim to loan proceeds.
- 1.3 For the purpose of these Guidelines, the term *consultants* includes a wide variety of private and public entities, including consulting

<sup>1</sup> Requirements of IBRD and IDA are identical. References in these Guidelines to the Bank include both IBRD and IDA, and references to loans include credits and grants. Loan Agreement includes Development Credit Agreement and Project Agreement.

<sup>&</sup>lt;sup>2</sup> To the extent that the Trust Fund Agreement does not conflict with these provisions, in which case the Agreement will prevail.

<sup>3</sup> In some cases, the Borrower acts only as an intermediary, and the project is carried out by another agency or entity. References in these Guidelines to the Borrower include such agencies and entities, as well as Sub-Borrowers under "onlending arrangements."

firms, engineering firms, construction managers, management firms, procurement agents, inspection agents, auditors, United Nations (UN) agencies and other multinational organizations, investment and merchant banks, universities, research institutions, government agencies, nongovernmental organizations (NGOs), and individuals.4 Bank Borrowers use these organizations as consultants to help in a wide range of activities-such as policy advice; institutional reforms; management; engineering services; construction supervision; financial services; procurement services; social and environmental studies; and identification, preparation, and implementation of projects to complement Borrowers' capabilities in these areas.

#### General Considerations

- 1.4 The Borrower is responsible for preparing and implementing the project, and therefore for selecting the Consultant, and awarding and subsequently administering the contract. While the specific rules and procedures to be followed for employing consultants depend on the circumstances of the particular case, five main considerations guide the Bank's policy on the selection process:
- (a) the need for high-quality services,
- (b) the need for economy and efficiency,
- (c) the need to give qualified consultants from all eligible countries an opportunity to compete in providing the services financed by the Bank,
- (d) the Bank's interest in encouraging the development and use of national consultants in its developing member countries, and
- the importance of transparency in the selection process.
- 1.5 The Bank considers that, in the majority of cases, these considerations can best be

- addressed through competition among qualified short-listed firms in which the selection is based both on the quality of the proposal and on the cost of the services to be provided. (Quality- and Cost-Based Selection [QCBS]). Section II of these Guidelines describes the procedures for QCBS. However, there are cases when QCBS is not the most appropriate method of selection. For complex or highly specialized assignments or those which invite innovations, selection based on the quality of the proposal alone (Quality-Based Selection [QBS]), as described in Section III, would be more appropriate. In addition, Section III describes other methods of selection and the circumstances in which they are appropriate.
- 1.6 The particular methods to be followed for the selection of consultants for any given project shall be selected by the Borrower in accordance with the criteria outlined in these Guidelines and agreed upon by the Bank and shall be specified in the Bank's project documentation and the Loan Agreement for such project.

#### Applicability of Guidelines

- I.7 The consulting services to which these Guidelines apply are of an intellectual and advisory nature. These Guidelines do not apply to other types of services in which the physical aspects of the activity predominate (for example, construction of works, manufacture of goods, operation and maintenance of facilities or plant, surveys, exploratory drilling, aerial photography, and satellite imagery).5
- 1.8 The procedures outlined in these Guidelines apply to all contracts for consulting

<sup>&</sup>lt;sup>4</sup> Individual consultants are covered in Section V.

services financed in whole or in part from Bank loans or grants or trust funds6 implemented by the beneficiary. In procuring consulting services not financed from such sources, the Borrower may adopt other procedures. In such cases, the Bank shall satisfy itself that (a) the procedures to be used will result in the selection of consultants who have the necessary professional qualifications, (b) the selected Consultant will carry out the assignment in accordance with the agreed schedule, and (c) the scope of the services is consistent with the needs of the project.

#### Conflict of Interest

- 1.9 Bank policy requires that consultants provide professional, objective, and impartial advice and at all times hold the client's interests paramount, without any consideration for future work, and strictly avoid conflicts with other assignments or their own corporate interests. Consultants shall not be hired for any assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of not being able to carry out the assignment in the best interest of the Borrower. Without limitation on the generality of this rule, consultants shall not be hired under the circumstances set forth below:
- (a) A firm which has been engaged by the Borrower to provide goods or works for a project, and any of its affiliates, shall be disqualified from providing consulting services for the same project. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, and any of its affiliates, shall be disqualified from subsequently providing goods or works or services related to the initial assignment (other than a continuation of the firm's earlier consulting services as further described in paragraph 3.10)

- for the same project. This provision does not apply to the various firms (consultants, contractors, or suppliers) that together are performing the contractor's obligations under a turnkey or design-and-build contract.
- (b) Consultants or any of their affiliates shall not be hired for any assignment which, by its nature, may be in conflict with another assignment of the consultants. As an example, consultants hired to prepare engineering design for an infrastructure project shall not be engaged to prepare an independent environmental assessment for the same project, and consultants assisting a client in the privatization of public assets shall not purchase, nor advise purchasers of, such assets.

#### Eligibility

- 1.10 Only firms that are registered or incorporated in, and individuals and personnel who are nationals of, Bank member countries? are eligible to compete for Bank-financed consulting services. However,
- (a) Consultants from a member country may be excluded if (i) as a matter of law or official regulations, the Borrower's country prohibits commercial relations with that country, provided that the Bank is satisfied that such exclusion does not preclude effective competition for the procurement of the consulting services required, or (ii) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's country prohibits any payments to persons or entities in that country.

<sup>6</sup> To the extent that the Trust Fund Agreement does not conflict with these provisions, in which case the Agreement will prevail.

<sup>7</sup> See Section 5.01 of the General Conditions Applicable to Loan and Guarantee Agreements, dated January 1, 1985. The Bank maintains a list of countries from which bidders, goods, and services are not eligible to participate in procurement financed by the Bank. The list is regularly updated and can be obtained from the Public Information Center of the World Bank.

(b) Government-owned enterprises in the Borrower's country may participate only if they can establish that they (i) are legally and financially autonomous, and (ii) operate under commercial law. No dependent agency of the Borrower or Sub-Borrower of the project or their employees shall be permitted to submit or participate in a proposal for the provision of consulting services under the project.

# Advance Contracting and Retroactive Financing

1.11 In certain circumstances, such as to accelerate project implementation, the Borrower may, with the Bank's agreement, wish to proceed with the selection of consultants before the related Bank loan is signed. This process is referred to as advance contracting. In such cases, the selection procedures, including advertisement, shall be in accordance with these Guidelines, and the Bank's normal review process shall be followed. A Borrower undertakes such advance contracting at its own risk, and any "no objection" issued by the Bank with regard to the procedures, documentation, or proposal for award does not commit the Bank to make a loan for the project in question. If the contract is signed, reimbursement by the Bank of any payments made by the Borrower under the contract prior to loan signing is referred to as retroactive financing and is only permitted within the limits specified in the Loan Agreement.

#### Associations Between Consultants

1.12 Consultants may associate with each other to complement their respective areas of expertise, or for other reasons. Such an association may be for the long term (independent of any particular assignment) or for a specific assignment. The "association" may take the form of a joint venture or of a subconsultancy. In case of a joint venture,

all members of the joint venture shall sign the contract and shall be jointly and severally liable for the entire assignment. Once the short list is finalized, and Requests for Proposals (RFPs) are issued, any association in the form of joint venture or subconsultancy among short-listed firms shall be permissible only with the approval of the Borrower. Borrowers shall not require consultants to form associations with any specific firm or group of firms, but may encourage association with qualified national firms.

#### Bank Review, Assistance, and Monitoring

- 1.13 The Bank reviews the Borrower's hiring of consultants to satisfy itself that the selection process is carried out in accordance with the provisions of the Loan Agreement. (The review procedures are described in Appendix 1).
- 1.14 Under special circumstances, the Bank may assist the Borrower in any or all of the various steps of the selection process, such as the provision of short lists<sup>8</sup> or long lists.<sup>9</sup> In response to a written request from a Borrower, the Bank will furnish a short or long list of firms that it expects to be capable of undertaking the assignment. The provision of the list does not represent an endorsement of the consultants. The Borrower may delete or add other names as it wishes; however, the final short list shall be submitted to the Bank for its approval before issue of the RFP.
- 1.15 The Bank maintains an information system on consultants—DAta on CONsultants (DACON). Registration in DACON is not mandatory to be considered for a Bank-financed assignment, nor is DACON a list of preapproved consultants. When firms register with DACON, they provide information that may be useful to Borrowers and the Bank in the preparation of short lists and review of qualifications of firms

which the shortlist will be established.

 <sup>8</sup> Short List: a list of three to six firms to which the Request for Proposals (RFP) will be addressed.
 9 Long List: a preliminary list of potential firms from

proposed by Borrowers. The Bank does not verify or endorse the information provided. The Bank provides this information to member governments, UN agencies, and other public international bodies upon request, without any charge for the Borrowers and at a cost to others. The Bank may, with the consent of the firms, also provide nonconfidential information to other consultants interested in seeking associates or partners for assignments.

1.16 The borrower is responsible for supervising the consultants' performance and ensuring that they carry out the assignment in accordance with the contract. Without assuming the responsibilities of the Borrower or the consultants, Bank staff shall monitor the work as necessary to satisfy themselves that it is being carried out according to appropriate standards, and is based on acceptable data. As appropriate, the Bank may take part in discussions between the Borrower and consultants and, if necessary, may help the Borrower in addressing issues related to the assignment. If a significant portion of project preparation work is being carried out in the consultants' home offices, Bank staff may, with the Borrower's agreement, visit these offices to review the consultants' work.

#### Reserved Consultant Services

- 1.17 If a competitive process under these Guidelines would be the appropriate way of procuring certain consulting services, but the Borrower wishes to reserve these services for one or more specific firms, the Bank may accept such reserved selection only on condition that:
- (a) the assignment is not eligible for financing out of the Bank loan; and
- (b) it will not significantly affect the satisfactory project implementation in terms of cost, quality, and completion time.

#### Misprocurement

1.18 The Bank shall not finance expenditures for consulting services if the Consultants have not been selected or the services have not been contracted in accordance with the agreed procedures in the Loan Agreement. In particular, the Bank will not finance a contract when the qualifications of the Consultant or the terms and conditions of the contract are not satisfactory to the Bank. In such cases, the Bank will declare misprocurement, and it is the Bank's policy to cancel that portion of the loan allocated to the services that have been misprocured. The Bank may, in addition, exercise other remedies under the Loan Agreement. Once the contract is awarded after obtaining a "no objection" from the Bank, the Bank may still declare misprocurement if it concludes that the "no objection" was issued on the basis of incomplete, inaccurate, or misleading information furnished by the Borrower.

#### References to the Bank

1.19 The Borrower shall use the following language 10 when referring to the Bank in the RFP and contract documents:

"[Name of the Borrower] has received for, 'has applied for'] a loan from the International Bank for Reconstruction and Development (IBRD) in various currencies equivalent to US\$\_\_\_, toward the cost of [name of project], and intends to apply a portion of this loan to eligible payments under this Contract. Payments by IBRD will be made only at the request of [name of Borrower or designate] and upon approval by IBRD, and will be subject, in all respects, to the terms and conditions of the Loan Agreement. The Loan Agreement prohibits a withdrawal from the Loan Account for the purpose of any payment to persons or entities, or for any import of

<sup>10</sup> To be suitably modified in the case of a credit from IDA or a grant or a trust fund.

goods, if such payment or import, to the knowledge of the Bank, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. No party other than [name of Borrower] shall derive any rights from the Loan Agreement or have any claim to proceeds."

#### Training or Transfer of Knowledge

1.20 If the assignment includes an important component for training or transfer of knowledge to Borrower staff or national consultants, the Terms of Reference (TOR) shall indicate the objectives, nature, scope, and goals of the training program, including details on trainers and trainees, skills to be transferred, time frame, and monitoring and evaluation arrangements. The cost for the training program shall be included in the Consultant's contract and in the budget for the assignment.

#### Language

- I.21 The RFP and the proposal shall be prepared in either English, French, or Spanish at the choice of the Borrower. The text of the contract documents in that language shall govern.
- 1.22 The Borrower may, at its option and provided the national language is widely used, permit national consultants (excluding joint ventures between foreign and national firms), to submit their proposals and sign their contracts in the national language only, which shall then be the governing language for the contract. In such cases, the Bank shall be provided a translation of the firm's proposal and the contract in the international language specified in the RFP for contracts subject to prior review. Borrowers shall not ask firms to sign contracts both in a foreign and in the national language.

#### **Evaluation of the Performance of Consultants**

- 1.23 Consultants shall observe due diligence and prevailing standards in the performance of the assignment. The Bank shall evaluate the performance of consultants employed under Bank-financed contracts in a fair and confidential process. The performance ratings will be an input for future short-listing. In the case of repeated poor performance, the firm will be notified and provided an opportunity to explain the reasons for it and the remedial action proposed. If poor performance persists, the Bank may exclude the firm from participation in Bank-financed assignments for a stated period.
- 1.24 Consultants shall be responsible for the accuracy and suitability of their work. Although Borrowers supervise and review the consultants' work, no modifications shall be made in the final documents prepared by the consultants without mutual agreement. In the case of supervision of works, consultants may have more or less authority to supervise, from full responsibility as an independent engineer, to that of advisor to the client with little authority to make decisions. 11

#### Fraud and Corruption

- 1.25 It is the Bank's policy to require that Borrowers (including beneficiaries of Bank loans), as well as consultants under Bankfinanced contracts, observe the highest standard of ethics during the selection and execution of such contracts. In pursuance of this policy, the Bank;
- (a) defines, for the purposes of this provision, the terms set forth below as follows:
  - (i) "corrupt practice" means the offering, giving, receiving, or soliciting

<sup>11</sup> Care should be taken to ensure that the provisions about the Consultant's authority in the Consultant's contract and in the works contract are properly coordinated.

- of any thing of value to influence the action of a public official in the selection process or in contract execution; and
- (ii) "fraudulent practice" means a misrepresentation of facts in order to
  influence a selection process or the
  execution of a contract to the detriment of the Borrower, and includes collusive practices among
  consultants (prior to or after submission of proposals) designed to
  establish prices at artificial, noncompetitive levels and to deprive
  the Borrower of the benefits of free
  and open competition;
- (b) will reject a proposal for award if it determines that the Consultant recommended for award has engaged in corrupt or fraudulent activities in competing for the contract in question;
- (c) will cancel the portion of the loan allocated to the Consultant's contract if it at any time determines that corrupt or fraudulent practices were engaged in by representatives of the Borrower or of a beneficiary of the loan during the selection process or the execution of that contract, without the Borrower having taken timely and appropriate action satisfactory to the Bank to remedy the situation;
- (d) will declare a Consultant ineligible, either indefinitely or for a stated period of time, to be awarded a Bank-financed contract if it at any time determines that the Consultant has engaged in corrupt or fraudulent practices in competing for, or in executing, a Bank-financed contract; and
- (e) will have the right to require that, in contracts financed by a Bank loan, a provision be included requiring consultants to permit the Bank to inspect their accounts and records relating to the performance of the contract and to have them audited by auditors appointed by the Bank.
- 1.26. With the specific agreement of the Bank, a Borrower may introduce, into the RFPs for large contracts financed by the Bank, a requirement that the Consultant include in the proposal an

- undertaking of the Consultant to observe, in competing for and executing a contract, the country's laws against fraud and corruption (including bribery), as listed in the RFPs. 12 The Bank will accept the introduction of such a requirement at the request of the Borrower's country, provided it is satisfied:
- that the requirement of such an undertaking is part of an anti-corruption program initiated by the Borrower's country; and
- (b) that such requirement will apply, within a timetable agreed between the Bank and the Borrower's country, to all similar public selections of consultants."

<sup>12</sup> As an example, such an undertaking might read as follows:" We undertake that, in competing for (and, if the award is made to us, in executing) the above contract, we will observe the laws against fraud and corruption in force in the country of the Client, as such laws have been listed by the Client in the RFP for this contract."

# II. QUALITY- AND COST-BASED SELECTION (QCBS)

#### The Selection Process

- 2.1 QCBS uses a competitive process among short-listed firms that takes into account the quality of the proposal and the cost of the services in the selection of the successful firm. Cost as a factor of selection shall be used judiciously. The relative weight to be given to the quality and cost shall be determined for each case depending on the nature of the assignment.
- 2.2 The selection process shall include the following steps:
- (a) preparation of Terms of Reference (TOR);
- (b) preparation of cost estimate and the budget;
- (c) · advertising;
- (d) preparation of the short list of consultants;
- (e) preparation and issuance of the Request for Proposals (RFP):
  - (i) Letter of Invitation (LOI);
  - (ii) Information to Consultants (ITC);
  - (iii) proposed contract;
- (f) receipt of proposals;
- (g) evaluation of technical proposals: consideration of quality;
- (h) evaluation of financial proposal;
- (i) final evaluation of quality and cost; and
- (j) negotiations and award of the contract to the selected firm.

#### Terms of Reference (TOR)

2.3 The Borrower shall be responsible for preparing the TOR for the assignment. TOR shall be prepared by a person(s) or a firm

specialized in the area of the assignment. The scope of the services described in the TOR shall be compatible with the available budget. TOR shall define clearly the objectives, goals, and scope of the assignment and provide background information (including a list of existing relevant studies and basic data) to facilitate the consultants' preparation of their proposals. If transfer of knowledge or training is an objective, it should be specifically outlined along with details of number of staff to be trained, and so forth, to enable consultants to estimate the required resources. TOR shall list the services and surveys necessary to carry out the assignment and the expected outputs (for example, reports, data, maps, surveys). However, TOR should not be too detailed and inflexible, so that competing consultants may propose their own methodology and staffing. Firms shall be encouraged to comment on the TOR in their proposals. The Borrower's and consultants' respective responsibilities should be clearly defined in the TOR.

#### Cost Estimate (Budget)

2.4 Preparation of a well-thought-through cost estimate is essential if realistic budgetary resources are to be earmarked. The cost estimate shall be based on the Borrower's assessment of the resources needed to carry out the assignment: staff time, logistical support, and physical inputs (for example, vehicles, laboratory equipment). Costs shall be divided into two broad categories; (a) fee or remuneration (according to the type of contract used) and (b) reimbursables, and further divided into foreign and local costs. The cost of staff time shall be estimated on a realistic basis for foreign and national personnel.

#### Advertising

2.5 To obtain expressions of interest, the Borrower shall include a list of expected consulting assignments in the General Procurement Notice, which shall be updated annually for all

outstanding procurement. 13 It shall also advertise large-value14 contracts in a national newspaper and in Development Business (UNDB). In addition, Borrowers may also advertise these contracts in an international newspaper or a technical magazine, seeking "expressions of interest." A copy of the advertisement shall be sent to those who expressed interest in response to the GPN. The Borrower may also contact embassies, professional organizations, or firms that it knows or that are registered in DACON. 15 The information requested shall be the minimum required to make a judgment on the firm's suitability and not be so complex as to discourage consultants from expressing interest. Sufficient time (not less than 30 days) shall be provided for responses, before preparation of the short list.

#### Short List of Consultants

2.6 The Borrower is responsible for preparation of the short list. The Borrower shall give first consideration to those firms expressing interest which possess the relevant qualifications. Short lists shall comprise three to six firms with a wide geographic spread, with no more than two firms from any one country and at least one firm from a developing country, unless qualified firms from developing countries are not identifiable. For the purpose of establishing the short list, the nationality of a firm is that of the country in which it is registered or incorporated. The Bank may ask the Borrower to expand or reduce a short list; however, once the Bank has issued a "no objection" to a short list, the Borrower shall not add or delete names without the Bank's concurrence. Firms that expressed interest, as well as any other firm that

specifically so requests, shall be provided the final short list of firms.

2.7 The short list may comprise entirely national consultants (firms with majority national ownership and registered or incorporated in the country), if the assignment is small, <sup>16</sup> a sufficient number of qualified firms (at least three) are available at competitive costs, and competition including foreign consultants is prima facie not justified. However, if foreign firms have expressed interest, they shall not be excluded from consideration.

# Preparation and Issuance of the Request for Proposals (RFP)

2.8 The RFP shall include (a) a Letter of Invitation, (b) Information to Consultants, (c) the TOR, and (d) the proposed contract. Whenever possible, Borrowers shall use one of the standard RFPs issued by the Bank. Borrowers shall list all the documents included in the RFP.

#### Letter of Invitation (LOI)

2.9 The LOI shall state the intention of the Borrower to enter into a contract for the provision of consulting services, the source of funds, the details of the client and the date, time, and address for submission of proposals.

#### Information to Consultants (ITC)

2.10 The ITC shall contain all necessary information that would help consultants prepare responsive proposals, and shall bring as much transparency as possible to the selection procedure by providing information on the evaluation process and by indicating the evaluation criteria and factors and their respective weights and the minimum passing quality score. The ITC shall not indicate the budget (since cost is a selection criterion), but shall indicate the expected input of key

<sup>13</sup> The General Procurement Notice is prepared by the Borrower and submitted to the Bank, which will arrange for its publication in *United Nations Development Business* (UNDB) (refer to Appendix 4, paragraph 5).

<sup>14</sup> Contracts expected to cost more than US\$200,000 equivalent.

<sup>15</sup> See paragraph 1.15.

<sup>16</sup> Dollar thresholds defining "small" shall be determined in each case, taking into account the nature and complexity of the assignment, but shall not in any case exceed US\$200,000.

professionals (staff time). Consultants, however, shall be free to prepare their own estimates of staff time necessary to carry out the assignment. The ITC shall specify the proposal validity period (normally 60–90 days). A detailed list of the information that should be included in the ITC is given in Appendix 2.

#### Contract

2.11 Section IV of these Guidelines briefly discusses the most common types of contracts. Borrowers shall use the appropriate Standard Form of Contract issued by the Bank with minimum changes, acceptable to the Bank, as necessary to address specific country and project issues. Any such changes shall be introduced only through Contract Data Sheets or through Special Conditions of Contract and not by introducing changes in the wording of the General Conditions of Contract included in the Bank's Standard Form. These forms of contracts cover the majority of consulting services. When these forms are not appropriate (for example, for preshipment inspection, procurement services, training of students in universities, advertising activities in privatization, or twinning), Borrowers shall use other contract forms acceptable to the Bank.

#### Receipt of Proposals

2.12 The Borrower shall allow enough time for the consultants to prepare their proposals. The time allowed shall depend on the assignment, but normally shall not be less than four weeks or more than three months (for example, for assignments requiring establishment of a sophisticated methodology, preparation of a multidisciplinary master plan). During this interval, the firms may request clarifications about the information provided in the RFP. The Borrower shall provide these clarifications in writing and copy them to all firms on the short list (who intend to submit proposals). If necessary, the Borrower shall extend the deadline for submission of proposals. The technical and financial proposals shall be

submitted at the same time. No amendments to the technical or financial proposal shall be accepted after the deadline. To safeguard the integrity of the process, the technical and financial proposals shall be submitted in separate sealed envelopes. The technical envelopes shall be opened immediately by a committee of officials drawn from the relevant departments (technical, finance, legal, as appropriate), after the closing time for submission of proposals. The financial proposals shall remain sealed and shall be deposited with a reputable public auditor or independent authority until they are opened publicly. Any proposal received after the closing time for submission of proposals shall be returned unopened.

# **Evaluation of Proposals: Consideration of Quality and Cost**

2.13 The evaluation of the proposals shall be carried out in two stages: first the quality, and then the cost. Evaluators of technical proposals shall not have access to the financial proposals until the technical evaluation, including any Bank reviews and no objection, is concluded. Financial proposals shall be opened only thereafter. The evaluation shall be carried out in full conformity with the provisions of the RFP.

#### **Evaluation of the Quality**

2.14 The Borrower shall evaluate each technical proposal (using an evaluation committee of three or more specialists in the sector), taking into account several criteria: (a) the Consultant's relevant experience for the assignment, (b) the quality of the methodology proposed, (c) the qualifications of the key staff proposed, (d) transfer of knowledge, and (e) the extent of participation by nationals among key staff in the performance of the assignment. Each criterion shall be marked on a scale of 1 to 100. Then the marks shall be weighted to become scores. The following weights are indicative, and may be adjusted for specific circumstances. The proposed weights shall be disclosed in the RFP.

Consultant's specific

experience:

5 to 10 points

Methodology:

20 to 50 points

Key personnel:

30 to 60 points

Transfer of knowledge: 17

0 to 10 points

Participation by

nationals:18

0 to 10 points

Total:

100 points

2.15 The Borrower shall normally divide these criteria into subcriteria. For example, subcriteria under methodology might be innovation and level of detail. However, the number of subcriteria should be kept to the essential. The Bank recommends against the use of exceedingly detailed lists of subcriteria that may render the evaluation a mechanical exercise more than a professional assessment of the proposals. The weight given to experience can be relatively modest, since this criterion has already been taken into account when short-listing the Consultant. More weight shall be given to the methodology in the case of more complex assignments (for example, multidisciplinary feasibility or management studies).

2.16 Evaluation of only the key personnel is recommended. Since key personnel ultimately determine the quality of performance, more weight shall be assigned to this criterion if the proposed assignment is complex. The Borrower shall review the qualifications and experience of proposed key personnel in their curricula vitae, which must be accurate, complete, and signed by an authorized official of the Consultant and the individual proposed. When the assignment depends critically on the performance of key staff, such as a Project Manager in a large team of specified individuals, it may be desirable to

conduct interviews. The individuals shall be rated in the following three subcriteria, as relevant to the task:

- (a) general qualifications: general education and training, length of experience, positions held, time with the consulting firm as staff, experience in developing countries, and so forth;
- adequacy for the assignment: education, training, and experience in the specific sector, field, subject, and so forth, relevant to the particular assignment; and
- (c) experience in the region: knowledge of the local language, culture, administrative system, government organization, and so forth.
- 2.17 Borrowers shall evaluate each proposal on the basis of its responsiveness to the TOR. A proposal shall be considered unsuitable and shall be rejected at this stage if it does not respond to important aspects of the TOR or it fails to achieve a minimum technical score specified in the RFP.
- 2.18 At the end of the process, the Borrower shall prepare an evaluation report of the "quality" of the proposals. The report shall substantiate the results of the evaluation and describe the relative strengths and weaknesses of the proposals. All records relating to the evaluation, such as individual mark sheets, shall be retained until completion of the project and its audit.

#### **Evaluation of Cost**

2.19 After the evaluation of quality is completed, the Borrower shall notify those consultants whose proposals did not meet the minimum qualifying mark or were considered nonresponsive to the RFP and TOR, indicating that their financial proposals will be returned unopened after completing the selection process. The Borrower shall simultaneously notify the consultants that have secured the minimum qualifying mark, and indicate the date and time set for opening the financial proposals. The opening date shall not be sooner than two

<sup>17</sup> Transfer of knowledge may be the main objective of some assignments; in such cases, it should be given a higher weight to reflect its importance.

<sup>18</sup> As reflected by nationals among key staff presented by foreign and national firms.

weeks after the notification date. The financial proposals shall be opened publicly in the presence of representatives of the consultants who choose to attend. The name of the consultant, the quality scores, and the proposed prices shall be read aloud and recorded when the financial proposals are opened, and a copy of this record shall be promptly sent to the Bank. The Borrower shall prepare the minutes of the public opening.

2.20 The Borrower shall then review the financial proposals. If there are any arithmetical errors, they shall be corrected. For the purpose of comparing proposals, the costs shall be converted to a single currency selected by the Borrower (local currency or fully convertible foreign currency) as stated in the RFP. The Borrower shall make this conversion by using the selling (exchange) rates for those currencies quoted by an official source (such as the Central Bank), or by a commercial bank, or by an internationally circulated newspaper for similar transactions. The RFP shall specify the source of the exchange rate to be used, and the date of that exchange rate, provided that the date shall not be earlier than four weeks prior to the deadline for submission of proposals, nor later than the original date of expiration of the period of validity of the proposal.

2.21 For the purpose of evaluation, "cost" shall exclude local taxes, but shall include other reimbursable expenses, such as travel, translation, report printing, or secretarial expenses. The proposal with the lowest cost may be given a financial score of 100 and other proposals given financial scores that are inversely proportional to their prices. Alternatively, a directly proportional or other methodology may be used in allocating the marks for the cost. The methodology to be used shall be described in the RFP.

#### Combined Quality and Cost Evaluation

2.22 The total score shall be obtained by weighting the quality and cost scores and adding them. The weight for the "cost" shall be chosen, taking into account the complexity of the assignment and the relative importance of

quality. Except for the type of services specified in Section III, the weight for cost shall normally be in the range of 10 to 20 points, but in no case shall exceed 30 points out of a total score of 100. The proposed weightings for quality and cost shall be specified in the RFP. The firm obtaining the highest total score shall be invited for negotiations.

#### Negotiations and Award of Contract

2.23 Negotiations shall include discussions of the TOR, the methodology, staffing, Borrower's inputs, and special conditions of the contract. These discussions shall not substantially alter the original TOR or the terms of the contract, lest the quality of the final product, its cost, and the relevance of the initial evaluation be affected. Major reductions in work inputs should not be made solely to meet the budget. The final TOR and the agreed methodology shall be incorporated in "Description of Services," which shall form part of the contract.

2.24 The selected firm should not be allowed to substitute key staff, unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment. 19 If this is not the case and if it is established that key staff were offered in the proposal without confirming their availability, the firm may be disqualified and the process continued with the next ranked firm. The key staff proposed for substitution shall have qualifications equal to or better than the key staff initially proposed.

2.25 Financial negotiations shall include clarification of the consultants' tax liability in the Borrower's country (if any), and how this tax liability has been or would be reflected in the contract. Proposed unit rates for staff-months and reimbursables shall not be negotiated, since these have already been a factor of selection in the cost

<sup>19</sup> Defining realistic proposal validity periods in the RFP and carrying out an efficient evaluation minimizes this risk.

of the proposal, unless there are exceptional reasons.

2.26 If the negotiations fail to result in an acceptable contract, the Borrower shall terminate the negotiations and invite the next ranked firm for negotiations. The Borrower shall consult with the Bank prior to taking this step. The Consultant shall be informed of the reasons for termination of the negotiations. Once negotiations are commenced with the next ranked firm, the Borrower shall not reopen the earlier negotiations. After negotiations are successfully completed, the Borrower shall promptly notify other firms on the short list that they were unsuccessful.

#### Rejection of All Proposals, and Reinvitation

2.27 The Borrower will be justified in rejecting all proposals only if all proposals are nonresponsive and unsuitable either because they present major deficiencies in complying with the TOR, or because they involve costs substantially higher than the original estimate. In the latter case, the feasibility of increasing the budget, or scaling down the scope of services with the firm should be investigated in consultation with the Bank. Before all the proposals are rejected and new proposals are invited, the Borrower shall notify the Bank. indicating the reasons for rejection of all proposals, and shall obtain the Bank's "no objection" before proceeding with the rejection and the new process. The new process may include revising the RFP (including the short list) and the budget. These revisions shall be agreed upon with the Bank.

#### Confidentiality

2.28 Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the consultants who submitted the proposals or to other persons not officially concerned with the process, until the award of contract is notified to the successful firm, except as provided in paragraph 2.19.

## III. OTHER METHODS OF SELECTION

#### General

3.1 In some circumstances, QCBS is not the most appropriate method for selecting consultants, and other methods are more appropriate. The particular selection methods and the type of services to which they apply are determined by agreement between the Bank and the Borrower and are specified in the Loan Agreement. This section describes other selection methods and the circumstances under which they are generally appropriate. In respect to advertisement and preparation of the short list, the relevant provisions of Section II (QCBS) shall apply whenever competition is used.

#### Quality-Based Selection (QBS)

- 3.2 QBS is appropriate for the following types of assignments:
- (a) complex or highly specialized assignments for which it is difficult to define precise TOR and the required input from the consultants, and for which the client expects the consultants to demonstrate innovation in their proposals (for example, country economic or sector studies, multisectoral feasibility studies, design of a hazardous waste remediation plant or of an urban master plan, financial sector reforms);
- (b) assignments that have a high downstream impact and in which the objective is to have the best experts (for example, feasibility and structural engineering design of such major infrastructure as large dams, policy studies of national significance, management studies of large government agencies); and
- (c) assignments that can be carried out in substantially different ways, such that proposals will not be comparable (for example, management advice, and

sector and policy studies in which the value of the services depends on the quality of the analysis).

- 3.3 In QBS, the RFP may request submission of a technical proposal only (without the financial proposal), or request submission of both technical and financial proposals at the same time, but in separate envelopes (two-envelope system). The RFP shall not provide the estimated budget, but it may provide the estimated number of key staff time, specifying that this information is given as an indication only, and that consultants shall be free to propose their own estimates.
- If technical proposals alone were invited, after evaluating the technical proposals using the same methodology as in QCBS (paragraphs 2.13-2.18), the Borrower shall ask the Consultant with the highest ranked technical proposal to submit a detailed financial proposal. The Borrower and the Consultant shall then negotiate the financial proposal and the contract. All other aspects of the selection process shall be identical to those of QCBS. If, however, consultants were requested to provide financial proposals initially together with the technical proposals, safeguards shall be built in as in QCBS (paragraph 2.12) to ensure that the price envelope of only the selected proposal is opened and the rest returned unopened, after the negotiations are successfully concluded.

#### Selection under a Fixed Budget

3.5 This method is appropriate only when the assignment is simple and can be precisely defined and when the budget is fixed. The RFP shall indicate the available budget and request the consultants to provide their best technical and financial proposals in separate envelopes, within the budget. TOR should be particularly well prepared to make sure that the budget is sufficient for the consultants to perform the expected tasks. Evaluation of all technical proposals shall be carried out first as in the QCBS method. Then the price envelopes shall be opened in public. Proposals that exceed the indicated budget shall

be rejected. The Consultant who has submitted the highest ranked technical proposal among the rest shall be selected and invited to negotiate a contract (paragraphs 2.13–2.19 and 2.23–2.25).

#### Least-Cost Selection

This method is more appropriate to selection of consultants for assignments of a standard or routine nature (audits, engineering design of noncomplex works, and so forth) where well-established practices and standards exist, and in which the contract amount is small.20 Under this method, a "minimum" qualifying mark for the "quality" is established. Proposals to be submitted in two envelopes are invited from a short list. Technical envelopes are opened first and evaluated. Those securing less than the minimum are rejected and the financial envelopes of the rest are opened in public. The firm with the lowest price shall then be selected. Under this method, the qualifying minimum mark shall be established, keeping in view that all proposals above the minimum compete only on "cost." The minimum mark shall be stated in the RFP.

#### Selection Based on Consultants' Qualifications

3.7 This method may be used for very small<sup>21</sup> assignments for which the need for preparing and evaluating competitive proposals is not justified. In such cases, the Borrower shall prepare the TOR, request expressions of interest and information on the consultants' experience and competence relevant to the assignment, establish a short list, and select the firm with the most appropriate qualifications and references. The selected firm shall be asked to submit a combined technical-financial proposal and then be invited to negotiate the contract.

<sup>20</sup> See footnote 16.

<sup>21</sup> Dollar thresholds defining "very small" shall be determined in each case, taking into account the nature and complexity of the assignment, but shall not in any case exceed US\$100,000.

#### Single-Source Selection

- 3.8 Single-source selection of consultants does not provide the benefits of competition in regard to quality and cost and lacks transparency in selection, and could encourage unacceptable practices. Therefore, single-source selection shall be used only in exceptional cases. The justification for single-source selection shall be examined in the context of the overall interests of the client and the project, and the Bank's responsibility to ensure economy and efficiency and provide opportunity to consultants from all member countries to the extent possible.
- 3.9 Single-source selection may be appropriate only if it presents a clear advantage over competition: (a) for tasks that represent a natural continuation of previous work carried out by the firm (see next paragraph), (b) where a rapid selection is essential (for example, in an emergency operation), (c) for very small<sup>22</sup> assignments, or (d) when only one firm is qualified or has experience of exceptional worth for the assignment.
- 3.10 When continuity for downstream work is essential, the initial RFP shall outline this prospect and, if practical, the factors used for the selection of the Consultant should take the likelihood of continuation into account. Continuity in the technical approach, experience acquired, and continued professional liability of the same Consultant may make continuation with the initial Consultant preferable to a new competition subject to satisfactory performance in the initial assignment. For such downstream assignments, the Borrower shall ask the initially selected Consultant to prepare technical and financial proposals on the basis of TOR furnished by the Borrower, which shall then be negotiated.
- 3.11 If the initial assignment was not awarded on a competitive basis or was awarded under tied financing or reserved procurement or if the

downstream assignment is substantially larger in value, a competitive process acceptable to the Bank shall normally be followed in which the Consultant carrying out the initial work is not excluded from consideration if it expresses interest. The Bank will consider exceptions to this rule only under special circumstances and only when a new competitive process is not practicable.

#### **Commercial Practices**

3.12 In the case of loans onlent by a financial intermediary to private sector enterprises or autonomous commercial enterprises in the public sector, the Sub-Borrower may follow well-established private sector or commercial practices acceptable to the Bank. Consideration shall also be given to the use of competitive procedures outlined earlier, particularly for large assignments.

# Selection of Particular Types of Consultants

- 3.13 Selection of UN Agencies as Consultants. UN agencies may be hired as the consultants, where they are qualified to provide technical assistance and advice in their area of expertise. However, they shall not receive any preferential treatment in a competitive selection process, except that Borrowers may accept the privileges and immunities granted to UN agencies and their staff under existing international conventions and may agree with UN agencies on special payment arrangements required according to the agency's charter, provided these are acceptable to the Bank. Such privileges, as well as other advantages such as tax exemption and other facilities, and special payment provisions, shall be evaluated and neutralized in the cost comparison. UN agencies may be hired on a single-source selection basis if the criteria outlined in Section 3.9 are fulfilled.
- 3.14 Use of Nongovernmental Organizations (NGOs). NGOs are voluntary nonprofit organizations that may be uniquely qualified to assist in the preparation, management, and implementation of projects, essentially because of their involvement and knowledge of local

<sup>22</sup> See footnote 21.

issues, community needs, and/or participatory approaches. NGOs may be included in the short list if they express interest and provided that the Borrower and the Bank are satisfied with their qualifications. For assignments that emphasize participation and considerable local knowledge, the short list may comprise entirely NGOs. If so, the QCBS procedure shall be followed, and the evaluation criteria shall reflect the unique qualifications of NGOs, such as voluntarism, nonprofit status, local knowledge, scale of operation, and reputation. Borrowers may select the NGO on a single-source basis, provided the criteria outlined in Section 3.9 are fulfilled.

- 3.15 Procurement Agents (PAs). When a Borrower lacks the necessary organization, resources, or experience, it may be efficient and effective for it to employ, as its agent, a firm that specializes in handling procurement. PAs are generally paid a percentage of the value of the procurements handled, or a combination of such a percentage and a fixed fee. Such PAs shall be selected using QCBS procedures with cost being given a weight up to 50 percent. The standard contract form23 applicable for procurement agencies, with payments based on a percentage of the total procurements and/or staff-month rates, shall be used. When PAs provide only advisory services for procurement and do not act as "agents" and are not paid a percentage fee at all, they shall be selected following the appropriate procedures as for other consulting assignments, specified in these Guidelines.
- 3.16 Inspection Agents. Borrowers may wish to employ inspection agencies to inspect and certify goods prior to shipment or on arrival in the Borrower country. The inspection by such agencies usually covers the quality and quantity of the goods concerned and reasonableness of price. Inspection agencies shall be selected using QCBS procedures giving cost a weight up to 50 percent and using a contract format with payments based on a

percentage of the value of goods inspected and certified.

- Banks. Investment and commercial banks, 3.17 financial firms, and fund managers hired by Borrowers for the sale of assets, issuance of financial instruments, and other corporate financial transactions, notably in the context of privatization operations, shall be selected under QCBS. The RFP shall specify selection criteria relevant to the activity-for example, experience in similar assignments or network of potential purchasersand the cost of the services. In addition to the conventional remuneration (called a "retainer fee"). the compensation includes a "success fee"; this fee can be fixed, but is usually expressed as a percentage of the value of the assets or other financial instruments to be sold. The RFP shall indicate that the cost evaluation will take into account the success fee, either in combination with the retainer fee or alone. If alone, a standard retainer fee shall be prescribed for all short-listed consultants and indicated in the RFP, and the financial scores shall be based on the success fee as a percentage of a predisclosed notional value of the assets. For the combined evaluation (notably for large contracts), cost may be accorded a weight higher than recommended in paragraph 2.22 or the selection may be based on cost alone among those who secure a minimum passing mark for the quality of the proposal. The RFP shall specify clearly how proposals will be presented and how they will be compared.
- 3.18 Auditors. Auditors typically carry out auditing tasks under well-defined TOR and professional standards. They shall be selected according to QCBS, with cost as a substantial selection factor (40–50 points), or by the "Least-Cost Selection" outlined in paragraph 3.6.
- 3.19 "Service Delivery Contractors." Projects in the social sectors in particular may involve hiring of large numbers of individuals who deliver services on a contract basis (for example, social workers, such as nurses and paramedics). The job descriptions, minimum qualifications,

<sup>23</sup> Under preparation.

terms of employment, selection procedures, and the extent of Bank review of these procedures and documents shall be described in the project documentation and the Loan agreement.

# IV. TYPES OF CONTRACTS AND IMPORTANT PROVISIONS

#### **Types of Contracts**

- Lump Sum (Firm Fixed Price) Contract. 24
  Lump sum contracts are used mainly for
  assignments in which the content and the duration
  of the services and the required output of the
  consultants are clearly defined. They are widely
  used for simple planning and feasibility studies,
  environmental studies, detailed design of standard
  or common structures, preparation of data
  processing systems, and so forth. Payments are
  linked to outputs (deliverables), such as reports,
  drawings, bills of quantities, bidding documents,
  and software programs. Lump sum contracts are
  easy to administer because payments are due on
  clearly specified outputs.
- Time-Based Contract.25 This type of contract is appropriate when it is difficult to define the scope and the length of services, either because the services are related to activities by others for which the completion period may vary, or because the input of the consultants required to attain the objectives of the assignment is difficult to assess. This type of contract is widely used for complex studies, supervision of construction, advisory services, and most training assignments. Payments are based on agreed hourly, daily, weekly, or monthly rates for staff (who are normally named in the contract) and on reimbursable items using actual expenses and/or agreed unit prices. The rates for staff include salary, social costs, overhead, fee (or profit), and, where appropriate, special allowances. This type of contract shall include a maximum amount of total payments to be made to the consultants. This ceiling amount should include a contingency allowance for unforeseen work and

<sup>24</sup> Standard form of Contract for Consultants' Services (Lump Sum Remuneration).

<sup>25</sup> Standard form of Contract for Consultants' Services (Complex Time-Based Assignments).

duration, and provision for price adjustments, where appropriate. Time-based contracts need to be closely monitored and administered by the client to ensure that the assignment is progressing satisfactorily, and payments claimed by the consultants are appropriate.

- 4.3 Retainer and/or Contingency (Success) Fee Contract. Retainer and contingency fee contracts are widely used when consultants (banks or financial firms) are preparing companies for sales or mergers of firms, notably in privatization operations. The remuneration of the Consultant includes a retainer and a success fee, the latter being normally expressed as a percentage of the sale price of the assets.
- 4.4 Percentage Contract. These contracts are commonly used for architectural services. They may be also used for procurement and inspection agents. Percentage contracts directly relate the fees paid to the Consultant to the estimated or actual project construction cost, or the cost of the goods procured or inspected. The contracts are negotiated on the basis of market norms for the services and/or estimated staff-month costs for the services, or competitively bid. It should be borne in mind that in the case of architectural or engineering services, percentage contracts implicitly lack incentive for economic design and are hence discouraged. Therefore, the use of such a contract for architectural services is recommended only if it is based on a fixed target cost and covers precisely defined services (for example, not works supervision).
- 4.5 Indefinite Delivery Contract (Price Agreement). These contracts are used when Borrowers need to have "on call" specialized services to provide advice on a particular activity, the extent and timing of which cannot be defined in advance. These are commonly used to retain "advisers" for implementation of complex projects (for example, dam panel), expert adjudicators for dispute resolution panels, institutional reforms, procurement advice, technical troubleshooting, and so forth, normally for a period of a year or more. The Borrower and the firm agree on the unit

rates to be paid for the experts, and payments are made on the basis of the time actually used.

#### **Important Provisions**

- 4.6 Currency. RFPs shall clearly state that firms may express the price for their services, in the currency of any Bank member country, or in ECUs. 26 If the consultants wish to express the price as a sum of amounts in different foreign currencies, they may do so, provided the proposal includes no more than three foreign currencies. The Borrower may require consultants to state the portion of the price representing local costs in the currency of the Borrower's country. Payment under the contract shall be made in the currency or currencies in which the price is expressed in the proposal.
- 4.7 Price Adjustment. To adjust the remuneration for foreign and/or local inflation, a price adjustment provision shall be included in the contract if its duration is expected to exceed 18 months. Exceptionally, contracts of shorter duration may include a provision for price adjustment when local or foreign inflation is expected to be high and unpredictable.
- 4.8 Payment Provisions. Payment provisions, including amounts to be paid, schedule of payments, and payment procedures, 27, shall be agreed upon during negotiations. Payments may be made at regular intervals (as under time-based contracts) or for agreed outputs (as under lump sum contracts). Payments for advances (for example, for mobilization costs) exceeding 10 percent of the contract amount must normally be backed by advance payment securities.
- 4.9 Payments shall be made promptly in accordance with the contract provisions. To that end,

<sup>26</sup> For purposes of these Guidelines, the European Currency Unit (ECU) is also considered an eligible currency.

<sup>27</sup> Refer to Appendix 3.

- (a) consultants can be paid directly by the Bank at the request of the Borrower or exceptionally through a Letter of Credit (see Appendix 3);
- (b) only disputed amounts shall be withheld, with the remainder of the invoice paid in accordance with the contract; and
- (c) the contract shall provide for the payment of financing charges if payment is delayed due to the client's fault beyond the time allowed in the contract; the rate of charges shall be specified in the contract.
- 4.10 Bid and Performance Securities. Bid and performance securities are not recommended for consultants' services. Their enforcement is often subject to judgment calls, they can be easily abused, and they tend to increase the costs to the consulting industry without evident benefits, which are eventually passed on to the Borrower.
- 4.11 Borrower's Contribution. The Borrower normally assigns members of its own professional staff to the assignment in different capacities. The contract between the Borrower and the Consultant shall give the details governing such staff, known as counterpart staff, as well as facilities that shall be provided by the Borrower, such as housing, office space, secretarial support, utilities, materials, and vehicles. The contract shall indicate measures the Consultant can take if some of the items cannot be provided or have to be withdrawn during the assignment, and the compensation the Consultant will receive in such a case.
- 4.12 Conflict of Interest. The Consultant shall not receive any remuneration in connection with the assignment except as provided in the contract. The Consultant and its affiliates shall not engage in consulting activities that conflict with the interest of the client under the contract, and shall be excluded from downstream supply of goods or construction of works or purchase of any asset or provision of any other service related to the assignment other than a continuation of the "Services" under the ongoing contract.

- 4.13 Professional Liability. The Consultant is expected to carry out its assignment with due diligence, and in accordance with prevailing standards of the profession. As the Consultant's liability to the Borrower will be governed by the applicable law, the contract need not deal with this matter unless the parties wish to limit this liability. If they do so, they should ensure that (a) there must be no such limitation in case of the Consultant's gross negligence or willful misconduct; (b) the Consultant's liability to the Borrower may in no case be limited to less than the total payments expected to be made under the Consultant's contract, or the proceeds the Consultant is entitled to receive under its insurance, whichever is higher;28 and (c) any such limitation may deal only with the Consultant's liability toward the client and not with the Consultant's liability toward third parties.
- 4.14 Staff Substitution. During an assignment, if substitution is necessary (for example, because of ill health or because a staff member proves to be unsuitable), the Consultant shall propose other staff of at least the same level of qualifications for approval by the Borrower.
- 4.15 Applicable Law and Settlement of Disputes. The contract shall include provisions dealing with the applicable law and the forum for the settlement of disputes. International commercial arbitration may have practical advantages over other methods for the settlement of disputes. Borrowers are, therefore, encouraged to provide for this type of arbitration. The Bank shall not be named an arbitrator or be asked to name an arbitrator.<sup>29</sup>

<sup>28</sup> The Borrower is encouraged to secure insurance for potential risks above these limits.

<sup>&</sup>lt;sup>29</sup> It is understood, however, that officials of the International Centre for Settlement of Investment Disputes (ICSID) shall remain free to name arbitrators in their capacity as ICSID officials.

### V. SELECTION OF INDIVIDUAL CONSULTANTS

- 5.1 Individual consultants are normally employed on assignments for which (a) teams of personnel are not required, (b) no additional outside (home office) professional support is required, and (c) the experience and qualifications of the individual are the paramount requirement. When coordination, administration, or collective responsibility may become difficult because of the number of individuals, it would be advisable to employ a firm.
- 5.2 Individual consultants are selected on the basis of their qualifications for the assignment. They may be selected on the basis of references or through comparison of qualifications among those expressing interest in the assignment or approached directly by the Borrower. Individuals employed by Borrowers shall meet all relevant qualifications and shall be fully capable of carrying out the assignment. Capability is judged on the basis of academic background, experience and, as appropriate, knowledge of the local conditions, such as local language, culture, administrative system, and government organization.
- 5.3 From time to time, permanent staff or associates of a consulting firm may be available as individual consultants. In such cases, the conflict of interest provisions described in these Guidelines shall apply to the parent firm.

APPENDIX 1

# REVIEW BY THE BANK OF THE SELECTION OF CONSULTANTS

#### Scheduling the Selection Process

1. The Bank shall review the selection process for the hiring of consultants proposed by the Borrower, including the cost estimate, the contract packaging, applicable procedures, the short list, selection criteria, and so forth, for its conformity with these Guidelines and the proposed implementation program and disbursement schedule. The Borrower shall promptly inform the Bank of any delay, or other changes in the scheduling of the hiring process, which could significantly affect the timely and successful implementation of the project, and agree with the Bank on corrective measures.

#### Prior Review

- 2. With respect to all contracts which, in accordance with the Loan Agreement, are made subject to the Bank's prior review:
- (a) Before inviting proposals, the Borrower shall furnish to the Bank for its review the short list and the proposed RFP and shall make such modifications to the short list and the documents as the Bank shall reasonably request. Any further modification shall require the Bank's "no objection" before the RFP is issued to the short-listed consultants.

After the technical proposals have been evaluated, the Borrower shall furnish to the Bank, in sufficient time for its review, a technical evaluation report (prepared, if the Bank shall so request, by experts acceptable to the Bank) and a copy of the proposals, if requested by the Bank. If the Bank determines that the technical evaluation is inconsistent with the provisions of the RFP, it shall promptly inform the Borrower and state the reasons for its determination. The Borrower shall request the

Bank's "no objection" if the evaluation report recommends rejection of all proposals.

For contracts below the threshold specified in the Loan Agreement, the Borrower will notify the Bank of the results of the technical evaluation prior to opening the financial proposals.

- After receiving the Bank's "no objection" to the technical evaluation, the Borrower shall proceed with opening of the financial envelopes and then with the financial evaluation in accordance with the provisions of the RFP. The Borrower shall furnish to the Bank, in sufficient time for its review, the final evaluation report along with its proposed selection of the winning firm. If the Bank determines that the evaluation and proposed selection are inconsistent with the provisions of the RFP, it shall promptly inform the Borrower and state the reasons for its determination. If not, the Bank shall advise its "no objection" to the proposed selection.
- (c) After negotiations with the selected firm are completed, the Borrower shall furnish to the Bank the final draft of the contract, highlighting any substitution of key staff or changes in the TOR and contract on which proposals were invited. The terms and conditions of the contract shall not, without the Bank's "no objection," substantially differ from those on which proposals were invited. The Borrower shall award the contract only after receiving the "no objection" from the Bank.
- (d) Upon signing of the contract, the Borrower shall furnish to the Bank a copy of the final contract prior to the first application for disbursement in respect of such contract.
- (e) The description and amount of the contract, together with the name and

address of the firm, shall be subject to release by the Bank upon confirmation by the Borrower of contract award.

#### Modifications of Contract

Before granting a substantial extension of the stipulated time for performance of a contract, agreeing to any substantial modification of the scope of the services, substituting key staff, waiving the conditions of a contract, or making any changes in the contract that would in aggregate increase the original amount of the contract by more than 15 percent, the Borrower shall inform the Bank of the proposed extension, modification, substitution, waiver, or change, and the reasons therefor. If the Bank determines that the proposal would be inconsistent with the provisions of the Loan Agreement, it shall promptly inform the Borrower and state the reasons for its determination. A copy of all amendments to the contract shall be furnished to the Bank for its record.

#### Post Review

With respect to each contract not governed by paragraph 2, the Borrower shall furnish to the Bank, promptly after its signing and prior to delivery to the Bank of the first application for withdrawal of funds from the Loan Account in respect of such contract, one conformed copy of such contract, together with the analysis of the respective proposals, recommendations for award, and such other information as the Bank shall reasonable request. Where payments for the contract are to be made out of a Special Account, 30 a copy of the contract, together with the other information required to be furnished to the Bank, shall be furnished to the Bank prior to delivery to the Bank of the first replenishment application in respect of such contract. The Bank shall, if it determines that the award of the contract or the contract itself is not consistent

<sup>30</sup> Refer to Appendix 3.

with the Loan Agreement, promptly inform the Borrower and state the reasons for such determination. These provisions shall not apply to contracts on account of which withdrawals from the loan are to be made on the basis of Statements of Expenditures,<sup>31</sup> for which case all such documents shall be retained by the Borrower for subsequent examination by independent auditors or by the Bank's supervision missions.

#### Translations

5. If a contract is subject to prior review and if national firms were permitted to submit a proposal in the national language, a certified translation of the proposal, evaluation report, and the draft contract in either English, French, or Spanish shall be furnished to the Bank for facilitating the review. Such certified translation shall also be furnished to the Bank for any subsequent modifications of such contracts.

# INFORMATION TO CONSULTANTS (ITC)

These Guidelines specify that whenever possible, the Borrower shall use the standard RFPs issued by the Bank, which include the ITC, covering the majority of assignments. If under exceptional circumstances, the Borrower needs to amend the standard ITC, it shall do so through the technical data sheet and not by amending the main text. The ITC shall include adequate information on the following aspects of the assignment:

- (a) a very brief description of the assignment;
- (b) standard formats for the technical and financial proposals;
- (c) the names and contact information of officials to whom clarifications shall be addressed and with whom the consultants' representative shall meet, if necessary:
- (d) details of the selection procedure to be followed, including (i) a description of the two-stage process, if appropriate; and (ii) a listing of the technical evaluation criteria and weights given to each criterion; (iii) the details of the financial evaluation; (iv) the relative weights for quality and cost in the case of QCBS; (v) the minimum pass score for quality; and (vi) the details on the public opening of financial proposals;
- (e) an estimate of the level of key staff inputs (in staff-months) required of the consultants; and indication of minimum experience, academic achievement, and so forth, expected of key staff or the total budget, if a given figure cannot be exceeded;
- (f) details and status of any external financing;
- (g) information on negotiations; and financial and other information that shall be

<sup>3!</sup> Refer to Appendix 3.

- required of the selected firm during negotiation of the contract;
- (h) the deadline for submission of proposals;
- currency(ies) in which the costs of services shall be expressed, compared, and paid;
- reference to any laws of the Borrower's country that may be particularly relevant to the proposed consultants' contract;
- (k) a statement that the firm and any of its affiliates shall be disqualified from providing downstream goods, works, or services under the project if, in the Bank's judgment, such activities constitute a conflict of interest with the services provided under the assignment;
- (1) the method in which the proposal shall be submitted, including the requirement that the technical proposals and price proposals be sealed and submitted separately in a manner that shall ensure that the technical evaluation is not influenced by price;
- (m) a request that the invited firm (i) acknowledges receipt of the RFP, and (ii) informs the Borrower whether or not it will be submitting a proposal;
- (n) the short list of consultants being invited to submit proposals, and whether or not associations between short-listed consultants are acceptable;
- (o) the period for which the consultants' proposals shall be held valid (normally 60-90 days) and during which the consultants shall undertake to maintain, without change, the proposed key staff, and shall hold to both the rates and total price proposed; in case of extension of the proposal validity period, the right of the consultants not to maintain their proposal:

- (p) the anticipated date on which the selected Consultant shall be expected to commence the assignment;
- (q) a statement indicating (i) whether or not the consultants' contract and personnel shall be tax-free or not; if not, (ii) what the likely tax burden will be or where this information can be obtained, and a statement requiring that the Consultant shall include in its financial proposal a separate amount clearly identified, to cover taxes;
- if not included in the TOR or in the draft contract, details of the services, facilities, equipment, and staff to be provided by the Borrower;
- (s) phasing of the assignment, if appropriate;
   and likelihood of follow-up assignments;
- the procedure to handle clarifications about the information given in the RFP;
   and
- (u) any conditions for subcontracting part of the assignment.

#### DISBURSEMENTS

- The responsibility for the implementation of the project, and therefore for the payment of consulting services under the project, rests solely with the Borrower. The Bank, for its part, is required by its Articles of Agreement to ensure that funds are paid from a Bank loan only as expenditures are incurred. Disbursements of the proceeds of a loan or a grant are made only at the Borrower's request. Supporting evidence that the funds are used in accordance with the Loan Agreement (or the Trust Fund Agreement) shall be submitted with the Borrower's withdrawal application. Payments may be made (a) to reimburse the Borrower for payments already made from its own resources, (b) directly to a third party (to the Consultant), or (c) to a commercial bank for expenditures against a World Bank Special Commitment covering a commercial bank's letter of credit (a procedure that is exceptional in the case of consultants).
- 2. When disbursement documentation<sup>32</sup> would otherwise be cumbersome or voluminous (for example, payments against small consultant contracts or purchase orders), Borrowers may be reimbursed upon presentation of Statements of Expenditures (SOEs), using a simple form with details of the expenditures, and retain the actual supporting documentation in the field for subsequent examination by independent auditors and the Bank's supervision missions.
- 3. Special Accounts (SAs) are revolving accounts funded with an advance from a Bank loan for use by the Borrower exclusively to cover the Bank's share of eligible expenses in both local and foreign currencies. The primary objective of the SA is to help the Borrower overcome cash flow problems and speed disbursements. The

- Borrower makes payments from the account to consultants and others when the payments are due. The Bank replenishes the SA regularly upon receipt of a withdrawal application with appropriate supporting documentation from the Borrower. Towards the end of loan disbursements, the Bank initiates a recovery procedure to obtain full documentation for the amount of the outstanding advance.
- 4. The Loan Agreement and the disbursement letter outline the disbursement procedures to be followed for the loan, including retroactive financing provisions, items eligible for disbursement under the SOE procedure, requirements for the operation of an SA, and a minimum application value. The minimum application value varies among loans, depending on the size of the loan and the nature of the project. When there is an SA, the minimum value is generally between 10 percent and 33 percent of the total advanced to the SA. The method of payment specified in the RFP shall take into account the disbursement procedures applicable to the loan.
- 5. A complete description of the Bank's disbursement procedures is provided in the Disbursement Handbook.

<sup>32</sup> Refer to the *Disbursement Handbook*, which provides a complete description of disbursement procedures.

APPENDEX 4

#### GUIDANCE TO CONSULTANTS

#### Purpose

 This appendix provides guidance to consultants wishing to provide consulting and professional services financed by the Bank or trust funds.

#### Responsibility for Selection of Consultants

2. As emphasized in paragraph 1.4 of these Guidelines, the Borrower is responsible for the selection and employment of consultants. It invites, receives, and evaluates proposals and awards the contract. The contract is between the Borrower and the Consultant. The Bank is not a party to the contract.

#### Bank's Role

As stated in these Guidelines (Appendix 1) the Bank reviews the RFP, the evaluation of proposals, award recommendations, and contract to ensure that the process is carried out in accordance with agreed procedures, as required in the Loan Agreement. Except for small contracts (below dollar thresholds specified in each Loan Agreement), the Bank reviews the documents before they are issued, as described in Appendix 1. Also, if at any time in the selection process (even after the award of contract) the Bank concludes that the agreed procedures were not followed in any substantial respect, the Bank may declare misprocurement, as described in paragraph 1.18. However, if a Borrower has awarded a contract after obtaining the Bank's "no objection," the Bank will declare misprocurement only if the "no objection" was issued on the basis of incomplete, inaccurate, or misleading information furnished by the Borrower. Furthermore, if the Bank determines that corrupt or fraudulent practices were engaged in by

representatives of the Borrower or of the Consultant, the Bank may impose the applicable sanctions set forth in paragraph 1.25 of the Guidelines.

4. The Bank publishes standard RFPs and contracts for different types of consulting services. As stated in paragraphs 2.8 and 2.11 of these Guidelines, it is mandatory for the Borrower to use these documents, with minimum changes acceptable to the Bank to address country- and project-specific issues. The Borrower finalizes and issues these documents as part of the RFP.

#### Information on Consultant Services

- Information on consultant services, including a brief description of the nature of services, timing, estimated cost, staff-month, and so forth, will be, in the first instance, included in the Project Information Document (PID) which describes projects under preparation. At the same time, similar information will also be included in the description of each project in the Monthly Operational Summary (MOS). Such information will be continuously updated. Each project requires the publication of a General Procurement Notice in the United Nations Development Business (UNDB)33 (updated annually for all outstanding procurement), which will include a more detailed description of the required services, the client agency, and the budgeted cost. In the case of large value contracts,34 this will be followed by a specific notice seeking "expression of interest" in the national press and UNDB. The project documentation will provide yet more detailed information.
- 6. The PID is available on the Internet and from the Public Information

<sup>33</sup> UNDB is a publication of the United Nations.
Subscription information is available from: Development Business, United Nations, GCPO Box 5850, New York, NY 10163-5850, USA. A UNDB office is maintained at the World Bank; see address below.

<sup>34</sup> Contracts expected to cost more than US\$200,000 equivalent.

Center (PIC)35 in the Bank. The project documentation is available after the loan is approved. The UNDB, which includes the MOS, is available on subscription.

#### Consultants' Role

- When consultants receive the RFP, and if they can meet the requirements of the TOR, and the commercial and contractual conditions, they should make the arrangements necessary to prepare a responsive proposal (for example, visiting the country of the assignment, seeking associations, collecting documentation, setting up the preparation team). If the consultants find in the RFP documents—especially in the selection procedure and evaluation criteria-any ambiguity, omission or internal contradiction, or any feature that is unclear or that appears discriminatory or restrictive, they should seek clarification from the Borrower, in writing, within the period specified in the RFP for seeking clarifications.
- 8. In this connection, it should be emphasized that the specific RFP issued by the Borrower governs each selection, as stated in paragraph 1.2 of these Guidelines. If consultants feel that any of the provisions in the RFP are inconsistent with the Guidelines, they should also raise this issue with the Borrower.
- 9. Consultants should ensure that they submit a fully responsive proposal including all the supporting documents requested in the RFP. It is essential to ensure accuracy in the curricula vitae of key staff submitted with the proposals. The curricula vitae shall be signed by the consultants and the individuals and dated. Noncompliance with important requirements will result in rejection of the proposal. Once technical proposals are received and opened, consultants shall not be required nor permitted to change the substance, the key staff, and so forth. Similarly,

once financial proposals are received, consultants shall not be required or permitted to change the quoted fee and so forth, except at the time of negotiations carried out in accordance with the provisions of the RFP.

#### Confidentiality

10. As stated in paragraph 2.28, the process of proposal evaluation shall be confidential until the contract award is notified to the successful firm. Confidentiality enables the Borrower and the Bank's reviewers to avoid either the reality or perception of improper interference. If, during the evaluation process, consultants wish to bring additional information to the notice of the Borrower, the Bank, or both, they should do so in writing.

#### Action by the Bank

- 11. If consultants wish to raise issues or questions about the selection process, they may send the Bank copies of their communications with the Borrower, or they may write to the Bank directly when the Borrower does not respond promptly or when the communication is a complaint against the Borrower. All such communications should be addressed to the chief of the division for the relevant sector for the borrowing country, with a copy to the Regional Procurement Adviser.
- 12. References received by the Bank from short-listed consultants prior to the closing date for submission of the proposal shall be, if appropriate, referred to the Borrower with the Bank's comments and advice, for action or response.
- 13. Communications that the Bank receives from consultants after the opening of the technical proposals shall be handled as follows. In the case of contracts not subject to prior review by the Bank, any communication shall be sent to the Borrower for due consideration and appropriate action. The Borrower's response shall be reviewed during subsequent supervision of the

<sup>35</sup> The Public Information Center address is also the World Bank address: 1818 H Street, N.W., Washington, D.C., 20433, U.S.A.

project by the Bank staff. In the case of contracts subject to prior review, the Bank shall examine the communication, in consultation with the Borrower, and if it needs additional information, shall request it from the Borrower. If additional information or clarification is required from the Consultant, the Bank shall ask the Borrower to obtain it and comment on or incorporate it, as appropriate, in the evaluation report. The Bank's review will not be completed until the communication is fully examined and considered.

14. Besides acknowledging receipt of communications, the Bank shall not enter into discussion or correspondence with any consultant during the selection and review process, until award of the contract is notified.

#### Debriefing

15. If after notification of award, a Consultant wishes to ascertain the grounds on which its proposal was not selected, it should address its request to the Borrower. If the Consultant is not satisfied with the explanation given and wishes to seek a meeting with the Bank, it may address the Regional Procurement Adviser for the borrowing country, who will arrange a meeting at the appropriate level and with the relevant staff. In this discussion, only the Consultant's proposal can be discussed and not the proposals of competitors.



# OFFICE OF THE ADVISER, HEALTH, SUDA ILGUS BHAVAN, HC BLOCK, SECTOR- III SALT LAKE CITY, CALCUTTA – 91

Memo No. SUDA-120/96(Pt.III)/NIQ No. 6

Dated. 8.8.2000

## NOTICE INVITING QUOTATION

- 1. This organisation will be procuring "Composite Allopathic Drug packets" (1900 Nos.) as detailed in the enclosed list during the year 2000-2001 for use under RCH, Sub-Project, Asansol. Procurement is, however, subject to variation to the actual need.
- Sealed Quotation for allopathic composite drug packets and Medicines for HAUs are invited from manufacturers, Firms of Govt. of India undertaking, firms enlisted under SSI of Govt. of West Bengal/ Govt. of India. Preference will be given to those who have previous records of satisfactory supply of drugs to CMDA/ any three medical colleges/ hospitals of Calcutta. Price should be quoted separately for each of item contained in the list stating the price and names of respective manufacturers. It is to be noted that the Firm must manufacture itself more than 50% of Drugs and the remaining items may be procured from a reputed manufacturing Firm with a letter of authority to the effect that they shall also supply the items as and when necessary. They shall also furnish a sample of drug packet containing each of the said drug, dressing item as well as that of standard paper card board packet, as specimen without cost at the time of submission of Quotation.
- 3. All Quotationers are to be submitted in the prescribed form in duplicate, Tender Forms and list of drugs are to be obtained from the office of Health Sector, SUDA at ILGUS Bhavan, HC Block, Salt Lake City, Calcutta 91 on payment (Non-refundable) of Rs.100/- per set by Account Payee Bank Draft / Pay Order in favour of **Project Officer**, RCH- Sub Project Asansol, SUDA, on all working days between 11-30 A.m. to 4-00 P.m. from 8.8.2000 to 21.08.2000.
- 4. All the columns of the Tender Form must be duly filled in. Any incomplete or wrong information will make the Tender liable to be cancelled.
- Each drug packet shall contain the drugs and dressing materials of quantity as indicated against each item in the enclosed list.
- All the contents of the drug packet as specified in the list are to be packed in a standard paper card board packet to form the unit of each Allopathic Composite Drug packet.
- 7. The tendering firms are to supply the drugs and dressing items in the term of the unit as specified in item 6 above.

- 8. An earnest money amounting to 2% of the Tendered value in the form of Demand Draft drawn on a nationalised Bank in Calcutta, in favour of **Project Officer**, **RCH-Sub Project Asansol**, SUDA, is to be furnished along with the form of tender for the supply of materials, failing which the Tender will be liable to be rejected at the discretion of Adviser, Health, SUDA, whose decision shall be final and binding on the Tenderer.
- 9. Each Tender must accompany the following documents:-

(i) Forwarding letter

(ii) The valid certificate of upto date, clearance of I.T., P.T., Trade licence and Sales Tax with Xerox copy duly attested by Gazetted Officer,

(iii) The photostat copy of the Drug Licence, duly attested by the Gazetted Officer.

(iv) Valid letter of authority from the manufacturers where applicable quoting the items manufactured by such manufacturer.

(v) "No Conviction Certificate" issued by appropriate authority.

(vi) Form of Tender for supply of materials.

(vii) A Demand Draft in favour of Project Officer, RCH- Sub Project Asansol, SUDA.

(viii) Credentials, if any.

- N.B: The original copies of the above documents should be produced at the time of opening of Quotation for verification.
- 10. Failure on the part of the tenderer to furnish any documents indicated in Sl. No. 9 above shall make him liable to rejection of tender.
- The successful Quotationer shall have to execute an agreement in duplicate at their cost with the Adviser, Health SUDA within 10 days or such extended time as may be allowed by the Authority from the date of acceptance of Tender that they shall be responsible for complete delivery of the Allopathic Composite Drug packets on receipt of order from him in due time and positively within the stipulated time period as would be specified in the supply orders. The terms of the agreement proposed by SUDA for this purpose shall be binding on the Tenderer. In case of failure to execute the said agreement within the stipulated period the tender shall be liable to be cancelled, the earnest money shall be forfeited if the delay is due to the lapses of the Tender. The decision of the Adviser, Health, SUDA in this regard shall be final and binding on the Tenderer.
- 12. Successful Tenderer shall be required to deposit the balance amount to make the initial earnest money deposit full i.e. 2% of the Tendered amount. After supply of Drug packets, 8% of the cost besides 2% initial Deposit, is to be deducted from the running bill in respect of supply order as security deposit. In case of failure to deliver the drug packets within the time schedule against order placed, the entire amount of security deposit will be liable to be forfeited at the discretion of the Adviser, Health, SUDA.

Approximate requirement of Allopathic Composite Drug packet is 1900 Nos. (nineteen hundred) only.

13. Order for supply of Allopathic Composite Drug packets shall be placed after entering into the agreement. Delivery of the Drug packets is required to be completed within the stipulated time period as would be specified in the supply order. Maximum period normally shall not exceed 6 weeks; but in no case, it shall exceed 8 weeks.

- The successful tenderers has to supply the drug packets to the Frocurement 14. Specialist at the Office of the Adviser, Health, SUDA, as per supply order to be placed with him. Thereafter, the supplier shall submit the bill in triplicate to the Adviser, Health, SUDA along with receipted challan in triplicate.
- The Firms shall submit the rates showing the price of medicines & dressing materials 15. inclusive of all taxes and other charges.
- All articles must conform to the approved samples and the life span of each medicine shall 16. not be less than two years, from the date of supply order except Folic Acid, Aspirin, ORS and Eye Aplicap.
- Adviser, Health, SUDA reserves the right to accept or reject any or all the tenders without 17. assigning any reason whatsoever.
- The tender shall remain valid for one year (twelve calendar months) from the date of 18. agreement executed for the purpose and during the contract period the rates will remain the same and no escalation will be allowed on any ground.
- The last date of purchase of Tender papers is 21.8.2000 upto 4-00 P.m. and the last date of 19. submission of Tender is 23.08.2000 upto 12 noon and the same will be opened on the same date at 12.30 p.m.
- Supply of drugs must be accompanied with a test certificate from the authorised analytical 20. chemist approved by the Director of Drug Control, Govt. of West Bengal.
- Each batch for all items of drugs must be tested by the Govt. / Govt. approved Drug analysts 21. as per discretion of the Adviser, Health, SUDA and drug packet will be supplied after obtaining satisfactory results of these tests. Cost of testing will be borne by the Adviser, health, SUDA.

L.S Sampen Adviser, Health

# List of Drugs for HAU for procurement under RCH, Sub-project, Asansol during 2000-2001

Sl.No.	Name of item	Packing Unit	Total Unit
1.	Acetyl Salicylic acid 300 mg per Tablet	50 Tabs	1x50 Tabs
2.	Combined gastric Antacid Tab containing Aluminium Hydroxide & Mag. Hydroxide total salt being not less than 500 mg.	100 Tabs	2x100 Tabs
3.	Bromhexine Hydrochloride 8 mg. Tablet	100 Tabs	1x100 Tabs
4.	Chlorpheniramine Maleate 4 mg. Tablet	50 Tabs	1x50 Tabs
5.	Tablet Folifer (large) containing Ferous Sulphate 80	100 Tabs	3x100 Tabs
6.	mg. And Folic Acid 0.5 mg. Tab. Folifer (Small) containing Ferous Sulphte	100 Tabs	3 x100 Tabs
7.	67 mg. And Folic Acid 0.1mg. Furazolidone 100 mg. Tab.	100 Tabs	2x100 Tabs
8.	Mebendazole - 100mg Tablet	100 Tabs	1x100 Tabs
9.	Metronidazole (Film coated) - 200mg Tab	50 Tabs	4x50 Tabs
10.	ORS Citrateeach Sachet of 27.9 containing Sodium chloride 3.5gm. Dextrose – 20 gm. pot chloride 1.5gm. sodium citrate – 2.9gm.	27.9 packet.	24 Packets
11.	Oxyphenonium Bromide 5 mg. Tab.	25 Tabs	1x25 Tabs
12.	Paracetamol 500 mg. Tab	50 Tabs	5x50 Tabs
13.	Sulphamethoxazole 400 mg. & Trimethoprim 80 mg. Combined Tab.	100 Tabs	2x100 Tabs
14.	Antiseptice Lotion containing 2% Benzal Konium Chloride 200 ml. Each in bot.	200 ml Bottle	1x200ml
15.	Merbromin of 20 gm Phials	1 Phial	1 Phial
16.	Nitro-Furazone 0.2% (W/W) skin ointment 15 gm. Tube	15gm.Tube	5x15 gms.
17.	Chloramphenicol Eye 1% aplicap	50 applicap	1x50 caps
18.	Absorbent Gauze Sterilised in Packets containing 10 Pcs. Of 10 cm x 10cm. Separately in Poly pack	Packet.of 10 pcs	3 Packets
19.	Adhesive plaster in Reel of 10 m x 5 cm.each	1 Reel	1 Reel
20.	Benzyl Benzoate application 100ml. Bots	1 Bottle	1 Bottle
21.	Cotton Absorbents in packet of 50 gm.	1 Packet	1 Packet.

## STATE URBAN DEVELOPMENT AGENCY

# QUOTATION FOR THE SUPPLY OF COMPOSITE ALLOPATHIC DRUG PACKETS

### **CONDITIONS OF CONTRACT**

1.	The Supplier whose quotation is accepted, shall within deposit with the	he
	Director & Chief Executive, SUDA, through Account Payee Bank Draft / Pay order a sun	
	which with the earnest money already deposited will be equivalent to (2%) two percent	
	the total estimated cost of the materials to be supplied under the contract.	

- 2. All damages payable by the supplier under the terms of this contract may be deducted from security deposit and / or any other sums due or which become due to him by SUDA.
- 3. The supplier is to deliver the Composite Allopathic Drug packets within six weeks from the date of issuance of supply order, failing which the supplier shall be bound to pay or allow one percent on the total amount of the contract for every day not exceeding ten days that the supplier shall exceed the time for delivery and by way of liquidated damages. Provided, however, that the Adviser, Health, SUDA may in his discretion reduce, in such cases as he may think fit, the said amount to such smaller amount as he may decide and his decision in that respect shall be final.
- 4. In every case, in which the payment or allowance mentioned in clause 3 shall have been incurred for ten consecutive days, the Adviser, Health, SUDA shall have power either to annul the contract altogether, or to have the supply completed without further notice at the supplier's risk and expense as he may deem best suited to the interest of SUDA, and the supplier shall have no claim for compensation for any loss that he may incur in any way.
- 5. If the supplier shall be hindered in the supply of the materials so as to necessitate an extension of the time allowed in this quotation, he shall apply in writing to the Adviser, Health, SUDA who shall grant it in writing if reasonable grounds be shown for it, and without such written authority of the Adviser, Health, SUDA, applied for and obtained prior to the expiry of the original date provided for in the quotation, the supplier shall not claim exemption from the fine leviable under clause 3.
- The supplier should remain bound to allow purchasing authority/ or authorised persons or agents to inspect items at any time during the process of preparation or finishing before acceptance of supply.
- 7. The contents of Allopathic Composite Drug packets shall be strictly in accordance with the specifications and the supplier shall receive payment for such materials only after acceptance and approval by the competent Authority.

- 8. In the event of the material being considered by Adviser, Health, SUDA found to be inferior to that described in the specification, the supplier shall on demand in writing, forthwith remove the same at his own charge and cost, and in the event of his neglecting to do so within specified period, such rejected materials to be removed at the supplier's risk and expense, the expense incurred being liable to be deducted from any sums due or which may become due to the supplier.
- 9. The decision of the Adviser, Health, SUDA shall be final, binding and conclusive on all questions relating to the meaning of the specification.
- 10. In the event of an unresolved dispute, the matter may be referred to the Central Tender Committee, Health wing, SUDA; and its recommendations will be final and binding on the supplier.
- 11. A list showing the contents of Drug packet indicating the manufacturing date and expiry date of each item with their quantities be kept inside the packet and also one such list shall be pasted outside each packet.
- 12. The supply of Drug packets must be accompanied with valid test certificate from authorised analytical chemist, approved by Director of Drug Control, Govt. of West Bengal. All the batch Nos. of each item of medicine supplied are to be tested by the Govt./ Govt. approved Drug Analysts / Director of State Drug Control and Research Laboratory, Convent Lane, Calcutta 700 015 or any other agencies approved by the Adviser, health, SUDA under arrangement of the Adviser, Health, SUDA and supplier before final acceptance.
- 13. All articles must conform to the approved samples and the life span of each medicine shall not be less than two years except Aspirin, Folic Acid, ORS and Eye Aplicap where life span of these items will be one and half years from the date of supply order.
- 14. When any article is rejected, the same should immediately be replaced by the articles of the approved quality.

# OFFICE OF THE ADVISER, HEALTH, SUDA ILGUS BHAVAN, HC BLOCK, SECTOR- III SALT LAKE CITY, CALCUTTA – 91.

Memo No. SUDA-15/96 (Pt.III)/NIQ No. 4 & 5

Dated..4.8.2000

## NOTICE INVITING QUOTATION

- 1. This organisation will be procuring "Equipments for 8 HAUs & 64 SCs", as detailed in the enclosed list during the year 2000 for use under RCH-Sub Project Asansol. Procurement is, however, subject to variation to the actual need.
- Sealed quotations for equipments (ISI marked) for HAUs & SCs are invited from Manufacturer/ Authorised Agent/ Dealer/ bonafide Distributor/ Supplier. Credentials towards satisfactory supply of equipments to CMDA/ State Medical Colleges of hospitals are required to be furnished. The Manufacturer will not authorise more than one dealer for individual item of equipments.
- The rate should be quoted separately for each of item contained in the list, inclusive of all taxes, duties and charges including delivery charges etc.
- 4. It is to be noted that the Firm must manufacture itself at least 50% of equipments and the remaining items may be procured from a reputed manufacturing Firm with a letter of authority to the effect that they shall also supply the items as and when necessary.
- 5. It may be noted that the sample of the required item should invariably be furnished by the responsive bidder on a later date as will be notified to facilitate proper evaluation. The sample should be properly labeled and signed by the tenderer. Non submission of the sample by the responsive bidder will be treated as disqualification and penalty may be imposed as may be deemed fit by the purchaser.
- 6. All quotations are to be submitted in the prescribed format. Tender forms and the list of equipments to be obtained from the office of the Health Sector, SUDA at ILGUS Bhavan, HC Block, Salt Lake City, Calcutta 91, on payment (non-refundable) of Rs.100/- per set by Account Payee Bank Draft/ Pay Order in favour of Project Officer RCH-Sub Project Asansol, SUDA, on all working days between 11-30 A.M. to 4-00 P.M. from 04.08.2000 to 17.08.2000.

The tender should be submitted in a sealed cover superscribing "Quotation for supply of Equipments for HAUs & SCs under RCH- Sub Project Asansol", addressed to Adviser Health, SUDA, so as to reach this office by 18.08.2000 within 12 noon.

7. Delivery of the equipments have to be made at Asansol Municipal Corporation, in consultation with Procurement Specialist, SUDA.