

User Guide

for

Request for Proposals

for the

**Procurement of Consultancy
Services (Lump Sum Contract)**

Government of the Republic of Malawi

Table of Contents

| | |
|--|-----------|
| Acronyms | 3 |
| Guidance Notes on the use of the Standard Request for Proposals and User Guide..... | 4 |
| Purpose of the Request for Proposals (RFP) | 4 |
| Purpose of the User Guide | 4 |
| When to Use the Request for Proposals for Consultancy Services | 4 |
| Structure of the Request for Proposals Document | 5 |
| Rules for drafting RFP Documents | 5 |
| Summary of the Bidding Process | 7 |
| Guidance Notes for the preparation of Notices seeking Expressions of Interest and Letters of Invitation ... | 8 |
| Notices seeking Expressions of Interest | 8 |
| Letters of Invitation | 9 |
| Guidance Notes on the Preface Section | 10 |
| Guidance Notes on Section 1. Instructions to Bidders..... | 11 |
| Guidance Notes on Section 2. Bid Data Sheet | 12 |
| Guidance Notes on Section 3. Evaluation Criteria | 17 |
| Guidance Notes on Section 4. Bidding Forms | 21 |
| Guidance Notes on Section 5 Eligible Countries | 22 |
| Guidance Notes on Section 6: Terms of Reference | 23 |
| Guidance Notes on Section 7. General Conditions of Contract for the Provision of Consultancy Services | 25 |
| Guidance Notes on Section 8. Special Conditions of Contract | 26 |
| Guidance Notes on Section 9. Contract Forms | 32 |
| Agreement | 32 |
| Advance Payment Security | 32 |
| Guidance Notes on the Letter of Acceptance | 35 |

Acronyms

| | |
|-----|--------------------------------|
| BDS | Bid Data Sheet |
| EC | Evaluation Criteria |
| GCC | General Conditions of Contract |
| ITB | Instructions to Bidders |
| LS | List of Services |
| PE | Procuring Entity |
| RFP | Request for Proposals |
| SBD | Standard Bidding Document |
| SCC | Special Conditions of Contract |
| SOR | Schedule of Requirements |
| TOR | Terms of Reference |

Guidance Notes on the use of the Standard Request for Proposals and User Guide

Purpose of the Request for Proposals (RFP)

The purpose of the RFP is to provide Procuring Entities (PEs) with one standard draft containing basic contractual provisions and safeguards which are required by the Government of the Republic of Malawi in the execution of public procurement and the use of public funds.

The RFP for the Procurement of Consultancy Services has been designed to:

- (i) simplify the drafting of a specific RFP document for Procurement of Consultancy Services by procurement staff;
- (ii) minimise the time required by the Internal Procurement Committee to approve RFP documents prior to release;
- (iii) reduce Bidders' time and effort in the preparation of proposals; and
- (iv) facilitate and simplify the evaluation and comparison of proposals and Contract award by the Procuring Entity.

The key feature of the RFP is that it can be used with minimum changes, as it does not contain explanations, footnotes or examples that should not form part of the RFP document.

Purpose of the User Guide

This User Guide has been prepared to provide guidance to public officials in the correct use of the RFP for Consultancy Services as a model for preparing an individual RFP. This user guide should be used in conjunction with the appropriate Desk Instructions that provide straightforward, but detailed, guidance on the procedures to be followed when conducting procurement using government funds. They are designed to be simple to use and understand, by breaking the overall procurement process down into a series of individual procedures and breaking each procedure down into step-by-step instructions.

Users should ensure that the correct User Guide is referred to. Different User Guides have been produced for each standard document including the Standard Bidding Documents (SBD) for the Procurement of Goods, Works and Services depending upon the form of contract to be used. Users should refer to the header and footer of each page of the User Guide to ascertain this.

The RFP/SBD contains guidance notes for Bidders (or Financial Institutions) only, which are mainly in Sections 4 and 9. These notes should not be deleted from the document when drafting.

All the explanations and notes necessary for PEs to use the standard documents are contained in this User Guide.

All guidance notes, in both the standard documents and the user guide, are found between square brackets in bold e.g. **[insert date for submission of proposals]**.

This User Guide is not part of the RFP and is not intended for issue to Bidders.

When to Use the Request for Proposals for Consultancy Services

Procurement Method and Value

User Guide for the Request for Proposals for the Procurement of Consultancy Services

This RFP for the Procurement of Consultancy Services is suitable for use under the Request for Proposals procurement method.

For lower value consultancy services, the simple lump sum and time based request for proposal should be used and for very low value procurement the Request for Quotations document should normally be used.

Type of Contract

Lump-sum contracts are normally used when definition of the tasks to be performed is clear and unambiguous, when the commercial risk taken by the Bidder is relatively low and Bidders are therefore prepared to perform the assignment for an agreed predetermined lump-sum price. The lump sum price is arrived at on the basis of inputs - including fee rates - provided by the Bidder. The Procuring Entity agrees to pay the Bidder according to a schedule of payments linked to the delivery of certain outputs e.g. reports. A major advantage of the lump-sum contract is the simplicity of its administration, as the Procuring Entity only has to be satisfied with the outputs without monitoring the staff inputs. Studies are usually carried out on a lump-sum basis: for example, surveys, master plans, economic, sector, simple feasibility and engineering studies.

Structure of the Request for Proposals Document

The RFP is divided into nine separate Sections and a Preface. Procuring Entities are required to use all Sections of the standard document to produce an individual RFP for issue to Bidders. The standard document comprises:

Preface

Part 1 Bidding Procedures

- Section 1. Instructions to Bidders (ITB)
- Section 2. Bid Data Sheet (BDS)
- Section 3. Evaluation Criteria
- Section 4. Bidding Forms
- Section 5. Eligible Countries

Part 2 Schedule of Requirements

- Section 6. Terms of Reference

Part 3 Contract

- Section 7. General Conditions of Contract (GCC)
- Section 8. Special Conditions of Contract (SCC)
- Section 9. Contract Forms

Each section is provided as a separate electronic document, removing the difficulties of drafting long documents. Collation of the sections is accomplished by reading the preface (5 pages) and manually inserting the relevant sections into each part of the preface pages.

Rules for drafting RFP Documents

It is important that Procuring Entities always use the original RFP Document to commence drafting a new RFP for each new procurement requirement. Therefore, **the original RFP should not be amended** in any way.

The RFP has been designed to require the minimum of input or changes to the document so that a final RFP can be produced with minimum time and effort.

Most importantly the provisions in

Section 1 “Instructions to Bidders” and

Section 7 “General Conditions of Contract”

must be used with their text unchanged.

Any data or information that Sections 1 or 7 require are to be included respectively in

Section 2 **Bid Data Sheet** and

Section 8 **Special Conditions of Contract.**

Data and information contained in the remaining Sections should be modified as follows:

Section 3 **Evaluation Criteria** This section must be completed with details of the evaluation methodology and criteria to be applied. Examples are provided in this User Guide.

Section 4 **Bidding Forms** The Forms in this section are to be completed by the Bidder. No changes to the standard forms should be made by the PE.

Section 5 **Eligible Countries** A standard wording is included for government funded procurement. Changes may be made where the procurement is subject to donor rules or where the Government has introduced any different or additional rules on eligibility.

Section 6 **Terms of Reference** This Section should be completed with details of the requirement by the Procuring Entity.

Section 9 **Contract Forms** Procuring Entities are required to include the Contract Form in the RFP. Details do not need to be completed until the contract award stage.

This User Guide contains a section corresponding to each section of the RFP. It also includes an initial section on how to prepare the Letter of Invitation.

In drafting a RFP using the standard RFP, users should not:

delete any Section or page breaks,

make any changes to the headers of the RFP,

make any changes to the footers of the RFP.

Summary of the Bidding Process

The Public Procurement Act of 2003, and the Public Procurement Regulations 2004 detail the full procurement processes, rules and procedures and the procurement methods to be followed by Procuring Entities. The Public Procurement Act and Regulations must be complied with at all times.

The relevant parts of the bidding process are summarised here as follows:

Selection of Bidders;

Preparation and Issue of RFP Documents;

Bidding Period and Receipt of Proposals;

Proposal Opening;

Proposal Evaluation; and

Proposal Acceptance, Contract Award and placement.

Full details of the procedures to be adopted in the bidding process are contained in the following desk instructions:

1. Raising a requisition
- 2C Preparing a description of requirements for services
- 3 Selecting the procurement method and planning the procurement
- 4B Obtaining and assessing expressions of interest
- 5B Developing a short list
- 6A Drafting a bidding document or request for proposals document
8. Issuing invitation documents
9. Managing a pre-bid conference and site visits
10. Handling bidder clarifications, modifications and extensions
- 11 Receiving tenders
- 12B Opening tenders
14. General evaluating procedures for consultancy services
- 14A – C Evaluating proposals for consultancy services (QCBS, QCS & LCS)
- 16 Conducting Negotiations
17. Cancelling procurement proceedings
18. Issuing a notice of acceptance
- 19A. Preparing and issuing a contract document
- 20 Publishing a contract award notice and debriefing unsuccessful bidders

Guidance Notes for the preparation of Notices seeking Expressions of Interest and Letters of Invitation

Notices seeking Expressions of Interest

Notices seeking expressions of interest must be published for Request for Proposals. They are designed to provide information that enables potential bidders to decide whether or not to participate in a procurement process. Apart from the essential items listed in the draft below, the notice should also indicate any important evaluation criteria which will apply and any further information relating to the proposed procurement process, such as the intension to hold a pre-proposal meeting.

The notice is for publication purposes only and is not a part of the RFP document.

Standard Format for Notices seeking Expressions of Interest

Invitation to Express Interest in *[Subject of Procurement]*

[Insert Procurement Reference number].

The *[insert name of Procuring Entity]* has allocated/received funds *[if received state source]* and intends to apply part of the proceeds of these funds towards the cost of *[insert description of consultancy services to be procured]*.

The *[insert name of procuring entity]* now invites suitably qualified bidders to submit sealed expressions of interest for *[insert description of consultancy services to be procured]*.

[Insert brief narrative of consultancy services required, normally four to six lines, including location of project, length of contract, type of services or professional staff required and other information necessary to enable potential bidders to decide whether to express interest.]

[Insert details of any particular qualifications, skills, experience etc. required.]

Expressions of interest will be evaluated in accordance with the Public Procurement Act of 2003. Participation is open to all eligible bidders. *[If there are any restrictions on eligibility, such as source countries, include these here.]*

Interested eligible bidders may submit expressions of interest to *[insert name of procuring entity]*, including *[insert details of information or documentation required]*.

Expressions of interest must be delivered to the address below at or before *[insert time and date]*. Late submissions shall be rejected.

[Insert name of office and name of officer]

[Insert postal address] and/or [Insert street address]

[Insert telephone and facsimile number, indicate country and city code]

Letters of Invitation

Letters of Invitation, using the format below, should be issued with the RFP document. The Letter of Invitation is not a part of the RFP document.

Standard Format for Letter of Invitation

| |
|--|
| {Letterhead paper with PE name and address} |
| [insert date of issue] |
| Dear [insert name of Bidder] : |
| [Procurement Reference Number and Title of Assignment] |
| The [insert name of Procuring Entity] invites proposals to provide the consulting services reference above. More details on the services required are provided in the attached Request for Proposals (RFP) document. |
| The RFP has been addressed to the following shortlisted bidders: |
| [insert list of Shortlisted Bidders] |
| A firm will be selected in accordance with procedures described in this RFP and the Public Procurement Act of 2003. |
| Please inform us, upon receipt: |
| (a) that you received the RFP; |
| (b) whether you will submit a proposal; and |
| (c) if you plan to submit a proposal, when and how you will transmit it. |
| Yours sincerely, |
| [insert signature, name, and title of Officer] |

Guidance Notes on the Preface Section

This Section of the RFP comprises five pages of which the first two pages are the cover sheets to the RFP and the remaining three pages are separators or dividers for the three Parts of the Document. Only the first page of the Preface requires any inputs or text changes as illustrated below.

{Insert Entity or Project Crest or Logo}

Government of the Republic of Malawi

{Insert name of Procuring Entity and/or Project}

Request for Proposals Document

for the

Procurement of Consultancy Services

| | |
|--------------------------------------|--|
| Subject of Procurement: | [Insert general description of Services required]. |
| Procurement Reference Number: | [Insert the Procurement Reference number for this procurement] |
| Procurement Method: | Request for Proposals |
| Basis of Selection | [Insert selection methodology to be utilised; QCBS, QCS or Least Cost Selection |
| Date of Issue: | [Insert official issue date of the RFP to Bidders] |

Guidance Notes on Section 1. Instructions to Bidders

The Instructions to Bidders (ITB) inform Bidders of the procedures that regulate the bidding process. The ITB contain standard provisions that have been designed to remain unchanged and **to be used without modifying their text**. The ITB clearly identify the provisions that may normally need to be specified for a particular bidding process and require that such details be introduced **through the BDS**.

Conventionally the Instructions to Bidders contain information and data relating to the procedure for bidding and evaluation up to the point of contract award. Matters that will govern the performance of the Contractor, payment under any resulting contract or each party's rights and obligations under any resulting contract are contained in Sections 7, 8 and 9, the General and Special Conditions of Contract and the Agreement. If duplication of a subject is inevitable in the different Sections of the document, care must be exercised to avoid contradiction between clauses dealing with the same matter.

The Instructions to Bidders are not a Contract document and, therefore, **are not a part of the Contract**.

Guidance Notes on Section 2. Bid Data Sheet

The Bid Data Sheet (BDS) supplements the ITB by specifying details relevant to an individual RFP document such as its closing date or the validity period required for proposals.

The Procuring Entity must specify in the BDS only the information that the ITB request be specified in the BDS. All information shall be provided, **no clause shall be left blank**.

To facilitate the preparation of the BDS, its clauses are numbered with the same numbers as the corresponding ITB clause. This Guide provides information to the Procuring Entity on how to enter all required information, and includes a BDS formatted table that summarises all information to be provided.

The BDS should be prepared by the PE prior to the issue of the RFP.

Conventionally the BDS contains information and data relating to the procedure for bidding and evaluation up to the point of contract award. Matters that will govern the performance of the Contractor, payment or each party's rights and obligations under any resulting contract are contained in Sections 7, 8 and 9, the General and Special Conditions of Contract and the Agreement. If duplication of a subject is inevitable in the different Sections of the document, care must be exercised to avoid contradiction between clauses dealing with the same matter.

The Bid Data Sheet is not a Contract document and, therefore, **is not a part of the Contract**.

[Input of Information to be completed by Procuring Entity]

Section 2. Bid Data Sheet

| Instructions to Bidders Reference | Data relevant to the ITB |
|--|---|
| A. General | |
| ITB 1.1 | The Procuring Entity is: [insert complete name of PE] . |
| ITB 1.2 | The Procurement Reference Number is: [Insert the Procurement Reference Number] The assignment is: [insert a brief description of the Assignment and its objectives. A few sentences is sufficient] . |
| B. Request for Proposals Document | |
| ITB 7.1 | For clarification purposes only, the Procuring Entity’s address is: Attention: [insert full name of person, if applicable] Street Address: [insert street address and number] Floor/Room number: [insert floor and room number, if applicable] Town/City: [insert name of city or town] PO Box/Private Bag No: [insert postal, or PO Box No if applicable] Country: MALAWI Telephone: [insert telephone number, including country and city codes] Facsimile number: [insert telephone number, including country and city codes] Email address: [insert email address, if applicable] |
| C. Preparation of Proposals | |
| ITB 9.3 | A pre-proposal meeting [Insert “shall” or “shall not”] be held. Date: [Insert date] Time : [Insert time of meeting] Address for Pre-proposal meeting: Street Address: [insert street address and number] Floor/ Room number: [insert floor and room number, if applicable] Town/City: [insert name of city or town] Postal Code: [insert postal code] Country: MALAWI Contact Name: [insert contact name] |

User Guide for the Request for Proposals for the Procurement of Consultancy Services

| Instructions to Bidders Reference | Data relevant to the ITB |
|-----------------------------------|---|
| | <p>Telephone: [insert telephone number, including country and city codes]</p> <p>Facsimile number: [insert telephone number, including country and city codes]</p> <p>Email: [Insert Email address, if applicable]</p> |
| ITB 9.6 | The invitation to submit proposals has been sent to the following firms: [insert full shortlist of 3-7 bidders, including all partners of any joint venture or association]. |
| ITB 10.1 | The language of the proposal is English. [amend if any other language is to be used]. |
| ITB 11.1 | A Bidder [Insert “shall” or “shall not”] obtain the Procuring Entity’s permission to enter into a Joint Venture with other Consultants not invited for this assignment. |
| ITB 11.2 | A Bidder [Insert “may” or “may not”] associate with other Bidders invited for this assignment. |
| ITB 11.4 | Limits on subcontracting are: [insert any limits relating to subcontracting, such as if the same subconsultant is not permitted to be included in more than one proposal or any percentage limit on the proportion of the services to be subcontracted e.g. 25%]. |
| ITB 12.1 | The estimated number of key professional staff-months is: [insert the estimated number of staff-months (or days). Alternatively, if Fixed Budget Selection is used, the number of staff-months is not required, but the budget must be included in Section 3]. |
| ITB 13.1(i) | The technical proposal shall include the following additional information: [Insert details of additional information required e.g. documents providing evidence of eligibility or state “None”] |
| ITB 14.1(e) | The financial proposal shall include the following additional information: [Insert details of additional information required or state “None”] |
| ITB 14.3 | The financial proposal [Insert “shall” or “shall not”] be broken down into separate activities. [A breakdown into separate activities is not normally required for relatively simple or short assignments, but may be required where an assignment is divided into phases or significantly different tasks] |
| ITB 14.4 | The financial proposal [Insert “shall” or “shall not”] indicate local taxes as a separate amount. |
| ITB 15.1 | Bidders may express the price of their services in any freely convertible currency. [Amend if necessary e.g. where the shortlist is entirely national suppliers, prices may be required in Malawi Kwacha only] Bidders [Insert “shall” or “shall not”] state the portion of their price representing local cost in Ethiopian Birr. |

| Instructions to Bidders Reference | Data relevant to the ITB |
|---|---|
| D. Submission and Opening of Proposals | |
| ITB 16.1 | In addition to the original of the proposal, the number of copies is: [Insert number of copies required – usually calculated as the number of members of the Evaluation Committee plus one] |
| ITB 16.1 | <p>The <u>address for proposal submission</u> is:</p> <p>Attention: [insert contact name]</p> <p>Street Address: [insert street address and number]</p> <p>Floor/Room number: [insert floor and room number]</p> <p>Town/City: [insert name of city or town]</p> <p>PO Box/Private Bag No: [insert postal code, if applicable]</p> <p>Country: MALAWI</p> <p>In addition to the address, the outer envelope shall bear the following information:</p> <p>(a) the procurement reference number;</p> <p>(b) the title of the assignment; and</p> <p>(c) the name and address of the Bidder.</p> <p>[Amend if any of these details are not to be included or any additional details are required].</p> |
| ITB 16.2 | The representative’s authorisation shall be confirmed by a written power of attorney. [Amend if no power of attorney is required, such as for small assignments or if an alternative form of authorisation is required]. |
| ITB 16.4 | <p>The deadline for proposal submission is:</p> <p>Date: [Insert date]</p> <p>Time (local time): [Insert time]</p> |
| ITB 17.1 | The proposal validity period shall be [Insert number of days –usually 30, 60, 90 or 120 days] days. [The validity period should take into account the time required to conduct the evaluation, gain all necessary approvals, negotiate and award a contract to the successful bidder] |
| ITB 19.1 | <p>For <u>proposal opening purposes</u> only, the Procuring Entity’s address is:</p> <p>Street Address: [insert street address and number]</p> <p>Floor/Room number: [insert floor and room number]</p> <p>Town/City: [insert name of city or town]</p> <p>Country: MALAWI</p> |

User Guide for the Request for Proposals for the Procurement of Consultancy Services

| Instructions to Bidders Reference | Data relevant to the ITB |
|--|--|
| | <p>The time for proposal opening is:</p> <p>Date: [Insert date]</p> <p>Time (local time): [Insert time]</p> |
| <p>E. Evaluation of Proposals</p> | |
| <p>ITB 27.5</p> | <p>The currency that shall be used for proposal evaluation and comparison purposes to convert all proposal prices expressed in various currencies into a single currency is: [Insert currency of comparison e.g. “Malawi Kwacha ” or “US dollars”]</p> <p>The source of exchange rate shall be: [Insert details of the source of selling exchange rates e.g. “Reserve Bank of Malawi”]</p> |
| <p>ITB 27.6</p> | <p>The evaluation shall include all taxes, duties, fees, levies and other charges imposed under the applicable law. [Amend if taxes are to be excluded from the evaluation]</p> |
| <p>ITB 29.1</p> | <p>For <u>negotiation purposes</u> only, the Procuring Entity’s address is:</p> <p>Street Address: [insert street address and number]</p> <p>Floor/Room number: [insert floor and room number]</p> <p>Town/City: [insert name of city or town]</p> <p>Country: MALAWI</p> |

Guidance Notes on Section 3. Evaluation Criteria

The purpose of the Evaluation Criteria (EC) is to inform Bidders of the methodology and criteria that the Procuring Entity will use to evaluate the proposals and determine the proposal to recommend for award of contract. This is to ensure that the evaluation is fair and treats all Bidders in the same manner. It also should assist Bidders to prepare responsive bids which meet the PE's needs and are competitive. The Procuring Entity must prepare the EC and include it as a part of the RFP.

The EC is not a Contract document and, therefore, **it is not a part of the Contract.**

Unlike goods and works, for Consultancy Services different selection procedures can be used and each requires slightly different information in Section 3. The four selection procedures permitted are:

- Quality & Cost Based Selection, (QCBS)
- Quality Based Selection, (QBS)
- Least Cost Selection, (LCS)

Procuring Entities should refer to the Directives for guidance on the appropriate selection procedure to use and how the evaluation should be conducted. Recommended wording for each selection procedure is included in Section 3 and the wording for other selection procedures should be deleted at the time of drafting the RFP. Further guidance on completing Section 3 is given below.

Input of Information to be completed by Procuring Entity

1. Selection Procedure

The methodology for the evaluation of proposals will be [insert methodology e.g. **Quality and Cost Based Selection, Quality Based Selection, Fixed Budget Selection or Least Cost Selection**]

2. Technical Evaluation Criteria

The technical criteria and maximum number of points to be given under each are:

| Criteria | Maximum Points |
|--|-----------------------|
| (a) Specific experience of the Bidder related to the assignment | [0-10] |
| (b) Adequacy of the proposed work plan and methodology | [20-50] |
| (c) Qualifications and competence of the key staff for the Assignment | [30-60] |
| (d) Suitability of the transfer of knowledge programme (training) | [0-10] |
| (e) Participation of Nationals (as reflected by nationals among key staff) | [20-25] |
| Total Points | 100 |

[Amend the criteria above as required for the particular assignment e.g. delete “suitability of the transfer of knowledge programme”, if no transfer of knowledge is required. The criteria must relate to the technical aspects of the proposal and not be excessively subjective.]

Complete the maximum number of points for each criterion, using the ranges above as guidance. The total of all criteria must equal 100. The points given to each criterion must be directly related to its importance to the successful performance of the services. Where the Bidders’ experience has been assessed following the receipt of expressions of interest, the number of points allocated to experience should be limited. The indicative scores above for experience may be increased, where experience has not already been assessed.]

The number of points to be given under each evaluation sub-criteria for (c) qualifications of staff are:

| Criteria | Maximum Points |
|---------------------------------------|-----------------------|
| (a) General qualifications | [20-30] |
| (b) Adequacy for the assignment | [50-60] |
| (c) Experience in region and language | [10-20] |
| Total Points | 100 |

[Amend the criteria and state the maximum number of points, as above.]

The proposals proceeding to the financial evaluation shall be: **[Delete the wording which is not applicable to the evaluation methodology used.]**

{For QCBS, and Least Cost Selection}

All proposals reaching the minimum technical score of: **[insert the minimum technical score, which should be related to the technical quality required. The minimum score is typically between 70 and 80 points.]**

{For QBS}

The proposal achieving the highest technical score only.

3. Financial Evaluation and Comparison of Proposals

Proposals will be compared using the following methodology to determine the best evaluated proposal: **[Delete the wording which is not applicable to the selection procedure used.]**

{For QCBS only}

To determine financial scores for each proposal, the lowest priced proposal shall be given a financial score of 100, and other proposals shall be given a score proportionate to this, by application of the following formula:

$$Sf = 100 \times Fm/F \quad \text{in which:}$$

Sf denotes the financial score of the proposal under consideration;

Fm is the price of the lowest price proposal that passed the technical evaluation;

F denotes the price of the proposal under consideration.

A total score (S) will be determined for each proposal, by combining its technical (St) and financial (Sf) scores using the following formula and weightings:

$$S = (St \times T\%) + (Sf \times P\%)$$

The weights given to the scores of the Technical and Financial Proposals are:

T = [insert the weight of the technical proposal, depending on the importance of technical quality to the assignment. The technical weighting is normally in the range of 70 - 90]

P = [insert the weight of financial proposal. The technical and financial weighting must equal 100, so the financial weighting is normally in the range of 10-30]

Proposals will be ranked and the proposal achieving the highest total score will be recommended for contract award, subject to satisfactory negotiations.

{For QBS only}

The financial proposal will be reviewed in order to prepare for negotiations.

{For LCS only}

Proposals will be ranked. The lowest priced proposal will be recommended for contract award, subject to satisfactory negotiations.

Additional Notes on Calculating the Financial and Total Scores under QCBS

The determination of Financial Scores is achieved by application of the formulae shown in Section 3, which gives each financial proposal a score that is inversely proportionally to the lowest priced proposal.

User Guide for the Request for Proposals for the Procurement of Consultancy Services

For example, if the financial proposals were US\$ 100,000; US\$ 110,000 and US\$ 120,000, the financial score of the latter proposal would be calculated as follows:

$$Sf = 100 \times Fm/F$$

$$Sf = 100 \times 100,000/120,000$$

$$Sf = 100 \times 0.833 = \mathbf{83.3}$$

The total (combined technical and financial) score is calculated by the addition of both scores once they have been weighted by the predetermined weighting factors. The technical score is weighted by factor T and the financial score is weighted by a factor P. Both factors T and P are defined in Section 3 of the RFP.

For example, if T were 70 and P were 30, the technical score of the proposal was 81 points and the financial score was 83.3 points, the total score would be calculated as follows:

$$S = (St \times T\%) + (Sf \times P\%)$$

$$S = (81 \times 70\%) + (83.3 \times 30\%)$$

$$S = (56.7) + (24.99) = \mathbf{81.6}$$

Guidance Notes on Section 4. Bidding Forms

The Procuring Entity shall include in the RFP all bidding forms that the Bidder is required to complete and include in its proposal. As specified in Section 4 of the RFP, these forms are separated into two areas for the technical and financial proposals:

Technical Proposal – Standard Forms

- T1 Technical Proposal Submission Sheet.
- T2 Bidder’s Organisation and Experience.
- T3 Comments and Suggestions on the Terms of Reference.
- T4 Description of the Approach, Methodology and Work Plan for performing the Assignment.
- T5 Team Composition and Task Assignments.
- T6 Curriculum Vitae for Proposed Professional Staff.
- T7 Staffing Schedule.
- T8 Work Schedule.

Financial Proposal - Standard Forms

- F1 Financial Proposal Submission Sheet.
- F2 Summary of Proposal (or Activity) Price.
- F3 Summary of Fees.
- F4 Summary of Reimbursables.

As the Bidder (or a financial institution) is required to complete these Forms, guidance notes are included in the forms in bold between square brackets in the RFP itself and these should therefore not be deleted by the Procuring Entity when drafting the RFP. The Procuring Entity **is not required to input or change any information** in Section 4.

This User Guide is not intended for Bidders as all information that the Bidder is required to provide should be detailed by the Procuring Entity in the Bidding Document. The Section 4 Forms complete with guidance notes are not therefore included in this User Guide.

Additionally a Breakdown Of Agreed Fixed Rates (1) is attached to this section of the User Guide for those Financial Negotiations for Quality Based Selection. This Breakdown Table is not included in Section 4 in the SBD. It is available in the User Guide for use by the Procuring Entity when required.

Guidance Notes on Section 5 Eligible Countries

Input of Information to be completed by Procuring Entity

Section 5 specifies the countries from which bidders (including subconsultants and staff) are eligible. **Section 5 is not a contract document.**

Section 5 of the SBD includes the following wording, which will normally apply to any Government funded contract:

All countries are eligible except countries subject to the following provisions.

A country shall not be eligible if:

- (a) as a matter of law or official regulation, the Government of the Republic of Malawi prohibits commercial relations with that country, provided that the Government is satisfied that such exclusion does not preclude effective competition for the provision of the services required; or
- (b) 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 Government of the Republic of Malawi prohibits any procurement of services from that country or any payments to persons or entities in that country.

The list of eligible countries may differ, where the procurement is funded by a donor or where other restrictions are imposed by Government policy. In such cases, the Procuring Entity should amend the text accordingly, inserting either a list of eligible countries or a list of ineligible countries. The list of countries should be checked directly with the Government or donor.

Guidance Notes on Section 6: Terms of Reference

Input of Information to be Completed by Procuring Entity

The Terms of Reference (TOR) should provide sufficient information as to enable bidders to understand the services required by the Procuring Entity and to therefore be able to accurately prepare proposals that are realistic and competitive and which meet the PE's needs. The TOR are a Contract document and will be incorporated into the Contract through the Description of Services in Appendix A. The Procuring Entity must prepare the TOR and include it as a part of the RFP.

TOR should be prepared by the User Department, with guidance from procurement staff as required. It is important that the manager or recipient of the consultancy services is involved in drafting or checking the TOR, as the TOR must reflect the objectives and requirements of the assignment.

The TOR should be complete, precise, and clear or bidders will request clarifications from the Procuring Entity or submit conditional proposals or proposals that may be based on different understandings of the Procuring Entity's requirements. Depending on the nature of the clarifications, the Procuring Entity may need to amend the RFP and eventually to extend the submission deadline. Conditional proposals may have to be rejected. Proposals that are not comparable can not be evaluated.

The contents of Terms of Reference is determined by the individual assignment, but typically should include the following details:

- the background to the assignment, including details of any larger project which the assignment will be part of;
- the objectives of the assignment and what it is expected to achieve;
- a description of the scope of the services required;
- the specific deliverables required, such as study reports and recommendations, software, databases, bidding documents, drawings, specifications, maps, software, training materials etc and the dates by when they are required;
- requirements for transfer of knowledge or training programmes;
- the role, qualifications and experience of any key staff required;
- the period of the assignment and expected completion dates;
- any facilities, services or resources to be provided by the Procuring Entity, including any counterpart staff;
- arrangements for reporting to the Procuring Entity, including lines of communication and the contact point for management and administration of the assignment;
- a schedule of any reports required, including inception, progress and final reports;
- any other details or requirements relevant to the assignment.

Further guidance is given below on a suggested structure and content for TOR.

Terms of Reference

Background

[General description of the assignment required and the role this assignment will play in the larger project it forms part of. Detail the overall objectives of the project to emphasise the importance of the objectives of the assignment and list those stakeholders sharing an involvement in the project and an interest in the assignment]

Objectives

[Description of the high level and lower level objectives of the assignment and the achievements expected.]

Scope of the Services

[Describe the full scope of the Services to be provided. List any possible constraints. The key activities or phases anticipated in the assignment should be clearly listed; alternatively, Bidders may be requested to determine the activities to meet the objectives of the assignment.]

Deliverables

[List all deliverables required (e.g. reports, databases, bidding documents, software, workshops, drawings, specifications, maps) and when they are required (e.g. end of assignment, certain key dates). Specify the language the deliverables are required in.]

Transfer of Knowledge/Training (when appropriate)

[State requirements for capacity building or transfer of knowledge to the Procuring Entity's or other staff.]

Minimum Experience requirements

[List the minimum requirements of each Key Professional in terms of qualifications and experience.]

Assignment Period

[Specify the anticipated commencement date of the assignment and the expected period during which the assignment must be completed. List any key milestones in the assignment and any phasing of the assignment.]

Facilities, services and resources to be provided by the Procuring Entity

[List the services and facilities that will be provided to the Consultants, i.e. use of offices, computers and other office facilities, transport and vehicles. Detail the relevant project data and report that will be available to the Consultant. List counterpart staff that will be made available.]

Reporting

[Specify the progress Reports required, the frequency and language of reports and if required the format of the reports. Differentiate between progress reports and study reports/recommendations.]

Assignment management and administration

[Detail the anticipated lines of responsibility and communications between the Consultants and the Procuring Entity on a daily basis and the officials responsible for the administration of the Consultants routine requirements. Give details of any steering committee or similar body involved in overseeing the assignment.]

Guidance Notes on Section 7. General Conditions of Contract for the Provision of Consultancy Services

The General Conditions of Contract (GCC) contain standard provisions that have been designed to remain unchanged and **to be used without modifying their text**. The GCC clearly identify the provisions that may normally need to be specified for a particular bidding process and require that such provisions be introduced **through the SCC**.

The GCC are Contract documents and, therefore, **are a part of the Contract**.

Guidance Notes on Section 8. Special Conditions of Contract

Input of Information to be completed by Procuring Entity

The Special Conditions of Contract (SCC) supplement the GCC by modifying conditions applicable to an individual contract, such as payment terms or the periods for commencing and completing the services. The SCC prevail over the GCC. The Procuring Entity should include all information that the GCC indicate shall be provided in the SCC, at the time of issuing the RFP. No SCC Clause should be left blank.

To facilitate the preparation of the SCC, its clauses are numbered with same numbers as the corresponding GCC clauses. This Guide helps the Procuring Entity with inputting all information required and includes a SCC format that summarises all information to be provided.

The SCC will form part of any resulting Contract.

Section 8 Special Conditions of Contract

[Input of Information to be completed by Procuring Entity]

The following Special Conditions of Contract (SCC) shall supplement the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

| GCC clause reference | Special Conditions of Contract |
|----------------------|--|
| | The Procurement Reference Number is: [Insert Procurement Reference Number] |
| GCC 1.1 | The Member in Charge is: [insert name of Member leading any Joint Venture or association or state not applicable. This clause cannot be completed at RFP stage, but must be completed for the final contract document]. |
| GCC 3.1(d) | Other documents forming part of the contract are: [insert any other documents forming part of the contract, ensuring that they are in their order of priority.] |
| GCC 4.1 | The Contract shall be governed by the laws of the Republic of Malawi. [or insert alternative governing Law where applicable.] |
| GCC 5.1 | The language of the contract shall be English: |
| GCC 6.1 | The addresses for Notices are: for the Procuring Entity: Street Address: [insert street address and number] Floor/Room number: [insert floor and room number, if applicable] Town/City: [insert name of city or town] PO Box/Private Bag No: [insert postal code, if applicable] Country: MALAWI Telephone: [insert telephone number, country and city codes] Facsimile number: [insert telephone number, country and city codes] Email: [insert email address, if applicable] For the Supplier: Street Address: [insert street address and number] Floor/Room number: [insert floor and room number, if applicable] Town/City: [insert name of city or town] Post Code/PO Box No: [insert postal code, if applicable] Country: [insert name of country] |

User Guide for the Request for Proposals for the Procurement of Consultancy Services

| GCC clause reference | Special Conditions of Contract |
|----------------------|--|
| | <p>Telephone: [insert telephone number, including country and city codes]</p> <p>Facsimile number: [insert telephone number, including country and city codes]</p> <p>Email: [insert email address, if applicable]</p> |
| GCC 8.1 | <p>The Authorised Representatives are: for the Procuring Entity: [insert full name & title of person] for the Supplier: [insert full name & title of person (at the contract award stage)]</p> |
| GCC 9.1 | <p>The Supplier, Sub-consultants, and their Personnel shall pay such taxes, duties, fees, and other impositions as may be levied under the law of the Republic of Malawi. [Amend and provide details if any tax exemptions or alternative rules apply e.g. the following wording could be used for tax exemptions:</p> <p>“The Procuring Entity warrants that the Supplier and its Personnel (as well as the Sub-consultants and its Personnel) shall be exempt from any taxes, duties, fees, levies, and other impositions levied, under the Laws of the Republic of Malawi, on the Supplier and its Personnel in respect of:</p> <ul style="list-style-type: none"> (a) any payments made to the Supplier, Sub-consultants, and the Personnel of either of them (other than nationals or permanent residents of the Republic of Malawi), in connection with the carrying out of the Services; (b) any equipment, materials, and supplies brought into the Republic of Malawi by the Supplier or Sub-consultants for the purpose of carrying out the Services and which, after having been brought 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 Procuring Entity and which is treated as property of the Procuring Entity; (d) any property brought into the Republic of Malawi by the Supplier, any Sub-consultants, and the Personnel of either of them (other than nationals of or permanent residents in the Republic of Malawi) for their personal use and which will subsequently be withdrawn therefrom by them upon their respective departure from the Republic of Malawi.”] |
| GCC 12.1 | <p>The Period within which the Services shall have commenced: [insert period permitted to commence the Services e.g. “two weeks from contract signature”].</p> |
| GCC 13.1 | <p>The Period for expiration of the contract is: [insert length of time e.g.</p> |

User Guide for the Request for Proposals for the Procurement of Consultancy Services

| GCC clause reference | Special Conditions of Contract |
|----------------------|--|
| | “twenty-four months”]. |
| GCC 18.3(b) | <p>The following activities are prohibited: [Insert additional activities prohibited. If no additional prohibited state “none”]</p> <p>[Note: It is essential that a Supplier who advise Procuring Entities on the privatisation of state-owned enterprises or other assets (or on related problems), be prohibited from “switching sides” upon completion of their assignment and then either appearing as purchaser of these enterprises/assets or advising potential purchasers in this context. In these situations, the following provision must be added to Clause 17.3(b):</p> <p>“For a period of two years after the completion of this Contract, the Supplier shall not engage, and shall cause their Personnel as well as their Sub-consultants and their Personnel not to engage, in the purchase of a Procuring Entity (directly or indirectly) of the assets on which they advised the Procuring Entity under this Contract, nor shall they engage in the activity of an adviser (directly or indirectly) of potential purchasers of such assets.”]</p> |
| GCC 20.2 | <p>The risks and coverage shall be:</p> <ul style="list-style-type: none"> (i) Third Party motor vehicle: (ii) Third Party liability: (iii) Employer’s liability and workers’ compensation: (iv) Professional liability: (v) Loss or damage to equipment and property (vi) Other: <p>[Insert risks to be covered for each category or state if not required. Seek professional advice if required.]</p> |
| GCC 21.1(c) | <p>The Procuring Entity’s prior approval is also required for:</p> <p>[List other events that will require Procuring Entity’s prior approval e.g. issue of bidding or contract documents, where procurement services are provided]</p> |
| GCC 23.1 | <p>The future use of documents is restricted as follows:</p> <p>[Note: If there is to be no restriction on the future use of these documents by either Party, state “none”. If the Parties wish to restrict such use, any of the following options—or any other option agreed to by the Parties—may be used, such as the following:</p> <ul style="list-style-type: none"> • “The Supplier shall not use these documents for purposes unrelated to this Contract without the prior written approval of the Procuring Entity.” |

| GCC clause reference | Special Conditions of Contract |
|----------------------|--|
| | <ul style="list-style-type: none"> • “The Procuring Entity shall not use these documents for purposes unrelated to this Contract without the prior written approval of the Supplier.” <p>“Neither Party shall use these documents for purposes unrelated to this Contract without the prior written approval of the other Party.”]</p> |
| GCC 26.1(g) | The Procuring Entity shall provide the following further assistance: [Insert details of any additional assistance.] |
| GCC 29.2 | Payments shall be made in the currency or currencies of the contract price. [Amend if payment currencies differ from the currencies in which the contract price is expressed. This may need to be amended at contract award stage] |
| GCC 31.1 | <p>The payment schedule shall be:</p> <p>[Note for Lump Sum contracts: (a) the following instalments are indicative only; (b) if the payment of foreign currency and of local currency does not follow the same schedule, add a separate schedule for payment in local currency; (c) all payments should be linked to a specific event or deliverable and (d) if applicable, detail further the nature of the deliverables evidencing performance, as may be required, e.g., submission of study or specific phase of study, survey, drawings, draft bidding documents, etc., as listed in Appendix A, Description of Services. In the example provided, the bank guarantee for the repayment is released when the payments have reached 50 percent of the lump- sum price, because it is assumed that at that point, the advance has been entirely set off against the performance of services.</p> <ul style="list-style-type: none"> • “An advance payment of twenty (20) percent of the Contract Price shall be paid following contract signature against the submission of an invoice accompanied by an acceptable bank guarantee for the amount of the advance payment. • Ten (10) percent of the lump-sum amount shall be paid upon submission of an invoice and the inception report. • Twenty-five (25) percent of the lump-sum amount shall be paid upon submission of an invoice and the interim mid assignment report. • Twenty-five (25) percent of the lump-sum amount shall be paid upon submission of an invoice and the draft final report. • Twenty (20) percent of the lump-sum amount shall be paid upon submission of an invoice and the final report is approved. • The bank guarantee shall be released when the total payments reach fifty (50) percent of the lump-sum amount.”] <p>[Note: These clauses are examples only. The payment schedule should</p> |

User Guide for the Request for Proposals for the Procurement of Consultancy Services

| GCC clause reference | Special Conditions of Contract |
|----------------------|---|
| | be specifically drafted for each contract.] |
| GCC 30.2 | <p>An Advance Payment Guarantee shall be required. [Amend if no advance payment guarantee is required.]</p> <p>The period of validity of the Advance Payment Guarantee shall be: [Insert period in weeks or months. The period should be calculated to be at least 30 days longer than the anticipated period for offsetting the advance payment.]</p> |
| GCC 31.1 | <p>Payment shall be made by the Procuring Entity within [insert number of days e.g. 60 as in the GCC or any other period e.g. 30] days of receipt of the request for payment and within [insert number of days e.g. 90] days in the case of the final payment. [Delete final part, if there is no difference in payment period for the final payment.]</p> |
| GCC 31.2 | <p>The following documentation shall be required to support requests for payment:</p> <p>[List the full requirements for documentation to effect payment e.g.:</p> <p>“(a) timesheets for key Personnel signed by the Procuring Entity;</p> <p>(b) reports or other deliverables</p> <p>(c) evidence of reimbursables (original air ticket stubs)”]</p> |
| GCC 31.4 | <p>Interest shall be paid on late payments at the rate of: [Insert the interest rate, based on current bank lending rates.]</p> |
| GCC 32.1 | <p>Prices charged by the Contractor shall not vary from the prices quoted in the Contract. [Amend if price adjustment if permitted and include details on the formulae and price indices for calculating adjustments.]</p> |

Guidance Notes on Section 9. Contract Forms

Section 9 of the RFP contains forms for the Agreement and the Advance Payment Security. The purpose of including these forms in the RFP is to notify the Bidders of the type and detail of the Contract they would receive in the event of an award. **No input is required by the PE when drafting the RFP** and there is no requirement for Bidders to submit these forms with their proposals.

PEs should consult the section below (Guidance Notes on the Letter of Acceptance) before issuing a Letter of Acceptance.

Agreement

The completed Agreement will form part of any resulting Contract. However, the details to be completed on the Agreement are specific to the successful Bidder and therefore should be left blank for inclusion in the RFP.

After notification of award, the Procuring Entity should prepare the Agreement using the Agreement Form and send it to the successful Bidder. It is rare that a major Services contract is awarded on the basis of only the proposal, as negotiations are normally held with the recommended Bidder to settle any minor matters arising from the proposal or clarifications. It is good practice for the contract document to conform to any agreements reached during negotiations and any modifications during and following evaluation. The Agreement prepared should therefore incorporate any corrections or modifications to the proposal resulting from corrections of errors, selection of an alternative offer, acceptable deviations, or any other mutually-agreeable changes allowed for in the Conditions of Contract, such as changes in key personnel, sub-consultants, scheduling etc. The successful Bidder will then sign the contract document. . Ensure that any legal requirements or conventions regarding the sealing of contracts are followed.

This Guide includes an Agreement format that summarises all the information to be provided when preparing the Agreement at contract award stage.

The successful Bidder should sign the Agreement and return it to the Procuring Entity.

Advance Payment Security

If any advance payment is specified in the contract, the Advance Payment Security should be completed by the financial institution and submitted by the Supplier to the Procuring Entity with an invoice. Therefore, the PE is not required to input any information to the security forms.

As the Bidder would be required to complete this form in the event of a contract award, the guidance notes in bold between square brackets provide assistance to the Bidder or financial institution and should therefore not be deleted by the Procuring Entity prior to the issue of the RFP.

This User Guide is not intended for Bidders as all information that the Bidder is required to provide should be detailed by the Procuring Entity in the RFP. Therefore the Advance Payment Security form is not included in this User Guide.

No Input of Information required for inclusion in RFP. Input of Information to be completed by the Procuring Entity at contract award stage.

Agreement

This Agreement is made the [insert day] day of the month of [insert month], [insert year], between [insert name of Client] of [insert address of Client] (hereinafter called the “Client”) and [insert name of Consultant] of [insert address of Consultant] (hereinafter called the “Consultant”);

WHEREAS

- (a) the Client has requested the Consultant to provide certain consultancy services (hereinafter called the “Services”) as defined herein and attached to this Contract;
- (b) the Consultant having represented to the Procuring Entity that it has the required professional skills, personnel and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;

NOW THEREFORE the parties hereto agree as follows:

- 1. The documents forming the Contract shall be as stated in, and in the order of priority stated in the General Conditions of Contract.
- 2. The mutual rights and obligations of the Client and the Consultant shall be as set forth in the Contract, in particular:
 - (a) The Consultant shall carry out the Services in accordance with the provisions of the Contract; and
 - (b) the Client shall pay the Consultant the Contract Price of [insert currency(ies) and amount(s) of contract price] or such other sum as may become payable under the provisions of the Contract, at the times and in the manner prescribed by the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

Signed by [Insert signature of authorised Representative] (for the Client)

Name: [Insert name of authorised Representative] Authorised Representative

Position: [Insert position of authorised Representative]

Witnessed by: _____

Name: _____

User Guide for the Request for Proposals for the Procurement of Consultancy Services

Signed by _____ (for the Consultant)

Name: _____ Authorised Representative

Position: _____

Witnessed by: _____

Name: _____

Guidance Notes on the Letter of Acceptance

The Letter of Acceptance does not form part of the RFP. However, it is the document that is often used to accept a proposal, and therefore to form a contract, so it is essential that it is used correctly by PEs.

The completed Letter of Acceptance, signed by an authorised signatory, constitutes a financial commitment by the PE to the contract. Therefore a Letter of Acceptance must not be issued prior to obtaining all required approvals, including from the Tender Committee and ensuring that sufficient funds have been committed for the contract.