

**Caribbean Disaster Emergency Management Agency  
(CDEMA)**



**Procurement & Contract Management  
Policies & Procedures Manual**

**February 2023**

## Table of Contents

<b>I. INTRODUCTION .....</b>	<b>1</b>
Purpose <sub>1</sub>	
General Considerations .....	1
(a) Goods .....	1
(b) Works .....	2
(c) Non-consulting services .....	2
(d) Consulting services .....	2
(e) Other expenses eligible for financing .....	2
Applicability of the Policies .....	3
Eligibility .....	3
Conflict of Interest .....	4
Organisational Conflict of Interest .....	4
Advance Contracting and Retroactive Financing .....	6
Joint Ventures .....	6
Prohibited Practices .....	6
Procurement Plan .....	8
Importance of planning in achieving project goals and targets .....	8
Procurement Management .....	9
Contract Management .....	9
<b>II. PROCUREMENT METHODS FOR EACH TYPE OF INVESTMENT .....</b>	<b>10</b>
Introduction .....	10
International Competitive Bidding (ICB). ....	10

Type and Size of Contracts.....	10
Two-Stage Bidding .....	11
Notification and Advertising .....	11
Prequalification of Bidders .....	11
Bidding Documents .....	11
Validity of Bids and Bid Security .....	12
Language .....	12
Clarity of Bidding Documents .....	12
Standards .....	13
Use of Brand Names .....	13
Pricing 13	
Price Adjustment .....	14
Transportation and Insurance .....	14
Currency Provisions .....	14
Currency Conversion for Bid Comparison .....	14
Currency of Payment .....	14
Terms and Methods of Payment .....	15
Conditions of Contract .....	15
Performance Security .....	15
Liquidated Damages and Bonus Clauses .....	16
Force Majeure .....	16
Applicable Law and Settlement of Disputes.....	16

Time for Preparation of Bids .....	16
Bid Opening Procedures .....	17
Clarifications or Alterations of Bids .....	17
Confidentiality .....	17
Examination of Bids .....	17
Evaluation and Comparison of Bids .....	17
Extension of Validity of Bids .....	18
Post qualification of Bidders.....	18
Types of Contract Including Framework Contracts .....	19
Contracts for Supply of Goods, Non-Consulting Services .....	19
Contracts for works execution .....	19
Notification and Publication of the Award of Contract .....	20
Rejection of All Bids .....	20
Debriefing.....	20
 <b>III. OTHER METHODS OF PROCUREMENT FOR GOODS, WORKS, AND NON-CONSULTING SERVICES .....</b>	<b>22</b>
General 22	
Limited International Bidding .....	22
National Competitive Bidding.....	22
Shopping .....	22
Direct Contracting .....	23
Single-Source Selection (SSS) .....	24
Contracting Under Emergency Circumstances .....	27

Maintaing Accountability .....	27
Typres of Emegencies .....	28
Key Considerations .....	28
Framework Agreements / Framework Contracts .....	30
Procurement from Specialized Agencies .....	31
Procurement Agents – Consultancy Services .....	32
Inspection Agents .....	32
Community Participation in Procurement .....	32
 <b>IV. SELECTION AND CONTRACT AWARD FOR CONSULTING SERVICES.....</b>	<b>33</b>
The Selection Process- QCBS.....	33
Terms of Reference (TOR).....	33
Cost Estimate (Budget) .....	34
Advertising .....	34
Short List of Consultants .....	34
Preparation and Issuance of the Request for Proposals (RFP).....	35
Letter of Invitation (LOI) .....	35
Instructions to Consultants (ITC).....	35
Contract Including Framework Contracts.....	37
Receipt of Proposals .....	37
Evaluation of Proposals: Consideration of Quality and Cost .....	38
Evaluation of the Quality .....	38
Evaluation of Cost.....	39
Combined Quality and Cost Evaluation.....	40
Negotiations and Award of Contract .....	40
Debriefing.....	41

Complaints .....	41
Rejection of All Proposals, and Re-invitation .....	41
Confidentiality .....	42
<b>V. OTHER METHODS OF SELECTION FOR CONSULTING SERVICES.....</b>	<b>42</b>
General	42
Quality-Based Selection (QBS) .....	42
Selection under a Fixed Budget (FBS).....	43
Least-Cost Selection (LCS) .....	43
Selection Based on the Consultants’ Qualifications (CQS) .....	43
Selection of Types of Consultants .....	44
<b>VI. CONTRACT ADMINISTRATION .....</b>	<b>46</b>
Contract Criteria .....	46
Contract Administration Purpose .....	47
Main Objectives.....	47
Phases	47
Key Players .....	48
Processes .....	48
Life Cycle .....	49
CDEMA’s Duties .....	49
The Role of the Contract Administrator .....	49
Managing the Contract .....	50

## **Acronyms**

<b>CDEMA</b>	<b>Caribbean Disaster Emergency Management Agency</b>
<b>CQS</b>	<b>Selection Based on Consultant's Qualification</b>
<b>ICB</b>	<b>International Competitive Bidding</b>
<b>INCOTERMS</b>	<b>A Series of Predefined Commercial Terms Used in International Law</b>
<b>ITB</b>	<b>Instruction to Bidders</b>
<b>ITC</b>	<b>Instructions to Consultants</b>
<b>LIB</b>	<b>Limited International Bidding</b>
<b>LOI</b>	<b>Letter of Invitation</b>
<b>NCB</b>	<b>National Competitive Bidding</b>
<b>NGO</b>	<b>Non-Governmental Organization</b>
<b>PA</b>	<b>Procurement Agent</b>
<b>PP</b>	<b>Procurement Plan</b>
<b>PS</b>	<b>Participating States</b>
<b>QBS</b>	<b>Quality Based Selection</b>
<b>QCBS</b>	<b>Quality Cost Based Selection</b>
<b>RFP</b>	<b>Request for Proposals</b>
<b>TOR</b>	<b>Terms of Reference</b>

## **I. Introduction**

### **Purpose**

- 1.1 The purpose of this document is to inform, define and explain the policies and procedures that govern the procurement and subsequent contract management of goods, works, non-consulting services and consulting services required for project, capital and operational procurement executed by the Caribbean Disaster Emergency Management Agency (CDEMA.)

### **General Considerations**

- 1.2 In practice the specific procurement rules and procedures to be followed in the implementation of a project depend on the particular case but the following four (4) considerations guides CDEMA's requirements:
- (a) To ensure that in the processes of the procurement of goods, works, non-consulting services and consultancy services, the tenets of economy, efficiency, and effectiveness are achieved.
  - (b) To ensure transparency in the selection processes;
  - (c) To exercise prudence, professional judgment, ethical behavior and probity as the legal authorised representative for procurement;
  - (d) To ensure fair, and equal treatment to all eligible bidders, including in terms of provision of the same information and equal opportunity to compete in providing goods, works, non-consulting services and consulting services;
- 1.3 While open competition is the basis for efficient procurement. CDEMA shall select the most appropriate method for the specific procurement. For the purpose of this manual the following definitions apply:

#### **(a) Goods**

All objects, commodities and raw materials that has an economic utility or value which can be exchanged or traded and is needed to undertake activities required for project execution and fulfillment of its goals. This definition also includes immovable property such as land, houses, sheds, or prefabricated buildings, the procurement of which is essential for achieving the project's objectives as well as associated services such as training, installation, and commissioning.



## **(b) Works**

Construction of new physical infrastructure, or expansion, improvement, rehabilitation, or maintenance of existing infrastructure, demolition and clearing which require the use of a combination of labor, machinery, equipment, material and technology.

## **(c) Non-consulting services**

Non-consulting services are all quantifiable services involving measurable physical work, which are not of an intellectual or advisory nature, like consulting. Such services include: (i) transport of goods or persons; (ii) surveys; (iii) printing and advertising; (iv) insurance; (v) installation and operation of monitoring and security systems; (vi) installation, implementation, and maintenance of facilities; (vii) extraction of samples and exploratory drilling; (viii) topographical work; and (ix) aerial photography.

## **(d) Consulting services**

Consulting services are all services of an intellectual and advisory nature that require broad experience in the subject concerned, such as: (i) technical, economic, environmental, and financial prefeasibility and feasibility studies; (ii) studies and designs; (iii) works or project formulation, planning, supervision, or management; (iv) advising on decision-making and dispute resolution; (v) expert appraisals; (vi) evaluation of legal and financial considerations; (vii) project operation audits; (viii) training; (ix) production of terms of reference, specifications, and bidding documents for selection and procurement processes.

Consulting firms are usually hired for services requiring multidisciplinary professional teams or long-term works; in contrast, individual consultants tend to be hired for cases involving a single discipline or requiring specific expert work or where multidisciplinary teams are not required.

## **(e) Other expenses eligible for financing**

Under certain conditions, (provided that a formal contract is executed) a few expenses not included in the aforementioned categories are also eligible for financing, such as: taxes and charges, recurrent expenditures, working capital, transitory expenses, and others. Eligibility will be determined on a case by case basis.

For the procurement of goods, works, and non-consulting services, International Competitive Bidding (ICB), properly administered, is the preferred method. In the case of consulting services competition among qualified short-listed firms in which the selection is based on the quality of the proposal and, where appropriate, the cost of the services to be provided, the Quality Cost Based Selection (QCBS) method is preferred. In a post disaster context this may not hold true. Other methods for the procurement of goods, works and services may be feasible depending on the type, nature and dollar value of the engagement.

## **Applicability of the Policies**

- 1.4 Procedures outlined in this Manual apply to all contracts for goods, works, non-consulting services and consulting services financed in whole or in part from external donor funding and for CDEMA budget funding.

### **Eligibility**

- 1.5 Funds from CDEMA's grants and/or CDEMA's budget funding can be used for the payment of goods, works, non-consulting services and services contracted with firms or individuals from all countries, and in the case of grants any restrictions on eligibility stated in the Financing Agreement. Eligibility requirements are those which by policy, the bidder must satisfy to participate in the procurement process, such as:

- a) Firms of a country or goods manufactured in a country or for the provision of consulting services may be excluded if as a matter of law or official regulation; CDEMA is prohibited from commercial relations with that country, or 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 or prohibited by a Donor.
- b) Government-owned enterprises may participate only if they can establish that they are (i) legally and financially autonomous, and (ii) operate under commercial law.
- c) Exceptions to (b) include, (i) when the services of government-owned universities or research centers are of a unique and exceptional nature and their participation is critical to project implementation, CDEMA may agree on the contracting of those institutions on a case-by-case basis. On the same basis, university professors or scientists from research institutes may be contracted individually by CDEMA and (ii) Force account (3.12).
- d) Government, and regional organisational officials and civil servants may only be hired under consulting contracts, either as individuals or as members of a team of a consulting firm, if they (i) are on leave of absence without pay; (ii) are not being hired by the agency they were working for immediately before going on leave; and (iii) their employment would not create a conflict of interest (see paragraph 1.6 below).
- e) Any firm, individual, parent company, subsidiary, or previous form of organization constituted by or with any of the same individual(s) as principal(s) declared ineligible by CDEMA, or the Donor Agency, in the case of grants where stated in the Financing Agreement, shall be ineligible to be awarded a contract or to benefit from a CDEMA financed contract.
- f) Any firm, entity or individual including, inter alia, applicants, bidders, suppliers, contractors, consultants, personnel, sub-consultants, sub-contractors, service providers and concessionaires, bidding for or participating in a CDEMA financed activity that is involved in an on-going contractual dispute with CDEMA shall not be considered as a suitable bidder for that activity to participate/benefit from a contract with the Agency until same is amicably and mutually resolved. CDEMA shall inform the disputee that the matter has been resolved. The disputee may be considered for future activities.

- g) Any firm, entity or individual bidding for or participating in a CDEMA financed activity are prohibited from being awarded concurrent contract awards or inclusion in short-lists when he/she or that firm is already contracted. In exceptional cases, the Executive Director may approve a concurrent contract for works or the provision of services. In such a case adequate justification must be submitted providing evidence that the firm/individual has the necessary resources (human, financial etc.) to undertake the concurrent contract and the Agency would not be disadvantaged.

### **Conflict of Interest**

These procedures apply to all personnel who participate in any phase of the CU's procurement process.

- 1.6 CDEMA's policy requires that consultants, suppliers and contractors provide professional, objective, and impartial advice and always hold its interest paramount, without any consideration for future work. In addition, consultants, suppliers and contractors shall not be hired under the circumstances set forth below:

- (a) Conflict between consulting activities and procurement of goods, works, and non-consulting services. A firm that has been engaged to provide goods, works, or non - consulting services for a project, and each of its affiliates, shall be disqualified from providing consulting services related to those goods, or works, or non - consulting services. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, and each of its affiliates shall be disqualified from subsequently providing goods, or works, or non - consulting service directly related to the firm's consulting services for such preparation or implementation.
- (b) Conflict among consulting assignments: Neither consultants (including their personnel and sub-consultants) nor any of their affiliates shall be hired for any assignment that, by its nature, may conflict with another assignment of the consultants.
- (c) A firm which has been engaged by CDEMA to provide consulting services for the preparation or implementation of a project, and any of its affiliates, shall be disqualified from subsequently providing goods and works or services resulting from or directly related to the firm's consulting services for such preparation or implementation. This provision does not apply to the various firms (consultants, contractors, or suppliers) which together are performing the contractor's obligations under a turnkey or design and build contract.

### **Organisational Conflict of Interest**

- 1.7 These procedures apply to all personnel who participate in any phase of CDEMA's procurement process. All personnel involved in the procurement process are expected to be free from interests or relationships that are actually or potentially detrimental to the best interests of the CDEMA, and

shall not engage or participate in any transaction involving a company, its affiliates, divisions or subsidiaries, in which they have even minor interests<sup>1</sup>.

### **Declaration**

- 1.8 Any CDEMA employee involved in the procurement process, who has entered into, or is about to enter into a financial or other business relationship that might involve a conflict of interest, must immediately inform their supervisors in writing of the circumstances involved. This information is to be reviewed at an appropriate level and a decision taken as to whether there is a conflict of interest, and if so, what course of action is to be adopted.
- 1.9 Any CDEMA employee involved in the procurement process, who has entered into, or is about to enter into a financial or other business relationship that might involve a conflict of interest, must immediately inform their supervisors in writing of the circumstances involved. This information is to be reviewed at an appropriate level and a decision taken as to whether there is a conflict of interest, and if so, what course of action is to be adopted.
- 1.10 It is the duty of all staff directly or indirectly involved in the procurement process - especially in the preparation of bidding documents; evaluation; contract negotiations; contract management; and payments - to declare any potential conflicts of interest. A conflict of interest will arise when the individual has a direct or indirect relationship with a contractor, which may affect or might reasonably be deemed by others, to affect impartiality on any matter related to his/her duties.<sup>2</sup>
- 1.11 **A conflict of interest exists when CDEMA employees involved in the procurement process:**
- a) have an outside interest that materially encroaches on time or attention that should be devoted to the affairs of CDEMA;
  - b) have a direct or indirect interest in, or relationship with an outsider that is inherently unethical, or who it might be implied or construed could make possible personal gain due to his/her ability to influence dealings or otherwise inhibit the impartiality of the employee's judgment;
  - c) are directors/owners/shareholders in a company incorporated either locally or overseas, which is bidding on a CDEMA contract (this excludes persons holding shares bought on public offer);
  - d) take personal advantage of an opportunity that properly belongs to CDEMA; and
  - e) disclose CDEMA proprietary information to unauthorized persons.
- 1.12 A staff member shall declare any relationship with a Bidder, contractor or consultant and shall take no part in either the decision-making process or the implementation of any contract where such a relationship exists. **A personal relationship is defined as family**

---

<sup>1</sup> All members of the Evaluation Team must sign the Evaluator's Declaration of Confidentiality and Impartiality.

<sup>2</sup> Staff shall declare any personal interest that may affect or might reasonably be deemed by others to affect impartiality in any matter relevant to their duties

(i.e. father, mother, brother, sister, brother/sister-in-law, son, daughter, son/daughter-in-law, niece/nephew) or affinity.

- 1.13 Disclosure must be made in writing using the Conflict-of-Interest Disclosure form (See Annex 6). However, having made the disclosure, the individual shall not sit in the meeting while deliberations on the issue are being conducted until a decision is communicated.

### **Advance Contracting and Retroactive Financing**

- 1.14 In certain circumstances, disaster mitigation and/or project mobilization and implementation, CDEMA may proceed with the initial steps of procurement before signing the funding entity's Financing Agreement. This process is referred to as advance contracting. In such cases, the selection procedures, including advertisement, shall be in accordance with these Policies. CDEMA undertakes advance contracting at its own risk. If the contract is signed, reimbursement by the Funding entity of any payments made by CDEMA under the contract prior to Grant signing is referred to as retroactive financing and is only permitted within the limits specified in the Donor Agreement.

### **Joint Ventures**

- 1.15 For the supply of goods, works, consulting services or non - consulting services, any firm may bid independently or in joint venture confirming joint and several liability, either with domestic firms and/or with foreign firms, but CDEMA shall not apply conditions of bidding which require mandatory joint ventures or other forms of mandatory association between firms, unless nominated sub-contractors or consultants can be justified in the context of procurement. Consultants may associate with each other in the form of a joint venture or of a sub-consultancy agreement to complement (a) their respective areas of expertise, (b) strengthen the technical responsiveness of their proposals and (c) make available bigger pools of experts, (d) provide better approaches and methodologies and, in some cases, and (d) to offer lower prices. Such an association may be for the long term or for a specific assignment. On award of a contract the association in the form of the joint venture, shall (a) appoint one of the firms to represent the association; (b) 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 of firms is finalised and Requests for Proposals (RFP) are issued, any association in the form of joint venture or sub-consultancy among short-listed firms shall be permissible only with the written approval of the CDEMA. CDEMA **will not** require consultants to form associations with any specific firm or group of firms but may encourage association with qualified national firms.

### **Prohibited Practices**

- 1.16 CDEMA requires that all staff, grant beneficiaries, contracting agencies, firms, entities and individuals bidding for or participating in a Grant financed or a CDEMA budget funding activity including, inter alia, applicants, bidders, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers and concessionaires must adhere to the highest ethical standards, and report to CDEMA all suspected prohibited practices of which

they have knowledge of or become aware both, during the bidding process and throughout negotiation or the execution of a contract.

1.17 Prohibited Practices include acts of: (i) corrupt practices; (ii) fraudulent practices; (iii) coercive practices; (iv) collusive practices; and (v) obstructive practices. CDEMA has established mechanisms for reporting allegations of Prohibited Practices. Any allegation shall be submitted to the Executive Director for the appropriate investigation. CDEMA's prevailing sanctions procedures shall be used to adjudicate such cases and on donor-financed projects, in accordance with the Financing Agreement, the donor may also reserve the right to apply sanctions imposed by their respective sanctioning bodies.

1.18 In pursuance of this policy, CDEMA defines, for the purposes of this provision, the terms set forth below:

- (a) A "*corrupt practice*" is the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
- (b) A "*fraudulent practice*" is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (c) A "*coercive practice*" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- (d) A "*collusive practice*" is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party; and

(e) An "*obstructive practice*" is:

(aa) deliberately destroying, falsifying, altering or concealing evidence material to the investigation or making false statements to investigators in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or

(bb) acts intended to materially impede the exercise of inspection and audit rights provided for in the Grant agreement.

1.19 In accordance with its Sanctions Procedures, CDEMA, if it determines that at any stage of the procurement or implementation of a contract any firm, entity or individual bidding for or participating in a CDEMA financed activity including, inter alia, applicants, bidders, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers, concessionaires, has engaged in a Prohibited Practice, CDEMA may:

- (i) Not finance any proposal to award a contract for goods, works, non-consulting services, and consulting services;
- (ii) Suspend disbursement of the operation if it is determined at any stage that an employee, agent or representative of the provider of goods, works or services has engaged in a Prohibited Practice;
- (iii) Cancel, funding earmarked for a contract or, in accordance with the contract in question, seeks reimbursement of funds paid, upon learning of the Prohibited Practice.
- (iv) Issue the firm, entity or individual a reprimand in the form of a formal letter of censure for its behavior;
- (v) Declare that a firm, entity or individual is ineligible, either permanently or for a stated period, to (i) be awarded or participate in activities financed by CDEMA; and (ii) be a nominated sub-consultant, sub-contractor, supplier or service provider of an otherwise eligible firm being awarded a CDEMA financed contract;
- (vi) Refer the matter to appropriate law enforcement authorities.
- (vii) Impose other sanctions that it deems appropriate under the circumstances, including the option of imposition of sanctions contained in the legal framework that governs CDEMA's operations.

### **Procurement Plan**

- 1.20 As part of annual budget/procurement planning and for specific donor-financed projects, see Appendix 3 and 4, respectively, CDEMA shall prepare a procurement plan setting forth: (a) the particular contracts for the goods, works, non-consulting services and consulting services required under annual operations or to carry out the project during the coming one (1) year; (b) the proposed methods for procurement of such contracts that are permitted under the budget funding or Grant Contract. CDEMA shall update the procurement plan annually or as needed throughout the life of the plan.

### **Importance of planning in achieving project goals and targets**

- 1.21 Achieving a project's goals and execution targets depends largely on proper planning of investments in the goods, works, and services (both consulting and non-consulting) needed to implement the project. This requires executing agencies to determine, with an appropriate degree of accuracy, the dimensioning, quality, cost and time frame with which such investments should be made, and to adequately manage procurement processes, disbursement processing, and contract administration.

Realistic project programming requires the design of a logical sequence and time estimate for the various activities. This includes preparing bidding documents, undertaking selection processes, contracting processes, and executing contracts, bearing in mind the principles of free competition, efficiency, and transparency, as established in CDEMA's policies and the

applicable procedures for each stage of the process. CDEMA should demonstrate that they have well-established systems to file documents supporting correct implementation of procurement processes and undertake to maintain that documentation in accordance with the donor's document retention schedule following the final Grant disbursement and CDEMA's schedule for document retention.

### **Procurement Management**

- 1.22 The application of equitable, transparent, and stable procurement management practices gives a project reliable ground rules that suppliers, contractors, and consultants need to participate in procurement processes. The professional, technical, and administrative staff therefore need not only to have experience in project management and in the use of CDEMA's management tools and procedures, but also to act within a framework of legality, ethics, and efficiency, to enable them to safeguard their governance responsibility and engender trust and security in the effective use of donor and/or public funds.

### **Contract Management**

- 1.23 Contract management procedures need mechanisms to ensure that the goods, works, non-consulting services, and consulting services procured are delivered or executed within the established time frames, cost structure and without substantial difference from the technical specifications or terms of reference, on the basis of which the contracts were awarded. Contract supervision should include monitoring and quality control systems to detect any delay or shortcoming, and for making the necessary corrections on a timely basis (see VI.)



## **II. Procurement Methods for Each Type of Investment**

### **Introduction**

- 2.1 Methods for hiring firms, entities, or individuals to supply goods, execute works, or provide non-consulting services are basically differentiated by: (i) the scope of the bidding process: competitive, limited, or direct see 2.2, 3.2, and 3.6; (ii) the criteria used to select the winning bidder; and (iii) the type of contract to be signed. Each procurement activity must be analyzed and the most appropriate procurement method for the supply of goods, execution of works, or provision of services be proposed. To decide upon the most suitable procurement strategy, consideration should be given to the following: (i) the size and complexity of the contract; (ii) the experience needed for its execution; and (iii) other important aspects such as the diversity of local supply, the urgency of the services for which the goods or works to be procured are required (See Annex 1a – Procurement Process Selection).

### **International Competitive Bidding (ICB).**

- 2.2 This method is mandatory when the estimated amount of the contract to be tendered exceeds the US dollar threshold amount established by CDEMA. ICB is the most appropriate competitive method in such cases, since it issues a public invitation that is open to any interested firm, without any condition other than compliance with the eligibility requirements. It enables the agency to obtain the greatest competition among all eligible countries, to undertake procurements for complex goods involving very specialized manufacturing or high-cost or large-scale construction works with unconventional characteristics, for which considerable experience and special teams are needed, and when the availability of local contractors with the necessary capacity is scarce. ICB does not restrict the number of bidders; the cost of preparing bids is generally high; and evaluating bids from a large number of firms can be complicated. In such cases, therefore, it is advisable to consider a prequalification process. CDEMA has standard bidding documents for goods, non-consulting services, and works, which should be used in all such procurements.

### **Type and Size of Contracts**

- 2.3 The bidding documents shall clearly state the type of contract to be entered and contain the proposed contract provisions. The most common types of contracts provide for payments based on a lump sum, unit prices, reimbursable cost-plus fees, or combinations thereof. Reimbursable cost contracts are acceptable only in exceptional circumstances such as conditions of high risk or where costs cannot be determined in advance with sufficient accuracy. Such contracts shall include appropriate incentives to limit costs.

The size and scope of individual contracts will depend on the magnitude, nature, and location of the project. For projects requiring a variety of goods and works, separate contracts generally

are awarded for the supply and/or installation of different items of equipment and plant, and for the works.

### **Two-Stage Bidding**

- 2.4 In the case of turnkey contracts or contracts for large complex facilities, or works of a special nature, or complex information and communication technology, it may be undesirable or impractical to prepare complete technical specifications in advance. In such a case, a two-stage bidding procedure may be used, under which first un-priced technical proposals on the basis of a conceptual design or performance specifications are invited, subject to technical as well as commercial clarifications and adjustments, to be followed by amended bidding documents and the submission of final technical proposals and priced bids in the second stage.

### **Notification and Advertising**

- 2.5 Timely notification of bidding opportunities is essential in competitive bidding. Invitations to prequalify or to bid shall be advertised in at least one newspaper of national circulation in CDEMA's country of operation or country where activities are taking place and on CDEMA's public website. Notifications shall be given in sufficient time to enable prospective bidders to obtain prequalification or bidding documents and prepare and submit their responses.

### **Prequalification of Bidders**

- 2.6 Prequalification is necessary for large or complex works, or in any other circumstances in which the high costs of preparing detailed bids could discourage competition, such as custom-designed equipment, industrial plant, specialized services, some complex information and technology. This ensures that invitations to bid are extended only to those who have adequate capabilities and resources. Prequalification shall be based entirely upon the capability and resources of prospective bidders to perform the particular contract satisfactorily, taking into account their (a) experience and past performance on similar contracts, (b) capabilities with respect to personnel, equipment, and construction or manufacturing facilities, and (c) financial situation.
- 2.7 The invitation to prequalify for bidding on specific contracts or groups of similar contracts shall be advertised. The scope of the contract and a clear statement of the requirements for qualification shall be sent to those who responded to the invitation. All such applicants that meet the specified criteria shall be allowed to bid. CDEMA shall inform all applicants of the results of prequalification. Once the prequalification phase is completed, the bidding documents shall be made available to the qualified prospective bidders.

### **Bidding Documents**

- 2.8 The bidding documents shall furnish all information necessary for a prospective bidder to prepare a bid for the goods, works, non-consulting services to be provided. While the detail and complexity of these documents may vary with the size and nature of the proposed bid package and contract, they generally include: invitation to bid; instructions to bidders; form of

bid; form of contract; conditions of contract, both general and special; specifications and drawings; relevant technical data (including of geological and environmental nature); list of goods or bill of quantities; delivery time or schedule of completion; and necessary appendices, such as formats for various securities. The basis for bid evaluation and selection of the lowest evaluated bid shall be clearly outlined in the instructions to bidders and/or the specifications. If a fee is charged for the bidding documents, it shall be reasonable and reflect only the cost of their printing and delivery to prospective bidders and shall not be so high as to discourage qualified bidders. The use of an electronic system to distribute bidding documents may be permissible provided the electronic system shall be secure to avoid modifications to the bidding documents and shall not restrict the access of bidders to the bidding documents. Guidance on critical components of the bidding documents is given in the following paragraphs.

- 2.9 Bidders shall use the appropriate Standard Bidding Documents (SBDs) issued by CDEMA or bidding documents specific to the invitation to bid.

### **Validity of Bids and Bid Security**

- 2.10 Bidders shall be required to submit bids valid for the period specified in the bidding documents which shall be sufficient to enable CDEMA to complete the comparison and evaluation of bids and obtain all the necessary approvals so that the contract can be awarded within that period.
- 2.11 CDEMA has the option of requiring a bid security or bid security declaration. When used, the bid security shall be in the amount of a fixed sum and form specified in the bidding documents and shall remain valid for a period of four weeks beyond the validity period for the bids, to provide reasonable time to act if the security is to be called. Bid securities shall be released to unsuccessful bidders once the contract has been signed with the winning bidder.

### **Language**

- 2.12 Prequalification and bidding documents and the bids shall be prepared in English.

### **Clarity of Bidding Documents**

- 2.13 Bidding documents shall be so worded as to permit and encourage international competition and shall detail clearly and precisely the work to be carried out, the location of the work, the goods to be supplied, the place of delivery or installation, the schedule for delivery or completion, minimum performance requirements, and the warranty and maintenance requirements, as well as any other pertinent terms and conditions. In addition, the bidding documents, where appropriate, shall define the tests, standards, and methods that will be employed to judge the conformity of equipment as delivered, or works as performed, with the specifications. Drawings shall be consistent with the text of the specifications, and an order of precedence between the two shall be specified. It is recommended that a clarification meeting be convened shortly after the release of the bidding documents to enable prospective bidders the opportunity to seek clarification on the specifications and procurement procedures.
- 2.14 The bidding documents shall specify any factors, in addition to price, which will be taken into account in evaluating bids, and how such factors will be quantified or otherwise evaluated. If

bids based on alternative designs, materials, completion schedules, payment terms, etc., are permitted, conditions for their acceptability and the method of their evaluation shall be expressly stated.

- 2.15 All prospective bidders shall be provided the same information and shall be assured of equal opportunities to obtain additional information on a timely basis. Reasonable access to project sites for visits by prospective bidders shall be provided. For works or complex supply contracts, particularly for those requiring refurbishing existing works or equipment, a pre-bid conference may be arranged whereby potential bidders may meet with CDEMA's representatives to seek clarifications (in person or online). Minutes of the conference shall be provided to all prospective bidders. Any additional information, clarification, correction of errors, or modifications of bidding documents shall be sent to each recipient of the original bidding documents in sufficient time before the deadline for receipt of bids to enable bidders to take appropriate actions. If necessary, the deadline for bid submission shall be extended.

### **Standards**

- 2.16 Standards and technical specifications quoted in bidding documents shall promote the broadest possible competition, while assuring the critical performance or other requirements for the goods and/or works under procurement. As far as possible, CDEMA shall specify internationally accepted standards with which the equipment or materials or workmanship shall comply. Where such international standards are unavailable or are inappropriate, national standards may be specified. In all cases, the bidding documents shall state that equipment, material, or workmanship meeting other standards, which promise at least substantial equivalence, will also be accepted.

### **Use of Brand Names**

- 2.17 Specifications shall be based on relevant characteristics and/or performance requirements. References to brand names, catalog numbers, or similar classifications shall be avoided. If it is necessary to quote a brand name or catalog number of a particular manufacturer to clarify an otherwise incomplete specification, the words "or equivalent" shall be added after such reference. The specification shall permit the acceptance of offers for goods which have similar characteristics, and which provide performance at least substantially equivalent to those specified.

### **Pricing**

- 2.18 Bids for goods shall be invited based on the prevailing version of INCOTERMS rules for all goods irrespective of the country of origin. Where installation, commissioning, or other similar services are required to be performed by the bidder, as in the case of "supply and installation" contracts, the bidder shall be required to quote for these services.
- 2.19 In the case of turnkey contracts, the bidder shall be required to quote the price of the installed plant at site, including all costs for supply of equipment, marine and local transportation, and insurance, installation, and commissioning, as well as associated works and all other services included in the scope of contract such as design, maintenance, operation, etc. Unless otherwise

specified in the bidding documents, the turnkey price shall include all duties, taxes, and other levies.

- 2.20 Bidders for works contracts shall be required to quote unit prices or lump sum prices for the performance of the works, and such prices shall include all duties, taxes, and other levies. Bidders shall be allowed to obtain all inputs (except for unskilled labor) from any eligible source so that they may offer their most competitive bids.

### **Price Adjustment**

- 2.21 Bidding documents shall state either that (a) bid prices will be fixed or (b) that price adjustments will be made to reflect any changes (upwards or downwards) in major cost components of the contract, such as labor, equipment, materials, and fuel. Price adjustment provisions are usually not necessary in simple contracts involving delivery of goods or completion of works within eighteen (18) months but may be included in contracts which extend beyond eighteen (18) months. It is normal commercial practice to obtain firm prices for some types of equipment regardless of the delivery time and, in such cases, price adjustment provisions are not needed.

### **Transportation and Insurance**

- 2.22 Bidding documents shall permit suppliers and contractors to arrange transportation and insurance from any eligible source. Bidding documents shall state the types and terms of insurance to be provided by the bidder. The indemnity payable under transportation insurance shall be at least one hundred and ten (110) percent of the contract amount in the currency of the contract or in a freely convertible currency to enable prompt replacement of lost or damaged goods. For works, a contractor's All Risk form of policy usually shall be specified.

### **Currency Provisions**

- 2.23 Bidding documents shall state the currency or currencies in which bidders are to state their prices, the procedure for conversion of prices expressed in different currencies into a single currency for comparing bids, and the currencies in which the contract price will be paid.

### **Currency Conversion for Bid Comparison**

- 2.24 If the bid price requires conversion, for purposes of comparison to a single currency, the selling (exchange) rates for those currencies quoted by an official source (such as the Central Bank) or by a commercial bank for similar transactions will be used on a date selected in advance. Such source and date shall be specified in the bidding documents, provided that the date shall not be earlier than four weeks prior to the deadline for the receipt of bids, or later than the original date for the expiry of the period of bid validity.

### **Currency of Payment**

- 2.25 Payment of the contract price shall be made in the currency or currencies in which the bid price is expressed in the bid of the successful bidder.

## **Terms and Methods of Payment**

- 2.26 Payment terms shall be in accordance with the international commercial practices applicable to the specific goods and works.

Contracts for supply of goods shall provide for full payment on the delivery and inspection, if so required, of the contracted goods except for contracts involving installation and commissioning, in which case a portion of the payment may be made after the supplier has complied with all its obligations under the contract. In major contracts for equipment and plant, provision shall be made for suitable advances and, in contracts of long duration, for progress payments during the period of manufacture or assembly.

Contracts for works shall provide in appropriate cases for mobilization advances, advances on contractor's equipment and materials, regular progress payments, and reasonable retention amounts to be released upon compliance with the contractor's obligations under contract.

- 2.27 Any advance payment for mobilization and similar expenses, made upon signature of a contract for goods or works, shall be related to the estimated amount of these expenses and be specified in the bidding documents. Amounts and timing of other advances to be made, such as for materials delivered to the site for incorporation in the works, shall also be specified. The bidding documents shall specify the arrangements for any security required for advance payments.

## **Conditions of Contract**

- 2.28 The contract documents shall clearly define the scope of work to be performed, the goods to be supplied, the rights and obligations of the Agency and of the supplier or contractor, and the functions and authority of the engineer, architect, or construction manager. In addition to the general conditions of contract, any special conditions particular to the specific goods or works to be procured and the location of the project shall be included. The conditions of contract shall provide a balanced allocation of risks and liabilities.

## **Performance Security**

- 2.29 Bidding documents for works shall require security in an amount sufficient to protect the Agency in case of breach of contract by the contractor. This security shall be provided in an appropriate form and amount, as specified by CDEMA in the bidding document. The amount of the security may vary, depending on the type of security furnished and, on the nature, and magnitude of the works. A portion of this security shall extend sufficiently beyond the date of completion of the works to cover the defects liability or maintenance period up to final acceptance by CDEMA; alternatively, contracts may provide for a percentage of each periodic payment to be held as retention money until final acceptance. Contractors may be allowed to replace retention money with an equivalent security after provisional acceptance.
- 2.30 In contracts for the supply of goods, the need for performance security depends on the market conditions and commercial practice for the particular kind of goods. Suppliers or

manufacturers may be required to provide a guarantee to protect against non-performance of the contract. Such security in an appropriate amount may also cover warranty obligations or, alternatively, a percentage of the payments may be held as retention money to cover warranty obligations, and any installation or commissioning requirements. The security or retention money shall be reasonable in amount.

### **Liquidated Damages and Bonus Clauses**

- 2.31 Provisions for liquidated damages or similar provisions in an appropriate amount shall be included in the conditions of contract when delays in the delivery of goods, completion of works, or failure of the goods or works to meet performance requirements would result in extra cost or loss of revenue or loss of other benefits to CDEMA. Provision may also be made for a bonus to be paid to suppliers or contractors for completion of works or delivery of goods ahead of the times specified in the contract when such earlier completion or delivery would be of benefit to CDEMA.

### **Force Majeure**

- 2.32 The conditions of contract shall stipulate that failure on the part of the parties to perform their obligations under the contract will not be considered a default if such failure is the result of an event of force majeure as defined in the conditions of contract.

### **Applicable Law and Settlement of Disputes**

- 2.33 The conditions of contract shall include provisions dealing with the applicable law and the forum for the settlement of disputes. International commercial arbitration has practical advantages over other methods for the settlement of disputes. In the case of works contracts, supply and installation contracts, and turnkey contracts, the dispute settlement provision shall also include mechanisms such as dispute review boards or adjudicators, which are designed to permit a speedier dispute settlement.

### **Time for Preparation of Bids**

- 2.34 The time allowed for the preparation and submission of bids shall be determined with due consideration of the particular circumstances of the project and the magnitude and complexity of the contract. Generally, not less than six (6) weeks from the date of the invitation to bid or the date of availability of bidding documents, whichever is later, shall be allowed for ICB. Where large works or complex items of equipment are involved, this period shall generally be not less than twelve (12) weeks to enable prospective bidders to conduct investigations before submitting their bids. In such cases, CDEMA convenes pre-bid conferences and arrange site visits. Bidders shall be permitted to submit bids by mail or by hand. CDEMA may also use electronic systems permitting bidders to submit bids by electronic means provided that the system is secure, maintains the confidentiality and authenticity of bids submitted, and uses an authentication system or equivalent to keep bidders bound to their bids. In this case, bidders

shall continue to have the option to submit their bids in hard copy. The deadline and place for receipt of bids shall be specified in the invitation to bid.

### **Bid Opening Procedures**

- 2.35 The time for the bid opening shall be the same as for the deadline for receipt of bids or promptly thereafter, and shall be announced, together with the place for bid opening, in the invitation to bid. CDEMA shall open all bids at the stipulated time and place. Bids shall be opened in public; bidders or their representatives shall be allowed to be present (in person or online, when electronic bidding is used). The name of the bidder and total amount of each bid, and of any alternative bids if they have been requested or permitted, shall be read aloud (and posted online when electronic bidding is used) and recorded when opened, and a copy of this record shall be promptly sent to all bidders who submitted bids in time. Bids received after the time stipulated, as well as those not opened and read out at bid opening, shall not be considered.

### **Clarifications or Alterations of Bids**

- 2.36 Bidders shall not be requested or permitted to alter their bids after the deadline for receipt of bids. Bidders shall be asked for clarification as needed to evaluate their bids but shall not ask or permit bidders to change the substance or price of their bids after the bid opening. Requests for clarification and the bidders' responses shall be made in writing, in hard copy or by an electronic system.

### **Confidentiality**

- 2.37 After the public opening of bids, information relating to the examination, clarification, and evaluation of bids and recommendations concerning awards shall not be disclosed to bidders or other persons not officially concerned with this process until the publication of contract award.

### **Examination of Bids**

- 2.38 CDEMA shall ascertain whether the bids (a) meet the eligibility requirements specified in policies and bidding document, (b) have been properly signed, (c) are accompanied by the required securities or required declaration signed as specified in the bidding document, (d) are substantially responsive to the bidding documents, and (e) are otherwise generally in order. If a bid is not substantially responsive, that is, it contains material deviations from or reservations to the terms, conditions, and specifications in the bidding documents, it shall not be considered further. The bidder shall not be permitted to correct or withdraw material deviations or reservations once bids have been opened.

### **Evaluation and Comparison of Bids**

- 2.39 The purpose of bid evaluation is to determine the cost of each bid in a manner that permits a comparison based on their evaluated cost. The bid with the lowest evaluated cost, but not necessarily the lowest submitted price, shall be selected for award.



- 2.40 The bid price read out at the bid opening shall be adjusted to correct any arithmetical errors. Also, for evaluation, adjustments shall be made for any quantifiable non-material deviations or reservations.
- 2.41 The evaluation and comparison of bids shall be based on the INCOTERMS specified in the bidding documents, plus the prices for any required installation, training, commissioning, and/or other similar services.
- 2.42 Bidding documents shall also specify the relevant factors in addition to price to be considered in bid evaluation and the manner in which they will be applied for the purpose of determining the lowest evaluated bid. For goods and equipment, other factors may be taken into consideration including, among others, payment schedule, delivery time, operating costs, efficiency and compatibility of the equipment, availability of service and spare parts, and related training, safety, and environmental benefits. The factors other than price to be used for determining the lowest evaluated bid shall, to the extent practicable, be expressed in monetary terms, or given a relative weight in the evaluation provisions in the bidding documents.
- 2.43 Under works and turnkey contracts, contractors are responsible for all duties, taxes, and other levies, and bidders shall take these factors into account in preparing their bids. The evaluation and comparison of bids shall be on this basis. Bid evaluation for works shall be strictly in monetary terms. If time is a critical factor, the value of early completion to CDEMA may be taken into account according to criteria presented in the bidding documents, only if the conditions of contract provide for commensurate penalties for noncompliance.
- 2.44 CDEMA shall prepare a detailed report on the evaluation and comparison of bids setting forth the specific reasons on which the recommendation is based for the award of the contract.

#### **Extension of Validity of Bids**

- 2.45 The completion of the evaluation of bids and award of contract within the initial period of bid validity is required so that extensions are not necessary. An extension of bid validity, if justified by exceptional circumstances, shall be requested in writing from all bidders before the expiration date. The extension shall be for the minimum period required to complete the evaluation, obtain the necessary approvals, and award the contract. Whenever an extension of the bid validity period is requested, bidders shall not be requested or be permitted to change the quoted (base) price or other conditions of their bid. Bidders shall have the right to refuse to grant such an extension. If the bidding documents require a bid security, bidders may exercise their right to refuse to grant such an extension without forfeiting their bid security, but those who are willing to extend the validity of their bid shall be required to provide a suitable extension of bid security.

#### **Post qualification of Bidders**

- 2.46 If bidders have not been prequalified, CDEMA shall determine whether the bidder whose bid has been determined to offer the lowest evaluated cost has the capability and resources to effectively carry out the contract as offered in the bid. The criteria to be met shall be set out in

the bidding documents, and if the bidder does not meet them, the bid shall be rejected. In such an event, a similar determination for the next-lowest evaluated bidder shall be conducted.

### **Types of Contract Including Framework Contracts**

- 2.47 There are various types of procurement contracts, depending on whether they involve goods supply, works execution, or the provision of non-consulting services or consulting services. The differences are mainly in the form of measurement and payment, and the risk assumed by the contractor in relation to possible variations in the quantity of inputs to be provided or the work to be done.

### **Contracts for Supply of Goods, Non-Consulting Services**

- 2.49 By lump sum: In this type of contract, the supplier undertakes to deliver a set of goods, constituting a plant or system, for a specified amount that covers all associated costs, such as transport, insurance, customs duties, preparation of the place in which they will be assembled or stored, installation, operating tests, etc.
- 2.50 By unit price: This contract is applicable when the goods to be procured will be used in various projects or services, and the quantities required may vary according to the demand for them, thus making payments dependent on the number of units consumed and the unit bid price.
- 2.51 By cost plus fee: This alternative is generally used when a specialized procurement agency is engaged to obtain the necessary goods. Payments are made against invoices at the agreed unit price, plus the percentage fee agreed between the parties.

### **Contracts for works execution**

- 2.52 By lump sum: In this type of contract, the contractor undertakes to execute the work at its own expense, assuming all risks in relation to increases in quantities, wage hikes, changes in input prices, weather delays, etc. Payments are generally based on the percentage progress achieved in the various stages of the work.
- 2.53 By unit price: The contractor makes periodic measurements to certify the amounts effectively executed in the various work components. In the case of works stretching over an extended period of time, contracts may contain formulas for adjusting the prices originally bid, to compensate for possible changes in input prices and labor costs.
- 2.54 Force account: In this type of contract, also known as a percentage contract, the contractor is reimbursed against invoices for expenditures on inputs, labor and equipment, and a fixed percentage is added to total reimbursable expenses to cover the technical management and administration of the work. This alternative tends to be used when the quantities of the work to be done cannot be predetermined, e.g. works in emergency situations.
- 2.55 Mixed: This type of contract is used when the work has various components with characteristics that require different measurement and payment systems, making it advisable to use a combination of the contract types described above.

## **Notification and Publication of the Award of Contract**

- 2.56 Regardless of the type of procedure, bidders participating in the process must be notified of decisions reached concerning the award of the contract within two weeks of the contract award, including the grounds for any decision not to award a contract.

Once the contract has been signed, CDEMA shall publish on its website the award notice. The notification of award must be published for contracts above the monetary threshold detailed in Appendix 1. The notification of award should include: (a) procurement procedure, (b) name of the successful candidate, (c) contract value, (d) the duration of the consultancy, (e) summary of the scope of the contract and (f) the names of the bidders who participated in the procurement process

## **Rejection of All Bids**

- 2.57 Bidding documents usually provide that the agency may reject all bids. Rejection of all bids is justified when there is lack of effective competition, or bids are not substantially responsive or when bid prices are substantially higher than the existing budget. Lack of competition shall not be determined solely based on the number of bidders. Even when only one bid is submitted, the bidding process may be considered valid if the bid was satisfactorily advertised, and prices are reasonable in comparison to market values. If all bids are rejected, the Agency shall review the causes justifying the rejection and consider making revisions to the conditions of contract, design and specifications, scope of the contract, or a combination of these, before inviting new bids.

If the rejection of all bids is due to lack of competition, wider advertising shall be considered. All bids shall not be rejected, and new bids invited on the same bidding and contract documents solely for the purpose of obtaining lower prices. If the lowest evaluated responsive bid exceeds the pre-bid cost estimates by a substantial margin, the Agency shall investigate causes for the excessive cost and consider requesting new bids. Alternatively, negotiation with the lowest evaluated bidder to try to obtain a satisfactory contract through a reduction in the scope and/or a reallocation of risk and responsibility which can be reflected in a reduction of the contract price may be conducted. However, substantial reduction in the scope or modification to the contract documents may require rebidding.

## **Debriefing**

- 2.58 In the notification of Contract Award referred to in paragraph 2.56 the Agency shall specify that any bidder who wishes to ascertain the grounds on which its bid was not selected, should request an explanation. The Agency shall promptly provide an explanation of why such bid was not selected, either in writing and/or in a debriefing meeting, at the Agency option and the requesting bidder shall bear all the costs of attending such a debriefing.

## **Complaints**

- 2.59 A complaint or protest is understood as any disagreement, complaint, problem, or questioning, submitted in writing to the agency at any stage of a specific procurement process (including after the contract is awarded). Complaints may be made directly by a bidder or a potential bidder, by a group of bidders or potential bidders, or by any party with a legitimate stake in the process, including not only direct bidders but entities with a legitimate interest, and actual involvement in the process.

CDEMA has exclusive legal responsibility for the procurements, and receives, requests, and evaluates the bids, awards, contracts and executes the project with due attention to considerations of transparency, economy, and efficiency.

CDEMA should prepare replies to communications or complaints received and answer them punctually, but the procurement process is not suspended.

If, following notification of the award, CDEMA receives a communication from a bidder asking why its bid was not selected, and the bidder does not consider the explanation provided to be satisfactory, the latter may contest the award or file an administrative appeal with the Executive Director.

### **III. Other Methods of Procurement for Goods, Works, and Non-Consulting Services**

#### **General**

- 3.1 This Section describes the methods of procurement for goods, works and non-consulting services that can be used where ICB would not be the most economic and efficient method of procurement, and where other methods are deemed more appropriate.

#### **Limited International Bidding**

- 3.2 Limited International Bidding (LIB) is essentially ICB by direct invitation without open advertisement. It may be an appropriate method of procurement where (a) there is only a limited number of suppliers, or (b) other exceptional reasons may justify departure from full ICB procedures. Under LIB, bids are solicited from a list of potential suppliers broad enough to assure competitive prices, such list to include all suppliers when there are only a limited number. Domestic preferences are not applicable in the evaluation of bids under LIB. In all respects other than advertisement and preferences and ICB procedures shall be applied.

#### **National Competitive Bidding**

- 3.3 National Competitive Bidding (NCB) is the competitive bidding procedure normally used for public procurement and may be the most appropriate way of procuring goods or works which, by their nature or scope, are unlikely to attract foreign competition. In addition, NCB may be the most appropriate method of procurement where foreign bidders are not expected to be interested because (a) the contract values are small, (b) works are scattered geographically or spread over time, (c) works are labor intensive, or (d) the goods or works are available locally at prices below the international market. NCB procedures may also be used where the advantages of ICB are clearly outweighed by the administrative or financial burden involved.
- 3.4 Advertising can be conducted in an electronic portal and a widely circulated national newspaper. In addition, the bidding documents shall provide clear instructions on how bids should be submitted, how prices should be offered, and the place and time for submission of bids. Adequate response time for preparation and submission of bids shall be provided. The procedures shall provide for adequate competition to ensure reasonable prices, and methods used in the evaluation of bids and the award of contracts shall be objective and made known to all bidders in the bidding documents and not be applied arbitrarily. The procedures shall also include public opening of bids, publication of results of evaluation and of the award of contract and provisions for bidders to protest. If foreign firms wish to participate under these circumstances, they shall be allowed to participate.

#### **Shopping**

- 3.5 Shopping is a procurement method based on comparing price quotations obtained from several suppliers (in the case of goods) or from several contractors (in the case of civil works), with a minimum of three, to assure competitive prices. This is an appropriate method for procuring readily available off-the-shelf goods or standard specification commodities of small value, or simple civil works of small value. Requests for quotations shall indicate the description and

quantity of the goods or specifications of works, as well as desired delivery (or completion) time and place. Quotations may be submitted by letter, facsimile or by electronic means. The evaluation of quotations shall follow the same principles as of open bidding. The terms of the accepted offer shall be incorporated in a purchase order or a simplified contract.

### **Direct Contracting**

3.6 Direct contracting is non-competitive and requests **only one** Bidder to submit a bid. The method will be applicable when:

- (a) There is only **one** suitable provider available. Usually these are unique products that you cannot find anywhere but only through one supplier/manufacturer. (i.e., Sole Source) or
- (b) a particular provider is purposely selected, even though there are other suppliers available that provide similar products (i.e., **Single Source**)

3.7 *The method should be used only where justified by one of the following conditions identified below and appropriate approval in accordance with the Delegated Level of Authority (DLOA):*

- (a) An existing contract for goods or works, awarded in accordance with procedures acceptable to CDEMA, may be extended for additional goods or works of a similar nature. CDEMA shall be satisfied in such cases that no advantage could be obtained by further competition and that the prices on the extended contract are reasonable. Provisions for such an extension, if considered likely in advance, shall be included in the original contract.
- (b) for tasks that represent a natural continuation of previous work carried out by a consultant within the last twelve (12) months, where 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, if performance has been satisfactory in the previous assignment(s);
- (c) Standardization of equipment or spare parts, to be compatible with existing equipment, may justify additional purchases from the original supplier. For such purchases to be justified, the original equipment shall be suitable, the number of additional items shall generally be less than the existing number, the price shall be reasonable, and the advantages of another make or source of equipment shall have been considered and rejected on grounds acceptable to the Purchaser.
- (d) The required equipment is proprietary and obtainable only from one source.
- (e) The contractor responsible for a process design requires the purchase of critical items from a particular supplier as a condition of a performance guarantee.

- (f) Where an urgent unforeseen requirement materializes, such as in response to natural disasters and national emergencies declared by the Participating States (*see Contracting Under Emergency Circumstances*); it may be appropriate to directly approach suitable suppliers since the products or services could not be obtained in time by means of Open Competitive Bidding or National Competitive Bidding. The selection of this method cannot be because of inadequate procurement planning which has led to the requirement becoming urgent.
- (g) Where there is sufficient justification to purchase a specific brand or model, it may still be possible to obtain multiple quotes through authorized resellers and wholesalers in addition to the manufacturer. Even where multiple quotes can be obtained, justification will still need to be provided for limiting the requirement to a specific brand or model
- (h) If there was no satisfactory response to a competitive procurement process and the HRAD is satisfied that no advantage could be obtained by further competition; then it may be justifiable to directly approach and contract a single supplier. However, prior to deciding to select Direct Contracting, consideration should be given to understand why insufficient or unsuitable bids were provided as it may be more appropriate to amend the bidding documents and re-approach the market prior to direct contracting.
- (i) Where a new contract has to be concluded after early termination of an existing contract.
- (j) Procurement from another government/international agency

### **Single-Source Selection (SSS)**

- 3.8 Single-source selection of consultants does not provide the benefits of competition in regard to quality and cost, 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 CDEMA's responsibility to ensure economy and efficiency, and provide equal opportunity to all qualified consultants.
- 3.9 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 shall 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, CDEMA shall ask the initially selected consultant to prepare technical and price proposals on the basis of TOR furnished by CDEMA, which shall then be negotiated.

- 3.10 If the initial assignment was not awarded on a competitive basis or if the downstream assignment is substantially larger in value, a competitive process shall normally be followed in which the consultant carrying out the initial work is not excluded from consideration if it expresses interest.
- 3.11 Any request to undertake Direct Contracting that has not been approved as part of the Procurement Plan must be approved by the Senior Management or the Human Resources & Administration Manager. All requests for Direct Contracting must complete a Request to Direct Contract form.
- 3.12 Once the contract has been signed, CDEMA shall publish on its website the award notice. The notification of award must be published for contracts above the monetary threshold detailed in Appendix 1. The notification of award should include: (a) procurement procedure, (b) name of the successful candidate, (c) contract value, (d) the duration of the consultancy, (e) summary of the scope of the contract and (f) the names of the bidders who participated in the procurement process.
- 3.13 Step Action (for goods)

**1. Approval for Direct Contracting**

Any decision to utilise Direct Contracting as the procurement method should be documented and approved in accordance with the Agency's Delegated Level of Authority (DLOA) policy which can be found in the Policies and Procedures Manual. This record should be saved in the project file on the shared drive as this may be required for future audit purposes.

**2. Request quotation from the supplier**

Obtain the quote from the supplier, ensuring all requirements that are needed for the Purchase Order have been received, as stated in Step 6 (RFQ Template can be obtained from the HRAD but is usually prepared by the Procurement Personnel).

**3. Verify Quotation is competitive**

Once the quote has been received, it is important to understand if the costs received are competitive against similar products available on the market and represent value for money. This might include online checks against similar products or reviewing against previously placed Purchase Orders. If there appears to be a significant difference between similar products or increases from previous prices paid, a discussion with the bidder may be appropriate to understand these differences. This information will also be useful for the justification when seeking approval to purchase.

**4. Negotiate Quotation (where applicable)**

If the quote does not seem reasonable and competitive then the bidder should be asked to review their costs and explain why prices are higher than expected or previously supplied. If the bidder is unwilling to review their pricing initially then there may be options to negotiate. For instance, offering more advantageous payment options or an alternative delivery schedule for a reduction in the price.



## **5. Complete Material Requisition**

Complete the Material Requisition (where applicable) and send it for approval in accordance with the Agency's DLOA.

## **6. Issue Purchase Order/contract**

Following approval, the Purchase Order/contract should be submitted to the provider requesting for signing and return a copy. The Purchase Order can be obtained from the HRAD but is usually prepared by the Procurement Personnel.

## **7. Contract Administration /management**

### **Contracting Under Emergency Circumstances**

- 3.14 An 'emergency' is a sudden unforeseen event that can result in injury, loss of life or critical damage to property or infrastructure. Emergency situations can include but are not limited to:
- 1) Natural or manmade disasters: such as earthquakes, cyclones, tsunamis, volcanic eruptions, flooding, fires or contamination
  - 2) critical health or environmental emergencies: such as a pandemic
- 3.15 Emergency contracting is permitted in any of the following circumstances:
- a) for the repairs or remedial action necessary to preserve public safety or property; or to avoid great social harm or significant public inconvenience
  - b) for the procurement of goods, services or works in any extenuating circumstances in which CDEMA or the affected/impacted Participating States are likely to incur or suffer financial loss if the procurement is not executed immediately.
  - c) for the procurement of goods, services or works in any circumstance in which the national interest and/or national security considerations of CDEMA or the impacted Participating States demand that the procurement be undertaken immediately; or
- 3.16 The need for such procurement must be sudden, unexpected and a pressing necessity or exigency. Where an emergency exists as defined above, CDEMA may engage a contractor by means of Direct Contracting.

### **Maintaining Accountability**

- 3.17 The Executive Director shall give approval for the issuing of emergency contracts up to a maximum value of **USD 10,000**. This approval shall be in writing and shall form part of the procurement record to be kept by the HRAD. Departments engaging in award of contracts under emergency situations, shall ensure that the value for money objective is met before awarding emergency contracts.
- 3.18 Contracts awarded under emergency circumstances shall commence immediately. Failure to execute such contracts within one month of approval will result in automatic reversion to the general procurement provisions. No other contract shall be let under that dispensation after the expiration of one month. Emergency contracts above **USD10,000** shall be reported to the Procurement Committee within the month in which the award was made, along with full justification for the procurement.
- 3.19 The report or completion of the Direct Contract Waiver Form, shall be submitted within the month the contract is awarded and shall include:
- i. a justification
  - ii. a statement as to why the contractor was selected; and
  - iii. the value of contract awarded.

3.20 The following key factors should be considered when CDEMA is responding in an emergency:

- ✓ clarify that the situation meets the criteria for treatment as an ‘emergency’ and that a flexible approach to procurement can be fully justified.
- ✓ identify, specify and prioritise the immediate procurement activities that will bring relief.
- ✓ consider the operating environment and conditions ‘on the ground’.
- ✓ determine what other government agencies and NGOs are doing and, where possible, collaborate.
- ✓ in emergencies there is a higher risk of inflated prices, fraud, bribery and corruption may also be a concern. Be aware of these possibilities and act to guard against them.
- ✓ Be aware of the possibility of conflicts of interest and manage them appropriately.

### Types of Emergencies

3.21 Depending on the type of emergency, CDEMA will need to respond at different levels. Depending on the level of response required, CDEMA will apply the most appropriate procurement practice based on the circumstances and the immediacy of the need to respond. As such, emergencies can be classified as either:

- a. Immediate response – reactive procurement
- b. Disaster relief – emergency procurement

### Key Considerations

3.22 Immediate response - This is the most reactive level of emergency response and Agency staff will be under significant pressure to respond immediately. To ensure CDEMA can respond, compliance with the routine procurement procedures may be forfeited where the following conditions exists:

Conditions	Guidance
There is a threat to life	<ol style="list-style-type: none"><li>i. obtain the necessary goods or services direct from suppliers.</li><li>ii. no written contract is required</li><li>iii. request the suppliers to provide an invoice or receipt</li><li>iv. keep a record of what has been purchased.</li></ol>
there is a critical or catastrophic threat to the natural environment or infrastructure	
where delayed response would be likely to deteriorate conditions on the ground or cause grievous harm to individuals, the environment or the wider community.	

When a state of local or national emergency is declared in the impacted Participating States	<ul style="list-style-type: none"> <li>v. act within existing delegated authority, where possible</li> <li>vi. if there is no existing delegated authority and no time to obtain an approval, then exercise good judgement and be prepared to provide a rationale for the nature and extent of the procurement in the circumstances.</li> <li>vii. if a procurement involves a major expense it is recommended, that written approval from an officer with sufficient delegated financial authority is obtained before making the commitment.</li> </ul>
--	--

3.23 Disaster Relief - Once there is no further threat to loss of life, damage to major infrastructure or when a state of emergency is lifted in the impacted Participating State, the necessity to react immediately will change to an ability to respond urgently. In that regard, procurement procedures should be conducted based on the following:

Conditions	Guidance
There is no immediate threat of loss of life	<ul style="list-style-type: none"> <li>i. identify, specify, and prioritise the immediate procurement required to bring effective relief</li> <li>ii. if and where possible, determine what other government agencies and Non-Government Organisations or other stakeholders are doing and, where practical, collaborate.</li> <li>iii. purchase directly from the most convenient suppliers. Whilst price will be a factor in deciding the selection of suppliers, the overriding consideration must be the immediate provision of relief.</li> <li>iv. always obtain financial approval to proceed prior to the purchase.</li> <li>v. consider contracts already in place (All- if it supports immediate delivery)</li> <li>vi. where there are no existing contracts, identify which quotes can be achieved quickly and what suppliers are able to deliver immediately. Quotes via e-mail are sufficient.</li> </ul>
there is no immediate threat of damage to infrastructure	
When a state of local or national emergency is lifted in the impacted Participating States	
Where an International or national competitive process would not allow for effective relief	

	<ul style="list-style-type: none"> <li>vii. advise suppliers that the purchase is being made as an emergency procurement to provide immediate relief and that a more competitive process will be used for any medium to long term solution.</li> <li>viii. confirm agreement with the supplier in writing. It should include what items are being delivered, to what specification, when, where, by whom, the price and any other charges, for example freight and insurance.</li> <li>ix. check what assurance suppliers can give to delivering immediately, to the right location, the right quantity and quality at the right price</li> <li>x. where possible, consider alternative contract solutions, for example, short term lease of equipment rather than purchasing. This may allow time to source a more permanent solution through a more competitive process</li> </ul>
--	--

### **Framework Agreements / Framework Contracts**

- 3.24 Framework arrangements are a “smarter” way of purchasing generic goods and works and in particular maintenance, repair and operating (MRO) supplies than placing “one-off” orders for recurrent contracts for goods and works or supplies. Optimizing volume purchasing discounts and minimizing transaction cost, and repetitive purchasing tasks are three critical benefits. A key aim of a framework arrangement is to establish a pricing structure; however, this does not mean that actual prices should be fixed but rather that there should be a mechanism that will be applied to pricing particular requirements during the period of the framework. It should also be possible to establish the scope and types of generic goods, works and services that will need to be procured under this procurement modality.

In emergency situations, framework modalities can provide CDEMA the flexibility in the context of scope of work, negotiation between the parties that recognizes that final agreement on all matters relevant to the relationship has not come to a final agreement **but** have come to an agreement on enough matters to move forward with the engagement with further details to be agreed in the future as the situation and circumstances dictate.

- 3.25 There are two types of framework modalities: framework contracts and framework arrangements. A framework contract has a consideration of a monetary sum paid up front by the buying organization to the supplier. This payment is made to create a contract on the terms and conditions offered by the supplier to the buying entity and it is important to first ensure that the terms and conditions are correctly drafted so that the supplier is tied into what has been agreed. Consideration is of course an essential element of the contract; without consideration, either party may withdraw at any time. The consideration may be a purely nominal sum which

will, however, in the event of a dispute, normally be interpreted by the courts as confirmation that the parties are happy to be bound in the legal sense.

- 3.26 A framework agreement is the same arrangement as a framework contract, without the up-front consideration. Instead, each time a buyer uses the agreement a separate contract is formed by the consideration paid for the order in question. Blanket orders are a type of framework agreement and in blanket order situations, an order number is given to a supplier which the supplier uses to invoice the firm and buyers simply call in their requirements against the blanket order.
- 3.27 The terms and conditions agreed at today's date will apply even if delivery and payment is executed after a protracted period. The framework is the main contract, with each individual order constituting a separate mini-contract. The contract needs some form of disclaimer to the effect that any estimates of volume of demand are non-binding, and even that the buyer is not obliged to place any orders at all. Also, that the buyer has the right to place orders for the same goods and services elsewhere during the life time of the agreement.

### **Force Account**

- 3.28 For, procurements executed by Force Account, the executing agency uses its own personnel and equipment, and may be the only practical method for constructing some kinds of works and /or non-consulting services. The use of force account may be justified where:
- (a) the amount of work involved cannot be predetermined;
  - (b) the contract involves small-scale and disperse works, or works in remote localities for which established firms are unlikely to submit reasonably priced bids;
  - (c) the works have to be executed without interfering with other ongoing operations;
  - (d) the executing agency is better placed than a contractor to absorb the risk of an inevitable interruption of the works; and
  - (e) the contract involves emergency situations requiring a collaborative, interdisciplinary team, including line ministry's personnel and the agency.

### **Procurement from Specialized Agencies**

- 3.29 There may be situations in which procurement is made directly from specialized agencies, acting as suppliers, pursuant to their own procedures, and this may be the most appropriate way of procuring: (a) small quantities of off-the-shelf goods, primarily in the fields of education and health; and (b) specialized products where the number of suppliers is limited, such as for vaccines or drugs.

### **Procurement Agents – Consultancy Services**

- 3.30 Where CDEMA does not have the required capacity, resources, and experience, it may wish to employ, as their agent, a firm specializing in handling procurement. The agent shall follow all the procurement procedures provided for in the Grant Contract and as further elaborated in the approved Procurement Plan, including use of SBDs, review procedures, and documentation. This also applies in cases where specialized agencies act as procurement agents. Management contractors may be employed in a similar manner for a fee to contract for miscellaneous works involving reconstruction, repairs, rehabilitation, and new construction in emergency situations, or where large numbers of small contracts are involved.

### **Inspection Agents**

- 3.31 Pre-shipment inspection and certification of imports is one of the safeguards for CDEMA, particularly where there is importation. The inspection and certification usually cover quality, quantity, and reasonableness of price. Imports procured through ICB procedures shall not be subject to price verification, but only verification for quality and quantity. However, imports not procured through ICB may additionally be subjected to price verification. The inspection agents are ordinarily paid for on a fee basis levied on the value of the goods.

### **Community Participation in Procurement**

- 3.32 Where, in the interest of project sustainability, or to achieve certain specific social objectives of the project, it is desirable in selected project components to (a) call for the participation of local communities and/or nongovernmental organizations (NGOs) in the delivery of services, or (b) increase the utilization of local know-how and materials, or (c) employ labor-intensive and other appropriate technologies, the procurement procedures, specifications, and contract packaging shall be suitably adapted to reflect these considerations, provided these are efficient effective, and transparent. The procedures proposed and the project components to be carried out by community participation shall be outlined in the Grant Agreement and elaborated in the Procurement Plan.

## **IV. Selection and Contract Award for Consulting Services**

- 4.0 Consulting firms are usually hired for services requiring multidisciplinary professional teams or long-term works. In contrast, **individual consultants** tend to be hired for cases involving a single discipline or requiring specific expert work and wider administrative and /or where technical back stopping is not required.

### **The Selection Process- QCBS**

- 4.1 Quality Cost Based Selection, (QCBS) method 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, characteristics, and complexity of the assignment.
- 4.2 The selection process shall include the following steps:
- (a) preparation of the 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), which should include: the Letter of Invitation (LOI); Instructions to Consultants (ITC); the TOR; and the proposed draft contract.
  - (f) receipt and opening of proposals;
  - (g) evaluation of technical proposals: consideration of quality;
  - (h) public opening of price proposals;
  - (i) evaluation of price proposals;
  - (j) final evaluation of quality and cost; and
  - (k) negotiations and award of the contract to the selected firm.

### **Terms of Reference (TOR)**

- 4.3 The 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, to enable consultants to estimate the required resources. Or shall list the services and surveys necessary to carry out the assignment and the expected outputs (for example, reports, data, maps, surveys). However, the 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 and CDEMA's and the consultants' respective responsibilities should be clearly defined in the TOR.

#### **Cost Estimate (Budget)**

- 4.4 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 CDEMA'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**

- 4.5 For all projects, requests for expressions of interest for each contract for consulting firms is advertised in at least one newspaper of national circulation in CDEMA's country of operation or country where activities are taking place and CDEMA's website. The request for expressions of interest may also be advertised in an international newspaper or a technical magazine. 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.

#### **Short List of Consultants**

- 4.6 CDEMA is responsible for preparation of the short list and consideration will first be given to those firms expressing interest that possess the relevant qualifications. Short lists shall comprise a minimum of three (3) and a maximum of six (6) firms. For the purpose of establishing the short list, the nationality of a firm is that of the country in which it is legally incorporated or constituted and in the case of Joint Venture, the nationality of the firm appointed to represent the Joint Venture. The Agency may expand or reduce the short list based on content and quality of the submissions. Firms, that have expressed an interest in the procurement activity, as well as any other firm that specifically so requests, shall be provided with the final short list of firms.
- 4.7 The short list should preferably comprise consultants of the same category, similar capacity and business objectives. Consequently, the short list should be composed of firms of similar experience. Not-for-profit organizations (NGOs, universities, Specialized Agencies, etc.) acting in the same field of expertise should not be mixed with bona fide firms and if mixing is used, the selection should be made using Quality-Based Selection (QBS) or Selection Based

on the Consultants' Qualifications (CQS) (for small assignments). Short lists shall not include individual consultants.

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

- 4.8 The RFP shall include: (a) a Letter of Invitation; (b) Instructions to Consultants, (c) the TOR, and (d) the proposed contract. An electronic system to distribute the RFP can be used provided that it is secure to avoid modifications to the RFP and shall not restrict the access of short-listed consultants to the RFP.

### **Letter of Invitation (LOI)**

- 4.9 The LOI shall state the intention of the Agency to enter into a contract for the provision of consulting services, the source of funds, and the date, time, contact officer and address for submission of proposals.

### **Instructions to Consultants (ITC)**

- 4.10 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 indicate an estimate of the level of key staff inputs (in staff time) required of the consultants or the total budget, but not both. Consultants, however, shall be free to prepare their own estimates of staff time to carry out the assignment and to offer the corresponding cost in their proposals. The ITC shall specify the proposal validity period, which should be adequate for the evaluation of proposals, decision on award, and finalization of contract negotiations.

CDEMA shall use their standard RFPs, which include the ITC, covering the majority of assignments. The ITC shall include adequate information on the following aspects

- (a) a very brief description of the assignment;
- (b) standard formats for the technical and price 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; (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 price proposals;
- (e) an estimate of the level of key staff inputs (in staff-months) required of the consultants or the total budget, but not both;
- (f) indication of minimum experience, academic achievement, and so forth, expected of key staff;

- (g) details and status of any external financing;
- (h) information on negotiations; and financial and other information that shall be required of the selected firm during negotiation of the contract;
- (i) the deadline for submission of proposals;
- (j) currency(ies) in which the costs of services shall be expressed, compared, and paid;
- (k) reference to any laws of the country that may be particularly relevant to the proposed consultants' contract;
- (l) a statement that the firm and any of its affiliates shall be disqualified from providing downstream goods, works, or services under the project if, such activities constitute a conflict of interest with the services provided under the assignment;
- (m) 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;
- (n) a request that the invited firm: (i) acknowledges receipt of the RFP; and (ii) informs CDEMA whether or not it will be submitting a proposal;
- (o) the short list of consultants being invited to submit proposals and whether or not associations between short-listed consultants are acceptable;
- (p) the period for which the consultants' proposals shall be held valid 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;
- (q) the anticipated date on which the selected consultant shall be expected to commence the assignment;
- (r) 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 in a timely basis and a statement requiring that the consultant shall include in its price proposal a separate amount clearly identified, to cover taxes;
- (s) 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;
- (t) phasing of the assignment, if appropriate; and likelihood of follow-up assignments;
- (u) the procedure to handle clarifications about the information given in the RFP; and
- (v) any conditions for subcontracting part of the assignment.

### **Contract Including Framework Contracts**

4.11 The following payment modalities can be used in consulting service contracts

- a) Lump sum: This type of contract is generally used for studies or systems development. Consultants undertake to provide the services for a lump sum, regardless of the amount of time spent by specialists and support staff, and the inputs and logistical expenses required for execution.
- b) Time-based contracts are mainly for supervising works or monitoring projects. Payment is based on the amount of staff work time, the equipment used, and logistics expenses, which are reported and periodically approved and settled on the basis of the bid rates which are stipulated in the contract.
- c) By retainer and success fee: This alternative is used in special contracts such as the management of concessions; assistance in dispute resolution, etc., in which a retainer fee is established. Payment may be made in slices according to the stage of the process, and a final payment (success fee) is only paid if the objective stated in the contract is achieved.
- d) By price agreement: This type is appropriate for advisory services that may be requested at any time and for which there are no specified execution dates or times; a daily rate or total cost is generally established, with guaranteed payment of a minimum number of days per month.

### **Receipt of Proposals**

4.12 CDEMA 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, (4) weeks or more than three, (3) 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 in writing about the information provided in the RFP. Clarifications shall be provided in writing and a copy sent to all firms on the short list (who intend to submit proposals). If necessary, the deadline shall be extended for the submission of proposals. The technical and price proposals shall be submitted at the same time. No amendments to the technical or price proposal shall be accepted after the deadline. To safeguard the integrity of the process, the technical and price 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 price proposals shall remain sealed and shall be deposited with an officer of CDEMA, independent of the procurement process until they are opened publicly. Any proposal received after the closing time for submission of proposals shall be returned unopened. The use of electronic systems for the consultants to submit proposals by electronic means should be provided and that the system is secure, maintains the confidentiality and authenticity of proposals submitted, and uses an authentication system or equivalent to keep consultants bound to their proposals. In this case, consultants shall continue to have the option to submit their proposals in hard copy.

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

- 4.13 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 price proposals until the technical evaluation is concluded. Price proposals shall be opened only after the evaluation of technical proposals has concluded and the results; scores have been notified to the participating consultants. The evaluation shall be carried out in full conformity with the provisions of the RFP.

#### Evaluation of the Quality

- 4.14 CDEMA shall evaluate each technical proposal (using an evaluation committee comprising of at least three (3) members, considering 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, if required in the TOR; 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. The actual percentage figures to be used shall fit the specific assignment and shall be within the ranges indicated below and the proposed weights shall be disclosed in the RFP.

Consultant's specific experience:	0 to 10 points
Methodology:	20 to 50 points
Key Personnel:	30 to 60 points
Transfer of Knowledge:	0 to 10 points
Participation of nationals:	0 to 10 points
(Optional, where local content or expertise is required)	
Total:	100 points

- 4.15 These criteria may be broken down into sub criteria. For example, sub-criteria under methodology might be **innovation and level of detail**. However, the number of sub-criteria should be kept to the essential. The use of exceedingly detailed lists of sub-criteria is not recommended since it may render the evaluation a mechanical exercise more than a professional assessment of the proposals.
- 4.16 Evaluation of personnel is required and the cadre of key positions must be analysed to ensure compatibility with the TOR. Since key personnel ultimately determine the quality of performance, more weight shall be assigned to this criterion if the proposed assignment is complex. CDEMA 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 consulting firm and the individual proposed. The individuals shall be rated in the following three sub criteria, 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;
- (b) adequacy for the assignment: education, training and experience in the specific sector, field, subject, and, relevant to the particular assignment; and
- (c) experience in the region: knowledge of the local language, culture, administrative system, government organization.

4.17 Proposals shall be evaluated 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.

4.18 At the end of the process, a Technical Evaluation Report of the “quality “of the proposals shall be prepared to substantiate the results of the evaluation, describing 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**

4.19 After the evaluation of quality is completed consultants who have submitted proposals, shall be informed of the technical points assigned to each consultant and shall notify those consultants whose proposals did not meet the minimum qualifying mark or were considered nonresponsive to the RFP and TOR that their price proposals will be returned unopened after the signature of the contract or the conclusion of the procurement process. Simultaneously the consultants that have secured the minimum qualifying mark will be informed of the date, time, and place set for opening the price proposals. The opening date shall be defined allowing sufficient time for consultants to plan to attend the opening of the price proposals. The price proposals shall be opened publicly in the presence of representatives of the consultants who choose to attend (in person or online). The name of the consultant, the technical points, and the proposed prices shall be read aloud and recorded when the price proposals are opened. The minutes of the public opening shall be prepared, and a copy of this record shall be promptly sent to all consultants who submitted proposals and achieved the minimum technical score.

4.20 The Agency shall then review the price 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 CDEMA (local currency or fully convertible foreign currency) as stated in the RFP. CDEMA 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. 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.

4.21 For the purpose of evaluation, “cost” shall exclude local identifiable indirect taxes on the contract and income tax payable to the country on the remuneration of services rendered in the

country by non-resident staff of the consultant. The cost shall include all the consultant's remuneration and other 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 price. The methodology to be used shall be described in the RFP.

### **Combined Quality and Cost Evaluation**

- 4.22 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, Other Methods of Procurement, the weight for cost shall be 20 or 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**

- 4.23 Negotiations shall include discussions of the TOR, the methodology, staffing, CDEMA'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.
- 4.24 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. If this is not the case and if it is established that key staff were included 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.
- 4.25 Price negotiations shall include clarification of the consultants' tax liability in the country and how this tax liability has been or would be reflected in the contract. As Lump-Sum Contracts payments are based on delivery of outputs (or products), the offered price shall include all costs (staff time, overhead, travel, hotel, etc.). Consequently, if the selection method for a Lump-Sum contract included price as a component, this price shall not be negotiated. In the case of Time-based Contracts, payment is based on inputs (staff time and reimbursables) and the offered price shall include staff rates and an estimation of the amount of reimbursables. When the selection method includes price as a component, negotiations of staff rates should not take place, except in special circumstances, for example, staff rates offered are much higher than typically charged rates by consultants for similar contracts. Consequently, the prohibition of negotiation does not preclude the right of the client to ask for clarifications, and, if fees are very high, to ask for change of fees. Reimbursables are to be paid on actual expenses incurred at cost upon presentation of receipts and therefore are not subject to negotiations. However, if the client wants to define ceilings for unit prices of certain reimbursables (like travel or hotel rates), they should indicate the maximum levels of those rates in the RFP or define a per diem in the RFP.

- 4.26 If the negotiations fail to result in an acceptable contract, CDEMA shall terminate the negotiations and invite the next ranked firm for negotiations. Consultants shall be informed of the reasons for termination of the negotiations. Once negotiations are commenced with the next ranked firm, CDEMA shall not reopen the earlier negotiations. After negotiations are successfully completed CDEMA shall promptly notify other firms on the short list that they were unsuccessful. After the award of contract, the publication of the award of contract shall be as described in paragraph 2.56.

### **Debriefing**

- 4.27 In the publication of contract award referred to in paragraph 4.27, CDEMA shall specify that any consultant who wishes to ascertain the grounds on which its proposal was not selected, should request an explanation from CDEMA and shall promptly provide the explanation as to why such proposal was not selected, either in writing and/or in a debriefing meeting, at the option of the consultant. The requesting consultant shall bear all the costs of attending such a debriefing.

### **Complaints**

- 4.28 A complaint or protest is understood as any disagreement, complaint, problem, or questioning, submitted in writing to the agency at any stage of a specific procurement process (including after the contract is awarded). Complaints may be made directly by a bidder or a potential bidder, by a group of bidders or potential bidders, or by any party with a legitimate stake in the process, including not only direct bidders but also private or public entities with a legitimate interest, related government officials, and entities responsible for supervising and overseeing the process.

The agency has exclusive legal responsibility for the procurements, and receives, requests, and evaluates the bids, awards, contracts and executes the project with due attention to considerations of transparency, economy, and efficiency.

The agency should prepare replies to communications or complaints received and answer them punctually, but the procurement process is not suspended.

If, following notification of the award, the agency receives a communication from a bidder asking why its bid was not selected, and the bidder does not consider the explanation provided to be satisfactory, the latter may contest the award or file an administrative appeal with the Council of Ministers as established in the regulations.

### **Rejection of All Proposals, and Re-invitation**

- 4.29 CEDMA will be justified in rejecting all proposals only if all proposals are nonresponsive because they present major deficiencies in complying with the TOR or failed to achieve the minimum technical score and if 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. The new process may include revising the RFP (including the short list) and the budget.



## **Confidentiality**

- 4.30 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 publication of the award of contract, except as provided in paragraphs 4.19 and 4.26.

## **V. Other Methods of Selection for Consulting Services**

### **General**

- 5.1 This section describes the selection methods other than QCBS, and the circumstances under which they are acceptable. All the relevant provisions of QCBS shall apply whenever competition is used.

### **Quality-Based Selection (QBS)**

- 5.2 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, multi-sectoral 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).
- 5.3 In QBS, the RFP may request submission of a technical proposal only (without the price proposal), or request submission of both technical and price proposals at the same time, but in separate envelopes (two-envelope system). The RFP shall provide either the estimated budget or 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.
- 5.4 If technical proposals alone were invited, after evaluating the technical proposals using the same methodology as in QCBS, CDEMA shall ask the consultant with the highest ranked technical proposal to submit a detailed price proposal. CDEMA and the consultant shall then negotiate the price proposal and the contract. All other aspects of the selection process shall be identical to those of QCBS, including the publication of the award of contract as described in paragraph 2.56 except that only the price of the winning firm is published. If consultants were requested to provide price proposals initially together with the technical proposals, safeguards

shall be built in as in QCBS to ensure that the price proposal of only the selected firm is opened and the rest returned unopened, after the negotiations are successfully concluded.

### **Selection under a Fixed Budget (FBS)**

- 5.5 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 price 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 proposals shall be opened in public and prices shall be read out aloud. 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. The publication of the award of contract shall be as described in paragraph 2.56.

### **Least-Cost Selection (LCS)**

- 5.6 This method is only appropriate for selecting consultants for assignments of a standard or routine nature (for example, engineering design of noncomplex works) where well-established practices and standards exist. 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 proposals are opened first and evaluated. Those securing less than the minimum qualifying mark are rejected; and the price proposals of the rest are opened in public. The firm with the lowest price shall then be selected and the publication of the award of contract shall be as described in paragraph 2.56. Under this method, the minimum qualifying mark shall be established, understanding that all proposals above the minimum compete only on “cost.” The minimum qualifying mark shall be stated in the RFP.

### **Selection Based on the Consultants’ Qualifications (CQS)**

- 5.7 This method may be used for small assignments or disaster type scenarios for which the need for preparing and evaluating competitive proposals is not justified. In such cases, CDEMA 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-price proposal and then be invited to negotiate the contract. The publication of the award of contract shall be as described in paragraph 2.56.

## **Selection of Types of Consultants**

- 5.8 **Selection of Specialized Agencies as Consultants.** Specialized 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 and the QBS method shall be used. Specialized Agencies may be hired on a single-source selection basis if the criteria outlined in paragraph 5.9 of these Policies are fulfilled.
- 5.9 **Use of Non-Governmental 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 issues, community needs and/or participatory approaches. NGOs may be included in the short list if they express interest and provided that CDEMA is satisfied with their qualifications. Preferably consulting firms should not be included in the short list for services for which NGOs are better qualified. 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. CDEMA may select the NGO on a single-source basis, provided the criteria outlined in paragraph 5.9 of these Policies are fulfilled.
- 5.10 **Procurement Agents (PAs).** If CDEMA does not have the expertise, resources and experience it may be efficient and effective for it to employ, as its agent, a firm that specializes in handling procurement. When PAs are specifically used as “agents” handling the procurement of specific items and generally working from their own offices, they are usually paid a percentage of the value of the procurements handled, or a combination of such a percentage and a fixed fee. In such cases PAs shall be selected using QCBS procedures with cost being given a weight up to fifty, (50) percent. However, when PAs provide only advisory services for procurement or act as “agents” for a whole project in a specific office, for such project they are usually paid on a time basis and, in such cases, they shall be selected following the appropriate procedures for other consulting assignments using QCBS procedures and time-based contract specified in these Policies. The agent shall follow all the procurement procedures outlined in the contract and in the Procurement Plan approved by the Agency, including use of Standard Request for Proposals, review procedures and documentation.
- 5.11 **Inspection Agents.** CDEMA may employ inspection agencies to inspect and certify goods prior to shipment or on arrival in PSs. 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 fifty, (50) percent and using a contract format with payments based on a percentage of the value of goods inspected and certified.
- 5.12 **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 5.5. For very small assignments CQS may be used.

- 5.13 Service Delivery Contractors. Projects in the social sectors, 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, terms of employment, selection procedures, and documents shall be described in the project documentation and the contract shall be included in the approved Procurement Plan.

#### **Individual Consultants**

- 5.14 Individual consultants are 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.
- 5.15 Individual consultants are selected on the basis of their qualifications for the assignment. Advertisement is not required, and consultants do not need to submit proposals. Consultants shall be selected through comparison of qualifications of at least three candidates among those who have expressed interest in the assignment or have been approached directly by the agency. Individuals considered for comparison of qualifications shall meet the minimum relevant qualifications and those selected to be contracted shall be the best qualified 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, administrative system, and government organization.
- 5.16 Occasionally, 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 Policies shall apply to the parent firm and its affiliates.
- 5.17 When CDEMA recruits individual consultants the Human Resources & Administration Manager will manage the process under CDEMA's existing Human Resources procedures and operations manual

## **VI. Contract Administration**

6.1 Contract administration is the process of ensuring that the parties to a contract meet all of their respective obligations under the agreement. It includes all of the post award activities from the point of contract award through performance of the contract, up to and including completion and close out of the contract. Contract administration generally includes the following activities:

- Communication of deliverables, milestones, and key terms to all stakeholders
- Managing work orders and material releases
- Follow-up and expediting
- Monitoring supplier performance to ensure timely performance
- Managing the acceptance process
- Monitoring billing to ensure compliance with the pricing arrangement
- Control of payments and authorizing progress payments
- Ensuring that the purchaser is meeting its obligations
- Change order negotiation and management
- Resolving disputes
- Contract documentation management
- Proper contract closeout

Although contract administration involves that the other party performs as required it is imperative that steps are taken to ensure that CDEMA's team performs as required. Timely payment of supplier invoices is often the purchaser's most important performance obligation. Other general performance obligations of the purchaser may include providing access to the purchaser's facilities, provision of certain information and documentation within time frames, timely review and approval or disapproval of documentation or sample submissions, and providing tools, equipment, permits, and other materials.

Contract administration provides the tools for keeping supplier relationships going in the right direction, for spotting potential obstacles and problems far in advance to avoid them or mitigate the associated risk. The level of effort required for the administration of a project depends on the complexity of the project, and the complexity of the contractual arrangement.

The value of the contract and the strategic importance of the contracted products or services will play a role in determining the appropriate level of administrative effort to be applied.

### **Contract Criteria**

6.2 A Contract has the following criteria:

- An Offer
- An Acceptance

- A Consideration (sufficiency of consideration) usually a monetary sum
- Mutual Assent by the parties
- The activity has a Legal Purpose
- There is Capacity – Competence
- The Law of Agency

### **Contract Administration Purpose**

- 6.3 The primary purpose of Contract Administration is to ensure that expectations are met; measures are in place to supervise performance thereby bringing value to the entity. Activities include but are not limited to resolve issues, revising plans and processes, maintaining channels of communication. The prime objectives incorporate the delivery of a project or goods on schedule, delivery of a project or goods within budget, delivery of a project or goods within the designated scope, performance, quality and the management of the limited resources effectively and economically.

### **Main Objectives**

- 6.4 The six (6) main objectives of contract administration are:
- Assuring that CDEMA fulfills its part of the agreement.
  - Making certain that the vendor's (contractor's) progress and performance complies with the contract.
  - Timely payment of supplier invoices, with payment tied to specific deliverables/milestones or measurement of work.
  - Resolve any problems that may arise during the life of the contract (protecting CDEMA's interests)
  - Ascertaining when contract changes are necessary, negotiating fair adjustment, and whether increased cost or performance should be borne by the supplier.
  - Keeping and retaining complete and accurate records and documentation pertaining to the Contract

### **Phases**

- 6.5 Contract administration consists of six (6) phases:
1. Problem solving
  2. Activity beyond steps of work control
  3. Compliance

4. Financial Control
5. Monitoring
6. Auditing

### **Key Players**

6.6 Contract administration key players include:

1. Vendors
2. Subcontractors
3. Contract Administrator
4. Procurement
5. Legal Counsel
6. Finance Department
7. Quality Assurance
8. Internal Customers/End Users
9. Senior Management.

### **Processes**

6.7 Contract administration processes include:

1. Preparation of a Contract Administration Plan
2. Orienting the Vendor, language may be a challenge.
3. Maintaining good, cordial and professional relations.
4. Introducing key personnel of all parties.
5. Having a concise and complete understanding of what documentation, its source, and format to be use.
6. The provision of performance and mobilization bonds and the monitoring of their expiration dates.
7. Knowing where documentation is to be sent.
8. Having a clear and precise understanding of the terms or rules of engagement.

9. Maintaining proper and functional reporting relationships.

### **Life Cycle**

- 6.8 The contract administration life cycle includes the drafting of the Contract, negotiating with vendors, negotiating the Contract terms & conditions with the selected vendor, awarding the Contract, managing throughout the life of the contract and closing out the contract.

### **CDEMA's Duties**

- 6.9 CDEMA's duties in contract management entail:

1. Participating in the development of the contract, including work programs, invoice routing and support documentation requirements.
2. Developing the contract administration plan.
3. Identification of the Dispute Adjudicator, particularly for works, and rules of engagement for dispute resolution in all instances.
4. Conducting post award meetings with vendor.
5. Monitoring the receipt of all contract deliverables and the timely payment of the invoices.
6. Randomly, conducting schedule/surprised inspections/visits to monitor product/ service quality compliance.
7. Advising the vendor of non –compliance and follow up items for resolution.
8. Meeting with the vendor regularly to review contract compliance.
9. Developing a contract close out and transition plan to address, service continuity, personnel transition, inventories, equipment, and monetary settlements.
10. Maintaining proactive dialogue, ensuring request periodic performance reports are submitted on a timely basis.

Communication is crucial to effective, and prudent contract administration and all significant decisions and feedback must be kept in writing and kept in the contract file.

### **The Role of the Contract Administrator**

- 6.10 The role of the Contract Administrator (CA) is a highly visible and results driven position and has under their purview the overall fiduciary responsibility for the design of the plan for the Administration of the Contract, conducting a post award orientation, the monitoring of the



contractor's performance, the resolution of problems, issues and challenges that may arise, the design and application of remedies under the contract, preparing contract modification, processing a dispute, claim or termination of the contract, authorizing payments under the contract, and the close out of the completed contract.

- 6.11 CDEMA in its desire to procure for better contract administration can keep objectives as simple as possible, address fewer issues in depth, consider the value of broad and specific questions, ensure timing is reflected with milestones, review and update schedules, deadlines, deliverables, output and outcomes.
- 6.12 The job tasks of the Contract Administrator include contract administration planning, CDEMA's regulations requirements, performance monitoring, identifying and seeking solutions to contract problems, issuing stop-work orders, contract modifications and options, granting remedies, disputes and claims, approvals of drawings, consent to subcontract and waivers, and contract closeout.

### **Managing the Contract**

- 6.13 In managing the contract, CDEMA has to ensure that the following procedures be instituted. On receipt of the endorsed contract a plan should be developed to manage it. Read the contract to be familiar with it, and if not involved in the negotiation process understand the tone of the relationship and the culture of the parties -
  - a. Start a contract file with copies of the contract memos affecting the outcome, contract amendments and back up justifying any changes, required reports, and minutes of meetings, customer surveys, and inspection audits/quality assurance checks.
  - b. Establish major deliverables by identifying, the performance standard and what comprises acceptable performance.
  - c. Decide on the most effective monitoring tool. Decide what is to be reported, format, to whom, and at what point.
  - d. Make notes of the major deadlines.
  - e. Determine how changes in the contract will be handled, and
  - f. Execute contract closure procedures.

To ensure that all aspects and conditions of the contract are respected, CDEMA should have reliable and efficient management mechanisms in place for continuous and timely monitoring of the performance of the entities or individuals contracted, and the execution of the contracts.

## Appendix 1 CDEMA's Dollar Thresholds (US)

Threshold	Procurement Method	Procedures
<b>WORKS, GOODS AND NON-CONSULTING SERVICES</b>		
≥200,000	International Competitive Bidding (ICB) Threshold <sup>1</sup> (Ref Section 2.1) <sup>3</sup>	<ol style="list-style-type: none"> <li>1. Invite tenders through general advertisement at least once in a daily circulated, national newspaper and advertise in the appropriate international publication as required.</li> <li>2. Use Standard Bidding Documents</li> <li>3. Bid Security <b>may</b> be requested.</li> <li>4. The recommendation for the award of the contract must be approved by the Procurement Committee</li> </ol>
	Limited International Bidding (Ref Section 2.2)	<ol style="list-style-type: none"> <li>1. Invite tenders from list of available suppliers directly.</li> <li>2. Use Standard Bidding Documents</li> <li>3. Bid Security <b>may</b> be requested.</li> <li>4. The recommendation for the award of the contract must be approved by the Procurement Committee</li> </ol>
25,001 – 200,000	National Competitiveness Bidding (NCB) Threshold <sup>4</sup>	<ol style="list-style-type: none"> <li>1. Invite tenders through general advertisement at least once in a daily circulated, national newspaper publication as required.</li> <li>2. Use Standard Bidding Documents</li> <li>3. Bid Security may be requested.</li> <li>4. The recommendation for the award of the contract must be approved by the Procurement Committee if <b>above</b> US\$50,000</li> </ol>
Below 25,000	Shopping (Ref Section 3.5)	<ol style="list-style-type: none"> <li>1. Request a minimum of three (3) quotations.</li> <li>2. Use Standard Request for quote</li> <li>3. The recommendation for the award of the contract must be approved by the HRAM</li> </ol>
Any Value	Direct Contract (Ref Section 3.6)	<ol style="list-style-type: none"> <li>1. Completion of Direct Contracting Waiver</li> <li>2. Direct Contracting Waiver below US\$50,000 must be approved by HRAM. The award of the contract above US\$50,000 must be approved by the Procurement Committee</li> </ol>
<b>CONSULTANCY SERVICES</b>		

<sup>3</sup> When procuring complex works and non-common goods with amounts under International competitive bidding range, National Competitive Bidding Shopping shall be used

<sup>4</sup> When procuring simple works and common goods and their amount is under the National Competitive Bidding thresholds, Shopping may be used

≥50,000	Open Tender	<ol style="list-style-type: none"> <li>1. Invite Expressions of Interest through general advertisement at least once in a daily circulated, national newspaper and advertise in the appropriate international publication as required.</li> <li>2. Procedures conducted in keeping with <b>Section IV. Selection and Contract Award for Consulting Services (also reference table for approach)</b></li> <li>3. Use Standard Bidding Documents</li> <li>4. The recommendation for the award of the contract must be approved by the Procurement Committee</li> </ol>
≤50,000	Consultants' Qualification (CQS) or Individual Consultants (IC) (Ref 5.7 – 5.13 (CQS) and 5.20 – 5.23 (IC))	<ol style="list-style-type: none"> <li>1. Invite Expressions of Interest or curriculum Vitae (CVs) through a general advertisement</li> <li>2. Use Standard Bidding Documents</li> <li>3. The recommendation for the award of the contract must be approved by the HRAM</li> </ol>
Any Value	Single Source Selection (Ref Section 5.9)	<ol style="list-style-type: none"> <li>1. Completion of Direct Contracting Waiver</li> <li>2. Direct Contracting Waiver below US\$50,000 must be approved by HRAM. The award of the contract above US\$50,000 must be approved by the Procurement Committee</li> </ol>

The tables below provide a synopsis of the approved selection/procurement methodologies and procedural modalities available for the selection of Consulting Services, goods, works and non-consulting services for detail procedural requirements see Appendix 1b and Sections II, III and IV above.

#### **Goods, Works, and Non-Consulting Services**

Goods, Works, and Non-Consulting Services	Procedural Requirements						
Procurement Methodologies	Open	Limited	International	National	Direct	Pre-Qualification	Single stage
International Bidding	✓	✓	✓	x	x	Optional	✓
Limited International Bidding	✓	✓	✓	x	x	Optional	✓
National Competitive Bidding	✓	✓	x	✓	x	Optional	✓
Shopping	✓	✓	✓	✓	x	Not Applicable	✓

Direct Contracting	x	x	x	x	✓	Not applicable	✓
--------------------	---	---	---	---	---	----------------	---

### **Consulting Services**

Consulting Services	Procedural Modalities					
Selection Methodologies	Open	Direct	International	National	Shortlist	Negotiation
Quality Cost Based Selection	✓	x <sup>5</sup>	✓	✓	✓	x
Fixed Budget Selection	✓	x	✓	✓	✓	x
Quality Based Selection	✓	x	✓	✓	✓	✓
Least Cost Selection	✓	x	✓	✓	✓	x
Consultant's Qualification Based Selection	✓ <sup>6</sup>	x	✓	✓	✓ <sup>7</sup>	✓
Direct Contracting	x	✓	x	x	x	✓

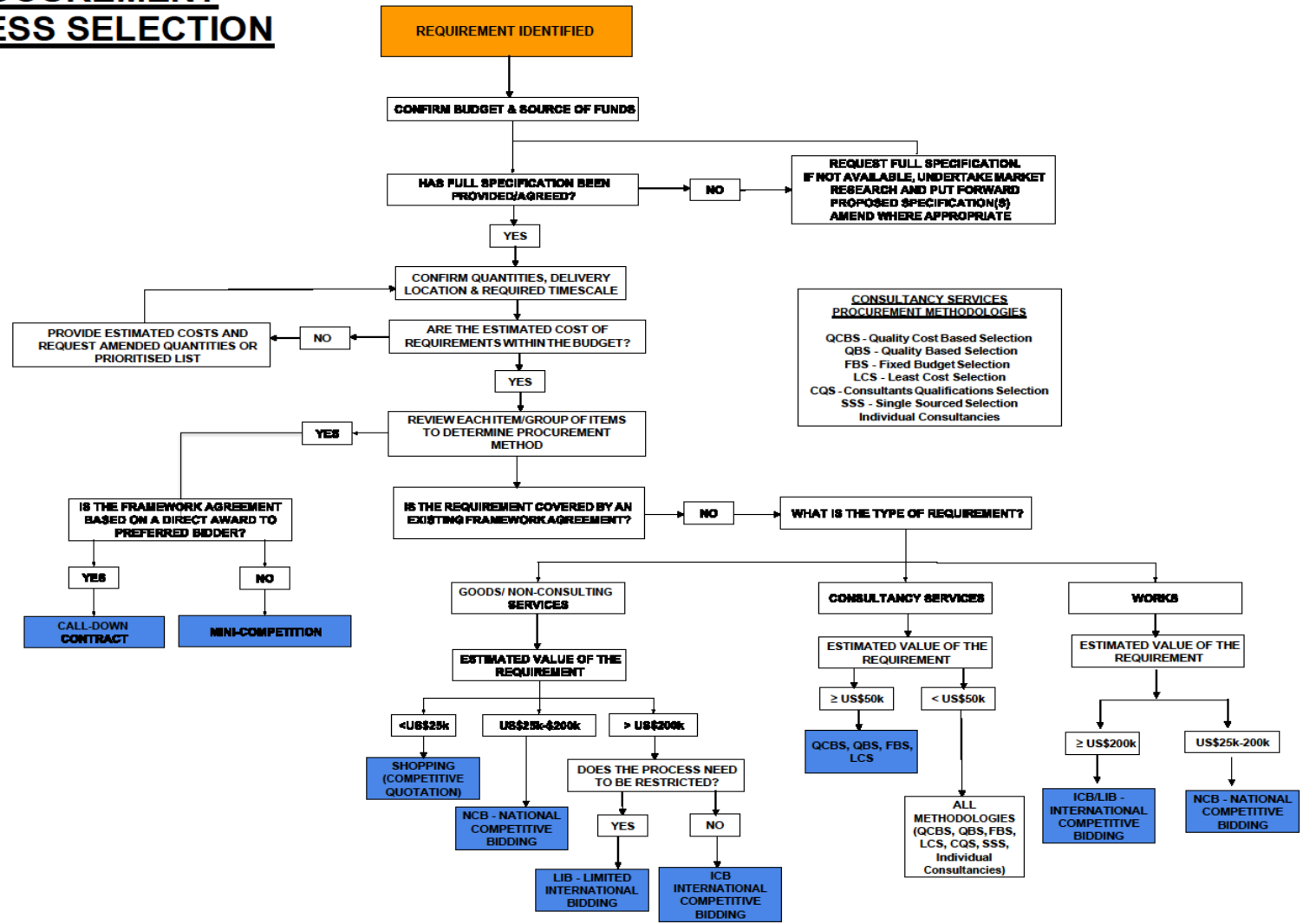
<sup>5</sup> Not allowed unless appropriately justified and is approved by the Procurement Committee prior to the execution of the procurement.

<sup>6</sup> Advertisement of REOs is not mandatory

<sup>7</sup> Only the firm with the best qualifications and relevant experience is invited to submit its technical and financial Proposals for negotiations

## Appendix 1a - Procurement Process Selection

### PROCUREMENT PROCESS SELECTION



## Appendix 1(b) Procurement Process Procedural Steps

### Shopping – Goods and Works

Please refer to Section 3.5 of CDEMA's Procurement & Contract Management Policies & Procedures Manual, February 2023 for additional information.

STEP	ACTIVITY	PARTY RESPONSIBLE	Time-Frame	Standard Document
<b>PRE-AWARD</b>				
1.	Identification of Procurement/ confirmation of availability of funding/ confirmation that request is in accordance with Procurement Plan	Department/ Technical Lead		Procurement Request Form
2.	Preparation and approval of Request for Quotation	Procurement Personnel	2-5 days	Request for Quotation
3.	Request quotations via email or hard copy from local / foreign suppliers or contractors	Procurement Personnel	7-14 days	
4.	Receive quotations in writing	Procurement Personnel		
5.	Evaluate quotations and prepare an evaluation report recommending preferred Bidder	Evaluation Team	2-5 days	Evaluation Report for Shopping
<b>AWARD</b>				
6.	Seek approval from HRAM	Procurement Personnel	1-5 days	
	Prepare letter of award and contract agreement incorporating the terms of the accepted offer	Procurement Personnel	2-3 days	
7.	Send contract documents (Purchase Order, Material Requisition and Internal Memo) for approval by Project Head/Finance	Procurement Personnel	2-10 days	Purchase Order Material Requisition and Internal Memo
8.	Sign Contracts (Purchase Order)	Executive Director/ HRAM/ Supplier/ Contractor	3-7 days	
<b>POST AWARD</b>				
9.	Manage Contract	Technical Lead		
10.	Certify receipt of goods/works. Goods to be recorded in the fixed Assets Register	Technical Lead		Delivery Note
11.	Issue Payment	Finance Dept/ Chief Accountant		

## International Competitive Bidding – Goods and Works and Non-Consulting Services

*Please refer to Section 2.2 – 2.59 and 3.2 of CDEMA's Procurement & Contract Management Policies & Procedures Manual, February 2023 for additional information.*

STEP	ACTIVITY	PARTY RESPONSIBLE	Time-Frame	Standard Document
<b>PRE-AWARD</b>				
1.	Identification of Purchase/Confirmation of funding availability/sign off Requisition/ confirm that request is in accordance with Periodic Procurement Plan	Department/ Technical Lead		Procurement Request Form
2.	Prepare Bidding Document and Procurement Notice (if applicable)	Procurement Officer/Specialist	7-14 days	ITB Document Procurement Notice
3.	Secure approval from HRAM to Bidding Document and Procurement Notice	Procurement Officer/Specialist	2-5 days	
4.	Request Bids in writing either by Open or Limited International (Open – publish Procurement Notice on CDEMA's Website and/or local newspaper. Limited International Letter of Invitation to selected bidders only)	Procurement Officer/Specialist	30-45 days	
5.	Receive bids (may be electronically or physical copy)	Procurement Officer/Specialist	1 day	
6.	Close Tender on time and have the Opening Room or appropriate zoom link prepared, register for attendees	Procurement Officer/Specialist		Bid Submission Register
7.	Public/virtual Bid Opening. Read out prices, prepare Bid Opening Record to be sent to all Bidders who submitted bids	Procurement Officer/Specialist	2-5 days	Bid Opening Record
8.	Evaluate bids and prepare an evaluation report recommending preferred Bidder	Evaluation Team	14-30 days	Evaluation Report
<b>AWARD</b>				
9.	Approval of HRAM if value of contract is <b>below</b> US\$50,000.00 or from CDEMA's Procurement Committee if the value of the contract is <b>above</b> US\$50,000	Procurement Officer/Specialist	7-14 days	Procurement Committee Approval memo
10.	Inform Unsuccessful Bidders of the decision made in writing	Procurement Officer/Specialist	1 day	Notification of Award
11.	Notify successful Bidder of contract award after 10 day waiting period	Procurement Officer/Specialist	1 days	Notification of Award of Contract
12.	Prepare contract agreement incorporating the terms of the accepted offer	Procurement Officer/Specialist	2-10 days	Contract Document

STEP	ACTIVITY	PARTY RESPONSIBLE	Time-Frame	Standard Document
13.	Submit contract documents for review and approval by HRAM	Procurement Officer/Specialist	2-5 days	
14.	Submit contract documents for Executive Director's signature	Procurement Officer/Specialist	2-5 days	
15.	Signed contract	Supplier/ Contractor	3-7 days	
<b>POST AWARD</b>				
16.	Manage Contract	Department/ Technical Lead		
17.	Certify receipt of goods/works. Goods to be recorded in the fixed Assets Register	Department/ Technical Lead		Delivery Note
18.	Assessment of Supplier's /Contractor's performance	Department/ Technical Lead		
19.	Issue Payment	Finance Dept.		
20.	Publish list of contracts awarded quarterly on CDEMA's website	Procurement Officer/Specialist		Publication of Award of Contract Template
21.	Archive/Maintain File	Department/ Technical Lead		



## Request for National Competitive Bidding – Goods and Works and Non-Consulting Services

*Please refer to Section 3.3- 3.4 of CDEMA's Procurement & Contract Management Policies & Procedures Manual, February 2023 for additional information.*

STEP	ACTIVITY	PARTY RESPONSIBLE	Time-Frame	Standard Document
PRE-AWARD				
1.	Identification of Purchase/Confirmation of funding availability/sign off Requisition/ confirm that request is in accordance with Periodic Procurement Plan	Department/ Technical Lead		Procurement Request Form
2.	Prepare Bidding Document and Procurement Notice (if applicable)	Procurement Personnel	7-14 days	ITB Document Procurement Notice
3.	Secure approval from HRAM to Bidding Document and Procurement Notice	Procurement Personnel	2-5 days	
4.	Request Bids in writing by local newspaper.	Procurement Personnel	14-30 days	
5.	Receive bids (may be electronically or physical copy)	Procurement Officer/Specialist	1 day	
6.	Close Tender on time and have the Opening Room or appropriate zoom link prepared, register for attendees	Procurement Personnel		Bid Submission Register
7.	Public/virtual Bid Opening. Read out prices, prepare Bid Opening Record to be sent to all Bidders who submitted bids	Procurement Personnel	2-5 days	Bid Opening Record
8.	Evaluate bids and prepare an evaluation report recommending preferred Bidder	Evaluation Team	14-30 days	Evaluation Report
AWARD				
9.	Seek approval from HRAM if value of contract is <b>below</b> US\$50,000.00 or from CDEMA's Procurement Committee if the value of the contract is <b>above</b> US\$50,000	Procurement Personnel	7-14 days	Procurement Committee Approval memo
10.	Notify successful Bidder of contract award after 10 day waiting period	Procurement Personnel	1 days	Notification of Award of Contract
11.	Prepare contract agreement incorporating the terms of the accepted offer	Procurement Personnel	2-10 days	Contract Document
12.	Send contract documents for approval by HRAM	Procurement Personnel	2-5 days	
13.	Send contract for Executive Director's signature	Procurement Personnel	2-5 days	

14.	Sign Contract	Executive/ Supplier/ Contractor	3-7 days	
<b>POST AWARD</b>				
15.	Notify Unsuccessful Bidders in writing	Procurement Personnel	3 days	Letter to Un-successful Bidder
16.	Manage Contract	Department/ Technical Lead		
17.	Certify receipt of goods/works. Goods to be recorded in the fixed Assets Register	Department/ Technical Lead		Delivery Note
18.	Assessment of Supplier's /Contractor's	Department/ Technical Lead		
19.	Issue Payment	Finance Dept.		
20.	Archive/Maintain File	Department/ Technical Lead		

**Consulting Services**  
**QCBS, QBS, FBS, LCS and CQS**

*Please refer to Section 4, 5.1-5.13 of CDEMA's Procurement & Contract Management Policies & Procedures Manual, February 2023 for additional information*

STEP	ACTIVITY	PARTY RESPONSIBLE	Time-Frame	Standard Document
<b>PRE-AWARD</b>				
1.	Identification of Procurement/confirmation of availability of funding/confirmation that request is in accordance with Procurement Plan	Department/ Technical Lead		Procurement Request Form
2.	Preparation and approval of Request for Expressions of Interest	HRAD/Technical Lead	7-10 days	REOI Template
3.	Request for Expressions of Interests advertised on CDEMA's Website	HRAD/ICTD	2 days	
4.	Receive bids (electronically or physical copy)	HRAD	(minimum) 14 days	
5.	Close Tender on time and have the Opening Room or appropriate zoom link prepared, register for attendees	Procurement Personnel	1 day	
6.	Public/virtual Bid Opening. Prepare Opening Record to be sent to all Bidders who submitted EOIs		2 days	
7.	Evaluate EOIs received and prepare Evaluation Report recommending shortlist (maximum 6 firms for QCBS, QBS, FBS and 1 firm for CQS)	Evaluation Team	7-30 days	EOI Report
	Prepare Request for Proposal (Invitation Letter, Instructions, TOR, Evaluation Criteria, Draft Contract)	Procurement Personnel		SBD Consulting Services
8.	Submit Evaluation Report on EOIs to HRAM for approval and sign-off	Procurement Personnel	1-5 days	
9.	Issue RFP to shortlisted Consultants	Procurement Personnel	2-5 days	
10.	Open technical Proposals only for QCBS, QBS, FBS, and LCS methods. Open technical and financial proposals at the same time for CQS method	Procurement Personnel	30-45 days	Technical Proposal Opening Record
11.	Evaluate technical proposals for QCBS, QBS, FBS, and LCS methods. <i>For CQS review combined technical and financial proposal to confirm responsiveness and acceptability based on TOR</i>	Evaluation Team	7-30 days	Evaluation Template for Technical Proposal
12.	Submit Evaluation Report (ER) of Technical Proposal (Negotiation Report for CQS) to HRAM for sign-off (omit steps 13-16 for CQS)	Procurement Personnel	1-5 days	
13.	Notify Consultants of scores gained and date for opening of financial proposals	Procurement Personnel	2 days	Letter Technical Score & Date of Financial Opening

14.	Open financial proposals of Consultants who meet the qualifying mark	Procurement Personnel	5-10 days	Financial Opening Record
15.	Submit financial proposal opening record to Consultants immediately after the opening	Procurement Officer/Specialist	1 day	
16.	Evaluate financial proposal and prepare combined Evaluation Report and select successful Consultant. For LCS select Consultant with lowest evaluated price.	Evaluation Team	2-7 days	Combined Evaluation Report
<b>AWARD</b>				
17.	Notify successful Consultant in writing of intention of negotiation	Procurement Officer/Specialist	2 days	
18.	Negotiate with Selected Consultant. <i>If QCBS/FBS/LCS was utilised cost cannot be negotiated</i>	Procurement Personnel/ Technical Lead	5-14 days	Negotiation Report
19.	Secure approval of award of contract from HRAM if value of contract is below US\$50,000 or from CDEMA's Procurement Committee (PC) if the value of the contract is above US\$50,000	Procurement Personnel/ Technical Lead	1-5 days	Procurement Committee Memo
20.	Notify successful Consultant in writing of Contract	Procurement Personnel	1 day	Letter to Successful Bidders
21.	Finalise Contract	Procurement Personnel	2-3 days	Contract Template
22.	Submit Contract for review to HRAM towards Signing	Procurement Personnel	2-10 days	Memo to Executive Director
23.	Sign Contract	Executive Director/Consultant	3-7 days	
24.	Debrief/notify unsuccessful Consultants	Department/ Technical Lead/HRAD	3 days	Letter to Unsuccessful Bidders
<b>POST AWARD</b>				
25.	Manage Contract	Technical Lead		
26.	Approve services for payment	Technical Lead		
27.	Issue Payment according to payment schedule and deliverables	Finance Dept		
28.	Publish list of contracts awarded quarterly on the CDEMA's website	HRAD		Publication of Award of Contract Template
29.	Assessment of Consultant's performance and include on CDEMA's Bidder Database	Technical Lead		Performance Assessment Form
30.	Archive/Maintain File	Department/ Tech Lead		

### Individual Consultants

*Please refer to Section 5.20 – 5.24 of CDEMA's Procurement & Contract Management Policies & Procedures Manual, February 2023 for additional information*

STEP	ACTIVITY	PARTY RESPONSIBLE	Time-Frame	Standard Document
<b>PRE-AWARD</b>				
1.	Identification of Purchase/Confirmation of funding availability/sign off Requisition/confirm that request is in accordance with Periodic Procurement Plan	Department/ Technical Lead		Procurement Request Form
2.	Preparation and approval of Request for Expressions of Interest	Procurement Personnel / Technical Lead	7-14 days	Terms of Reference format
3.	Secure approval from HRAM on TOR and Procurement Notice	Procurement Officer/Specialist	2-5 days	
4.	Request for Expressions of Interests on CDEMA's Website or directly from Consultants	Procurement Officer/Specialist	14 days	REOI template
5.	Receive written EOIs online	Procurement Officer/Specialist		
6.	Evaluate EOIs received and prepare Evaluation Report recommending best Consultant based on qualifications and experience	Evaluation Team/ Procurement Officer/Specialist	5-21 days	Evaluation Template
7.	Submit Evaluation Report on EOIs to HRAM for approval and sign-off	Procurement Officer/Specialist	1-5 days	
8.	Notify selected Consultant in writing of Results of EOI	Procurement Officer/Specialist	2-5 days	
<b>AWARD</b>				
9.	Negotiate with Selected Consultant	Department/Technical Lead	3-7 days	Negotiation Report/Minutes
10.	Secure approval of award of contract by HRAM if value of contract is <b>below</b> US\$50,000 or from CDEMA's Procurement Committee if the value of the contract is <b>above</b> US\$50,000	Department/Technical Lead/Procurement Officer/Specialist	1-5 days	Procurement Committee memo
11.	Debrief/notify unsuccessful Consultants in writing	Procurement Officer/Specialist	3 days	Letters to unsuccessful bidder

12.	Notify successful Consultant in writing of Contract Award	Procurement Officer/Specialist	1 day	Letter of Award
13.	Prepare Contract	Procurement Officer/Specialist	2-3 days	Contract template
14.	Send to HRAM for review	Procurement Officer/Specialist	2-10 days	
15.	Sign Contract	Executive Director/Consultant	3-7 days	
<b>POST AWARD</b>				
16.	Manage Contract	Department/Technical Lead		
17.	Approve services for payment	Department/Technical Lead		
18.	Publish list of contracts awarded quarterly on the CDEMA website	HRAD		Publication of Award of Contract Template
19.	Assessment of Consultant's performance and include on OECS Commission's Bidder Database	Department/Technical Lead		Performance Assessment Form
20.	Issue Payment according to payment schedule and deliverables	Finance Dept.		
21.	Archive/Maintain File	Department/Technical Lead		

## Appendix 2 -Levels of Authority

Actions & Decisions	Responsible Party	Dollar Threshold (US)
1. Procurement Committee functions	Chairman – Human Resources & Administration Manager  Deputy Executive Director  Chief Accountant  Administrative & Procurement Officer Programme Managers/ Project Coordinators (As Required)  Officers from other departments for Technical support e.g. IT unit, Planning & Business Development PBDD as required.	\$50,000 > Goods Non-Consultancy Services Works Consultancy Services
1. Accountability for the overall operations of the agency including discussion involving release of funds exceeding the dollar threshold. 2. Authorized to approve and sign contracts for and on behalf of CDEMA. 3. Accountable for the sale of assets, and scrap disposal management.	Executive Director	
1. Arranging Procurement meetings when items of goods, non-consulting services, works and consulting services are over US \$50,000. 2. Drafting of contracts where CDEMA standard contract form is not applicable. 3. Provision of advice to the Executive Director and Head of Departments/Units/Projects.	Procurement Personnel & Human Resources & Administration Manager	
1. Responsible for the day-to-day sourcing and recommending the acquisition of goods, non-consultancy services, works and consultancy services for the organization.	Procurement Personnel	< \$50,000

<p>2. Incumbent is responsible for (but not limited):</p> <p>a) Maintenances of the approved list of suppliers, consultants, and contractors</p> <p>b) Provision of advice to the Committee and Heads of Departments/Units/Projects</p> <p>c) Maintenance of the Procurement Policy.</p>		
<p>1. Authorization for the release of purchase orders once all documentation has met the necessary requirements.</p>	Human Resources & Administration Manager	
<p>1. Maintenance of fixed asset register</p>	Chief Accountant	



## Appendix 2a **THE PROCUREMENT COMMITTEE**

The Caribbean Disaster Emergency Management Agency (CDEMA) Procurement Committee (PC) is established in fulfilment of the Provisions outlined above.

The objective of CDEMA's Procurement Committee is to ensure that the procurement activities undertaken by the various Departments of the Agency are conducted in compliance with the CDEMA's Procurement & Contract Management Policies & Procedures Manual and Donor Partners procedures where applicable. In that regard, the requirements for the Procurement Committee are detailed below.

### **1. COMPOSITION OF THE PROCUREMENT COMMITTEE**

- a) The Procurement Committee must consist of not less than three (3) persons in keeping with Level of Authority below<sup>8</sup>
- b) Members of the Procurement Committee should have knowledge of CDEMA's procurement procedures before being selected to serve.
- c) Technical personnel must be co-opted as necessary, pursuant to the nature of the procurement being considered.
- d) The Procurement Committee shall review all procurement according to the established thresholds in keeping with Annex 1.

### **2. APPOINTMENT**

CDEMA members will be appointed by the Executive Director (ED) and will be rotated as determined by the ED in consultation with the Human Resource & Administrative Manager (HRAM).

### **3. FUNCTIONS OF THE PROCUREMENT COMMITTEE**

Within the threshold set by the Executive Director, the Procurement Committee is mandated to:

- a. review procurement exceeding US\$50,000.00 for the acceptance or rejection of the recommendation(s) of award of contracts and addenda where applicable. Additionally, the HRAM as well as other Managers retain the right to refer matters below US\$50,000 for the consideration of the Committee.
- b. Ensure accountability and transparency in all matters pertaining to Bids and Contracts.
- c. ensure compliance with relevant policies, guidelines, and procedures.

---

<sup>8</sup> NOTE: A member who is requesting procurement approval shall not vote in that procurement approval process, nor will members of the Procurement Committee (who sit on the Evaluation Committee) have a vote at the Procurement Committee meeting considering that issue.

- d. make recommendations to the Executive Director regarding policies and procedures on procurement documents and instructions for use by CDEMA
- e. maintain proper records of Committee meetings, including records of the recommended contract awards;
- f. convene meetings pursuant to the needs of CDEMA or as determined by the Chairman. Proper minutes must be recorded and maintained for each meeting. The required quorum should be pre-determined by the Chairman and no meeting shall be properly convened in the absence of this quorum. In a situation of urgency, or where a meeting cannot be convened a 'round-robin' may be carried out
- g. All submissions MUST be sent to the HRAM, attention Procurement Officer no less than five (5) working days prior to the meeting to allow for processing and circulation to members.
- h. Approve Direct Contracting and Single-Source Sole Selection of Purchases over the Dollar Thresholds stated in Annex 1. These will be exceptional cases made based on strong and convincing justification where it offers clear advantage over seeking competition in keeping with Section 3.6 of CDEMA's Procurement & Contract Management Policies & Procedures Manual
- i. shall have such other functions as the ED may prescribe from time to time.
- j. A member of the PC who is a member of a company or other body or is a partner or is married to a person who has submitted a Bid for any Purchase which is the subject of consideration by the PC, shall disclose the fact and shall not take part in the consideration or discussion of, or vote on any question relating to such Bid.
- k. A member of the PC who is requesting procurement approval shall not vote in that procurement approval process, nor will members of the PC (who sit on the evaluation committee, negotiation or involved in the procurement process) have a vote at the PC meeting considering that issue.

#### **4. TENURE OF THE MEMBER OF THE PROCUREMENT COMMITTEE**

Members of the PC (except the Chairperson and the Secretary) shall hold office for a period of three (3) years. A member of the PC may vacate his/her office:

- i. Automatically after he/she has held it for three (3) years.

- ii. By written notice of resignation to the Chairperson.
- iii. If he/she departs the country for a period of thirty (30) days without permission of the Chairperson.
- iv. If he/she fails without reasonable excuse to attend three consecutive meetings of the PC.
- v. If he/she does not adhere to the highest ethical standards in the performance of his/her duties or is alleged to be involved in acts of fraud and corruption.

Where, by reason of death, illness, absence, resignation or otherwise a vacancy occurs, the ED shall appoint some other person as a replacement for the expired term; but so long as a quorum is present at any duly constituted meeting, the PC shall be deemed duly constituted notwithstanding any vacancy in the membership of the Committee.

The Chairperson, after consultation with the ED may:

- a. grant leave of absence to any member of the PC.
- b. appoint a person in place of any member of the CDEMA who is temporarily absent from the country or who is unable to perform his/her duties due to illness or any other cause.

Tender report should include the following (at a minimum):

Headings/Sections	
<b>Table of Contents</b>	<input type="checkbox"/>
<b>Introduction</b> <ul style="list-style-type: none"> <li>▪ Stating the Department/Project undertaking procurement and general statement of objective/purpose.</li> </ul>	<input type="checkbox"/>
<b>Background</b> <ul style="list-style-type: none"> <li>▪ Brief Description of project/task</li> </ul>	<input type="checkbox"/>
<b>Details of Scope of work/Specification/BQ or T.O.R</b>	<input type="checkbox"/>
<b>Details of the Tender Process</b> <ul style="list-style-type: none"> <li>▪ Method of procurement used</li> <li>▪ Eligibility requirements</li> <li>▪ Return and opening dates</li> <li>▪ Budget for the activity</li> </ul>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
<b>Synopsis of the Evaluation process, to include:</b> <ul style="list-style-type: none"> <li>▪ Name, position and Organization of the members of the Evaluation Committee that undertook the assessment of tenders;</li> <li>▪ Criteria for Evaluation</li> <li>▪ Summary table of scores from evaluators</li> <li>▪</li> </ul>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
<b>Recommendation</b> <ul style="list-style-type: none"> <li>ii) Name of consultant(s)/Supplier and (where) applicable contract sum being recommend for award</li> </ul>	<input type="checkbox"/>
<b>Appendices</b> <ul style="list-style-type: none"> <li>○ Copy of RFQ, REOI, Tender Document or Letters inviting Bidders;</li> <li>○ Copy of Addenda/Clarifications/minutes of meeting issued;</li> <li>○ Duly signed and dated Individual evaluation sheets for each bidder;</li> <li>○ Copy of bids received;</li> <li>○ Technical and Financial Opening docs where applicable</li> </ul>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

All quotations (*if being locally procured should be made in Barbadian dollars*). Where bids are received in other currencies, the Central Bank of Barbados rate of exchange at the time of the Bid Opening should be the rate for conversion.

*Note: The Procurement Committee reserves the right to amend and update this document as dictated by international best Practices.*

## Appendix 3 Procurement Plan



Project: XXX

Project Number 84453 (CDEMA Financed)

Period comprised in this Procurement Plan: From February 2018 - May 2023

Ref. No. <sup>1</sup>	Description of and category of procurement contract	Estimated cost in (US\$)	Procurement method <sup>2</sup>	Review (ex-ante or ex-post)	Source of financing and percentage	Donor %-Not applicable	Prequalification <sup>3</sup> (Yes/No)	Estimated Dates		Status <sup>4</sup> (pending, in process, awarded, cancelled)	Comments
								Publication of specific procurement notice	Completion of contract		
	Component 1				CDEMA %	NA					
1.1.	Item 1.1	\$55,000	QCNI	Ex-ante	100%	NA	No	Q4 2018	Q2 2019		
1.2.	Item 1.2	\$15,000	NCB	Ex-ante	100%	NA	No	Q2 2018	Q4 2018		
1.3.		\$25,000	QCNI	Ex-ante	100%	NA	No	Q4 2018	Q2 2019		
1.4.		\$35,000	Shopping	Ex-ante	100%	NA	No	Q1 2018	Q1 2019		
		<b>\$130,000</b>									
	Component 2										
2.1.	Item 1.1	\$24,000	QCNI	Ex-ante	100%	NA	No	Q4 2018	Q4 2019		
2.2	Item 1.2	\$10,000	Shopping	Ex Post	100%	NA	No	Q2 2018	Q4 2018		
2.3	Item 1.3	\$15,000	DC	Ex-ante	100%	NA	No	Q2 2018	Q4 2018		
2.4	Item 1.4	\$25,000	NCB	Ex Ante	100%	NA	No	Q2 2018	Q4 2018		
2.5	Item 1.5	\$175,000	ICB	Ex Ante	100%	NA	No	Q2 2018	Q4 2018		
2.6	Item 1.6	\$22,000	QCII	Ex-ante	100%	NA	No	Q4 2018	Q1 2019		
2.7	Item 1.7	\$20,000	QCII	Ex-ante	100%	NA	No	Q1 2018	Q1 2019		
2.8	Item 1.8	\$60,000	NCB	Ex-ante	100%	NA	No	Q1 2018	Q3 2018		
		<b>\$351,000</b>									
	Component 3										
3.1.	Item 1.1	\$140,000	CQS	Ex-ante	100%	NA	No	Q1 2018	Q2 2019		
3.2	Item 1.2	\$45,000	QCII	Ex-ante	100%	NA	No	Q1 2018	Q2 2019		
3.3	Item 1.3	\$15,000	QCII	Ex-ante	100%	NA	No	Q1 2018	Q2 2019		
3.4	Item 1.4	\$15,000	QCII	Ex-ante	100%	NA	No	Q1 2018	Q2 2019		
		<b>\$215,000</b>									
	Total	<b>\$696,000</b>									

<sup>1.</sup> **Goods and Works:** ICB: International competitive bidding; LIB: limited international bidding; NCB: national competitive bidding; PC: price comparison; DC: direct contracting; FA/FC : Framework Agreement / Framework Contract; FA: Force account; PSA: Procurement through specialized agencies; PAs: Procurement agents; IA: Inspection agents; PCP: Community participation procurement; **Consulting Firms:** QCBS: Quality- and cost-based selection; QBS: Quality-based selection; FBS: Selection under a fixed budget; LCS: Least-cost selection; CQS: Selection based on the consultants' qualifications; SSS: Single-source selection; **Individual Consultants**

## Appendix 4 Procurement Plan Donor Funded



Project: XXX

Project Number 4678 (Donor Financing)

Period comprised in this Procurement Plan: From February 2018 - May 2020

Ref. No. <sup>1</sup>	Description of and category of procurement contract	Estimated cost in (US\$)	Procurement method <sup>2</sup>	Review (ex-ante or ex-post)	Source of financing and percentage	Donor	Prequalification <sup>3</sup> (Yes/No)	Estimated Dates		Status <sup>4</sup> (pending, in process, awarded, cancelled)	Comments
								Publication of specific procurement notice	Completion of contract		
	Component 1				CDEMA %	Donor%					
1.1.	Item 1.1	\$55,000	QCNI	Ex-ante	0%	100%	No	Q2 2018	Q3 2018		
1.2.	Item 1.2	\$15,000	Shopping	Ex-ante	0%	100%	No	Q2 2018	Q3 2018		
1.3.		\$25,000	QCNI	Ex-ante	0%	100%	No	Q4 2018	Q4 2018		
1.4.		\$35,000	QCII	Ex-ante	0%	100%	No	Q1 2018	Q1 2019		
		\$130,000									
	Component 2										
2.1.	Item 1.1	\$24,000	QCNI	Ex-ante	0%	100%	No	Q4 2018	Q4 2019		
2.2	Item 1.2	\$10,000	Shopping	Ex Post	0%	100%	No	Q2 2018	Q3 2018		
2.3	Item 1.3	\$15,000	DC	Ex-ante	0%	100%	No	Q3 2018	Q4 2018		
2.4	Item 1.4	\$25,000	LCS	Ex-ante	0%	100%	No	Q4 2018	Q2 2019		
2.5	Item 1.5	\$175,000	ICB	Ex-ante	0%	100%	No	Q3 2018	Q3 2019		
2.6	Item 1.6	\$22,000	QCII	Ex-ante	0%	100%	No	Q4 2018	Q1 2019		
2.7	Item 1.7	\$20,000	QCII	Ex-ante	0%	100%	No	Q1 2018	Q1 2019		
2.8	Item 1.8	\$60,000	NCB	Ex-ante	0%	100%	No	Q1 2018	Q3 2018		
		\$351,000									
	Component 3										
3.1.	Item 1.1	\$140,000	CQS	Ex-ante	0%	100%	No	Q1 2018	Q2 2019		
3.2	Item 1.2	\$45,000	QCII	Ex-ante	0%	100%	No	Q1 2018	Q2 2019		
3.3	Item 1.3	\$15,000	QCII	Ex-ante	0%	100%	No	Q1 2018	Q2 2019		
3.4	Item 1.4	\$15,000	QCII	Ex-ante	0%	100%	No	Q1 2018	Q2 2019		
		\$215,000									
	Total	\$696,000									

<sup>1</sup>. **Goods and Works:** **ICB:** International competitive bidding; **LIB:** limited international bidding; **NCB:** national competitive bidding; **PC:** price comparison; **DC:** direct contracting; **FA/FC:** Framework Agreement / Framework Contract; **FA:** Force account; **PSA:** Procurement through specialized agencies; **PAs:** Procurement agents; **IA:** Inspection agents; **PCP:** Community participation procurement; **Consulting Firms:** **QCBS:** Quality- and cost-based selection; **QBS:** Quality-based selection; **FBS:** Selection under a fixed budget; **LCS:** Least-cost selection; **CQS:** Selection based on the consultants' qualifications; **SSS:** Single-source selection; **Individual Consultants.**

