Multi-Donor
Agricultural Fast Track Fund

Guidelines and Toolkit
Recruitment of Consulting Firms and Individual Consultants as Service Providers by Grant Recipients

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Section 1: Introduction

1. The Guidelines and Toolkit Document for Recruitment of Consulting Firms and Individual Consultants as Service Providers by Grant Recipients, has been prepared by the AFT to assist its Clients, in both the private and public sectors, in completing their Applications and in carrying out advance procurement activities to expedite project execution.

2. It is formulated under the new “Procurement Policy for Bank Group Funded Operations” which, was approved by the Bank’s Boards of Executive Directors on 14 October 2015.

3. The first part of the document is essentially a guidance note to AFT Grant Applicants and Grant Recipients, containing best practice methods and procedures for:
   • Preparation of the Terms of Reference (TOR) for consulting assignments;
   • Selection of consultants and service providers by private sector entities; Recruitment of Individual consultants by Grant Recipients
   • Recruitment of Individual consultants by Grant Recipients
   • Direct recruitment / consulting or single source selection (SSS) of service providers or consulting firms, or Individual consultants
   • Competitive selection through shortlisting by public sector entities.

4. On the other hand, the second part is a Procurement Toolkit containing appropriate formats for this work, namely:
   • Procurement Toolkit Appendix 1 – Format for Terms of Reference for Firms and individual Consultants
   • Procurement Toolkit Appendix 2 - Model Requests for Expressions of Interest (REOIs) for Firms and Individual consultants;
   • Procurement Toolkit Appendix 3 - Model Requests for Proposals (RFP) for Firms;
   • Procurement Toolkit Appendix 4 – Model Contract for Consulting Services of Value less than US$ 75,000 for Firms.
   • Procurement Toolkit Appendix 5 – Model Requests for Expression of Interest (REOIs) for Individual Consultants

5. Users of this document must be aware that it is a dynamic document, that will need to be continuously reviewed and updated to take into account the constantly evolving lending operations and practices, of the African Development Bank.
Section 2: Recruitment of Consulting Firms and Individual Consultants by Private and Public Sector Grant Recipients

6. **General:** These initial sections of the guidelines focus attention on the preliminary procurement activities that an Applicant to the Agriculture Trust Fund (AFT) must go through while preparing to submit its project proposal, whether it is a Private or Public Sector Entity. The overall procurement procedures and processes are captured in the Flowchart in Annex A.

7. Individual Consultants are usually employed by Grant Recipients on assignments for which:
   - A team of experts is not required:
   - No additional outside (home office) professional support is required; and
   - The experience and qualifications of the individual are the paramount requirement.

8. When coordination, administration, or collective responsibility may become difficult because of complexity in the assignment and the number of individuals, it would be advisable to employ a Consulting Firm.

9. In all cases, individual consultants must be considered only if they meet minimum relevant requirements which are determined by the Grant Recipient on the basis of the nature and complexity of the assignment. Individual consultants must be assessed on the basis of academic background and relevant specific experience, and, as appropriate, knowledge of local conditions such as national language, culture, administrative systems, and government organization.

10. Individuals consultants selected to be employed by the Grant Recipient should be the best qualified and also the most experienced in the area of the assignment. They must also be fully capable of carrying out the assignment (Box 1).

11. The Terms of Reference (TOR) for individual consultant’s assignment need to be prepared by the Grant Recipient and must be included in the Application Questionnaire. All proposed recruitment of individual consultants should be clearly listed and detailed in the Applicants Procurement Plan (PP).

12. **Assignment Terms of Reference and Cost Estimate:** The Grant Recipient is responsible for preparing the Terms of Reference (TOR) for any assignment to be financed under the Agriculture Fast Track Fund. Putting together the TOR for the assignment, is one of the initial procurement activities to be executed when a potential Applicant decides that he/she has a viable project that merits external financing. The TOR must be prepared by a person or persons with adequate knowledge of the assignment.

13. From the time the idea of the main downstream project to be implemented, is thought of, the initial feasibility and other studies required to establish its technical, economic, financial and environmental viability must be seriously considered, because without these the project will not be entertained by any financier. The TOR for these initial
studies must define clearly the objectives, goals, and scope of the assignment and must mention any existing background information from which the study may begin. The TOR must also list any services and surveys necessary to be carried out and the expected outputs such as data, maps, and reports. In order to provide a level playing field to both parties, the Grant Recipient's and the service provider or consultant’s respective responsibilities need to also be clearly defined in the TOR.

14. On the other hand, the TOR must not be too detailed and must not be inflexible. This is to enable competing consultants or service providers to propose their own methods and procedures as well as staffing. Firms must be able to comment on the TOR in their proposals.

15. The broad content of a TOR for a typical feasibility study are outlined in Box 2. Procurement Toolkit Appendix 1 also provides a more details outline of the TOR. Sample TORs for specific type of studies financed by the AFT are also available on the AFT website.

16. TORs are normally prepared by the Grant Recipient and are included in the Application Questionnaire.

17. It is important for the Grant Recipient to prepare a well-thought-through cost estimate based on which realistic budgetary resources may be earmarked for the assignment. The cost estimate is based on the Grant Recipient’s assessment of the resources that would be needed to carry out the assignment, in terms of experts’ time, logistical support, and physical inputs, and resources as described in the TOR for the assignment. Thus the cost estimate is based on the TOR and it provides the basis on which the size of the Grant is decided.

Box 2: Elements of Assignment TORs
The AFT expects the Terms of Reference (TORs) of assignments such as feasibility studies to cover the following:
- Background or origin of the Assignment
- Goals and objectives
- Scope of services
- Duties and responsibilities of both parties;
- Reporting requirements - Outputs or deliverables usually report and timeframe;
- Client inputs and counterpart personnel and
- Conditions for completion and contract closure.
Section 3: Selection of Consultants or Service Providers by Private Sector Grant Recipients

18. This section focuses on the selection of consulting firms or individuals consultants as service providers by Grant Recipients in the private sector.

19. The Bank fully recognizes in its Procurement Policy that for the private sector, selection of service providers or consultants is based on commercial practices. In that regard, the private sector most usually selects consultants or service providers following direct recruitment or single source selection (SSS). This is acceptable provided that the AFT’s due diligence comes out to the AFT’s satisfaction.

20. Where, in this case, the mode of procurement is not through open competition, the AFT undertakes due diligence by examining and assessing the justification of the prices received by the Grant Recipient to ensure that they reflect; (i) quality in the item or service to be procured; (ii) fair market prices; and (iii) that the contractual terms proposed by the Grant Recipient for the consultant or service provider are fair and balanced (Box 3). Even where, (i) the proposed prices are above market rates; or (ii) the contractual conditions are not equitable; due consideration will further be given to the specific quality requirements of the project, and the AFT may request the Grant Recipient to adopt a different mode of procurement offering more competitive and equitable conditions, only where it is still not fully satisfied after its review.

21. Where the Applicant is a private sector entity, the AFT undertakes its due diligence from the appraisal of the Application through the advance consulting period, and is expected to be concluded before the Grant is approved by the TRC, OC or the Bank’s Board of Executive Director. This means that the service provider is expected to be ready to commence the assignment at the time the Grant agreement is signed.

Box 3: Private Sector Due Diligence by the AFT
The due diligence executed by the AFT CU in private sector operations usually includes:
- Verification, to its satisfaction, that consulting services as well as any goods and works procured;
  - Are of high quality;
  - Are appropriate to the project;
  - Are procured at fair market prices; and
  - That contact conditions adequately protect the project.

The specific focus of the due diligence review is:
- Review of the Project Costs, Prices and Assumptions;
- Recipient’s Procurement Organisation;
- Recipient’s Procurement Planning;
- Recipient’s Procurement Practices;
- Contract Conditions;
- Monitoring of Progress in Project Execution; and
- Performance and Completion.
Section 4: Direct Recruitment / Contracting or Single Source Selection by Private and Public Sector Grant Recipients

22. **Introduction:** Given that most private sector Grant Recipients follow direct recruitment / consulting or single source selection (SSS) in their commercial practices, this section outlines the best practice requirements for SSS, for both the private and public sectors.

23. **Definition:** Direct Recruitment or Single Source Selection of consulting services is the selection of a firm by a Grant Recipient without competition from other firms or other individual consultants, whether in the private or public sector. From the point of view of best procurement practice, SSS does not provide the benefits of competition in comparison with quality and cost. It lacks transparency in selection and could encourage unacceptable practices. On the other hand, Grant Applicants in the private sector and sometimes in the public sector also, see justification for its use. Accordingly, SSS is only use, in AFT operations only in exceptional circumstances, when there is demonstrable justification for it.

24. **Justification for Direct Recruitment:** The following comprise acceptable justification within the context of best procurement practice, for SSS, and these must be viewed by the Grant Recipient in the context of achievement of Value for Money (VfM) under the project and the overall project interests:

- For tasks that represent a natural continuation of previous work carried out by the consulting firm. For example, where a service provider has completed a feasibility study and because of its demonstrated viability, there is need for executing detailed studies leading into project implementation including detailed costing and preparation of bills of quantities. In such cases it is best procurement practice to incorporate the continuation into the initial assignment (Box 4);
- In emergency cases, such as in response to disasters and for consulting services required during the period of time immediately following the emergency; or
- For AFT-funded assignments of value less than US$ 75,000 (UA 50,000), where the administrative cost of conducting competition outweighs the possible savings.

**Box 4: The Case of Direct Consulting for Continuity of Assignments**

When continuity for downstream work is essential, the initial RFP should outline this prospect, and, if practical, the factors used for the selection of the consulting firm should take the likelihood of continuation into account. Continuity in the technical approach, experience acquired, and continued professional liability of the same consultant may make continuation with the initial consultant preferable to a new competition subject to satisfactory performance in the initial assignment. For such downstream assignments, the Grant Recipient should ask the initially selected consultant to prepare technical and financial proposals on the basis of the TOR furnished by the Recipient, which shall then be negotiated.

25. Individual consultants may be selected following SSS, provided the Grant Recipient is able to provide a sufficiently detailed justification, in its Application, which must be approved by the AFT. Such justification relates to the tasks to be performed. Acceptable justification under best practice procurement include:
• For tasks that are a continuation of previous work that the individual consultant has carried out and for which the consultant was selected competitively and had performed more than satisfactorily;
• Assignments with a total expected duration of less than 6 (six) months;
• Assignments to be executed under urgent situations;
• Assignments of value less than US$ 50,000, where the administrative cost of conducting competition outweighs the possible savings; and
• When it can be proven that that individual is the only consultant qualified for the assignment.

26. **The Direct Recruitment Process:** The TOR is normally approved by the AFT as part of the Grant approval process. When using SSS, The Grant Recipient must provide as part of its advance procurement actions the following:
   • A sufficiently detailed justification including the rationale for SSS instead of a competitive selection process. Such justification acceptable under best practice principles are listed in paragraph 3 above; and
   • The basis for recommending a particular firm, except for contracts below US $ 50,000 and set forth in the Procurement Plan.

27. It is essential that, in addition to the justification the rationale and the basis for recommending a particular individual consultant should also be provided. In this regard, it must be proven that the individual consultant’s qualifications and experience show clearly that he/she has the capacity and capability to carry out the assignment. This can be demonstrated by evaluating the individual consultants CV and awarding marks for the elements of qualifications, relevant experience and capability to execute the assignment. It is best practice for the Grant Recipient to set a minimum pass mark, say 70 to 85 points, depending on the complexity of the assignment.

28. No justification is needed for single-source recruitment of individual consultants for assignments of estimated value less that US$ 50,000.

29. The Grant Recipient is not required to issue an RFP, but none the less, he/she may use the RFP as its basis to request the selected service provider or consulting firm to prepare and submit together, technical and financial proposals which will form the basis for negotiations and also be incorporated into the contract when agreement is reached.

30. The Grant Recipient proceeds to recruit the service provider, consulting firm, or individual consultant using its own PMPs, but subject to the above best practice principles and must only submit the draft contract for AFT review prior to its signature by both parties.
Section 5: Competitive Selection through Shortlisting by Public Sector Grant Recipients under the AFT

Definitions and Process Steps

31. **Introduction:** This section deals with best practice methods and procedures for competitive selection of service providers, consulting firms, or individual consultants mostly by public sector Grant Recipients.

32. **Definition:** The acquisition of consulting services under the Bank’s Procurement Policy requires selection of the service provider to be conducted through competition among qualified short-listed firms in which the selection is based on the quality of the proposal and, where appropriate, on the cost of the services to be provided.”

Individual consultants may be recruited by Grant Recipients through a competitive process following a shortlisting procedure. The selection is normally carried out through evaluation and comparison of the relevant overall capacity of qualified candidates, shortlisted from among those who have expressed interest in the assignment as well as those that have been approached directly by the Grant Recipient, sometimes using the AFT’s prequalified list.

33. **Steps in the Competitive Selection Process:** A well-managed competitive selection process generally followed under public sector recruitment, entails the following steps:

   • Preparation of the Assignment TOR, Cost Estimates and the Budget, which is normally completed and included in the Application (paragraphs 1-7);
   • Publication, advertisement and promotion of opportunities – to be executed by the Grant Recipient during the period of advance contracting;
   • Shortlisting of consultants or service providers - to be executed by the Grant Recipient during the period of advance contracting;
   • Preparation and issuance of RFPs only for QCBS, QBS, FBS and LQS - to be executed by the Grant Recipient during the period of advance contracting;
   • Preparation of technical and financial proposals by Consultants only for QCBS, QBS, FBS and LQS to be executed during the period of advance contracting;
   • Receipt and opening of proposals - to be executed during the period of advance contracting;
   • Evaluation of Technical Proposals: consideration of quality - to be executed by the Grant Recipient during the period of advance contracting;
   • Public opening of Financial Proposals, Evaluation of Financial Proposals and determination of best evaluated proposal - to be executed during the period of advance contracting; and

34. Negotiation and award of contract – to be executed after the Grant Letter of Agreement is signed.

35. The competitive selection process for individual consultants also begins with preparation of the TOR, cost estimates and the budget, for the assignment which is normally completed and included in the Application submitted to the AFT. This is normally followed by publication, advertisement and promotion of opportunities through issue of the Request for Expressions of interest (REOI) or Specific Procurement Notice (SPN), normally executed by the Grant Recipient during the period of advance consulting. Thereafter, a well-managed competitive selection process involving shortlisting, which is generally followed under public sector recruitment of individual consultants, may follow one of two different paths, each comprising the following steps:
• **Shortlist and Evaluation using Individual Consultants Curriculum Vitae (CVs):** - Executed by the Grant Recipient during the period of advance consulting follows the steps hereunder:
  - Issue of REOIs containing a summary of the TOR, requesting individual consultants to update and submit their CVs
  - Evaluation, comparison of the CVs and selection of the best ranked individual consultant.

• **Shortlist and Evaluation following Issue of RFPs:** - Executed by the Grant Recipient during the period of advance consulting follows the steps hereunder:
  - Preparation and issuance of RFPs, only when required under complex assignments - to be executed by the Grant Recipient during the period of advance contracting;
  - Preparation of technical and financial proposals by shortlisted individual consultants as required- to be executed during the period of advance contracting;
  - Receipt and opening of proposals, when required - to be executed during the period of advance contracting;
  - Evaluation of Proposals and determination of best evaluated proposal - to be executed during the period of advance contracting; and

• **Negotiation and award of contract** – to be executed after the Grant Letter of Agreement is signed.

36. The sections following hereunder provide guidance on the best practices to be followed under each of these steps.

**Publication of Advertisements:**

37. The publication of advertisement and promotion of AFT financed consulting services opportunities must be widely published through the issuance of Request for Expressions of Interest (REOI), which may also be referred to as Specific Procurement Notices (SPNs), generally in the national and international press in order to ensure achievement of value of money (VfM) in the assignments that AFT finances. This is considered particularly important in situations where the Grant Recipient does not have adequate knowledge of experienced and qualified service providers, or of their availability, or the services are complex, or when potential benefits are expected from wider advertising.

38. None the less, advertisement involving the issue of Request for Expressions of Interest (REOI) is not required especially for assignments of value less than US$ 50,000, and in the case of SSS of individual consultants.

39. All REOIs, when issued, should clearly specify that the selection criteria will be based only on qualifications, experience and capability to carry out the assignment as indicated in Box 5.

40. A model REOI for individual consultants is given in Annex 2.

41. The Grant Recipients must allow at least seven (7) days from the date of posting the advertisement, before commencing to prepare the short list.

42. All AFT financed assignments to be procured on a competitive basis must be advertised in at least one newspaper of national circulation in the Grant Recipients’ country, in an official gazette and on an electronic portal. of value less than US 300,000 (UA 200,000). In addition, assignments valued greater than US$ 300,000 (UA...
200,000) may be advertised in an international newspaper or a technical or financial magazine, and in the Bank’s external website1, simultaneously.

43. The information requested in the advertisement or SPN must be the minimum required to make a judgment on the firm’s suitability and not be so complex as to discourage interested service providers or consultants from expressing interest. The Grant Recipient must agree on the text of the advertisement with the AFT.

44. REOIs must at a minimum include all essential information applicable to the assignment such as; (i) the required qualifications and experience of the consulting firms; (ii) short-listing criteria; and (iii) conflict of interest requirements.

45. The Grant Recipients must allow at least 7 (seven)2 days from the date of posting the advert, before commencing to prepare the short list.

**Shortlisting of Consultants or Service Providers**

46. The Grant Recipient is responsible for preparing the shortlist of consultants or service providers to be requested to submit proposals and thereby compete for the assignment. The shortlist is prepared based on the responses to the REOIs or SPNs previously published. There should be no restriction on the participation of consultants except for eligibility2 conditions.

47. Short lists shall comprise a minimum of three (3) firms and a maximum of six (6) firms with a wide geographic spread, with (i) no more than two firms from the same Member Country unless there are no other qualified firms identified to meet this requirement3; and (ii) there is at least one firm from the Recipient’s country in addition to another firm from an RMC, unless no qualified firms from such countries could be identified.

48. The short list may comprise entirely national consultants (firms registered or incorporated in the country), if the value of the assignment is less that UA 200,000 (US$ 300,000).

49. The Grant Recipient may also draw from the list of consultants or service providers already prequalified by the AFT for that purpose, which contains consultants or service providers with specific experience in executing AFT type assignments.

50. In all cases of competition the Grant Recipient must compile a shortlist made up of three (3) individual consultants.

51. Best practice dictates two selection methods open to the Grant Recipient, depending on the value and complexity of the assignment, namely shortlisting and evaluation of individual consultants CVs only: and Shortlisting and evaluation of technical proposals submitted by

<table>
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<tr>
<th>Box 6: Criteria for Evaluating of Individual Consultant’s Technical Proposals:</th>
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<tr>
<td>• General qualifications and adequacy for the assignment to be performed</td>
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<tr>
<td>• Relevant experience in the area of the assignment described in the TOR</td>
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<tr>
<td>• Language proficiency</td>
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<td>• Knowledge of the region (country)</td>
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1 To advertise on the Bank’s website the Grant Recipient must, at the same time that it is preparing to advertise internationally, simply send the advertisement, REOI or SPN to AFT, which will then forward it to the Procurement and Fiduciary Services Department for publication.

2 To be eligible consulting firms must be registered and have the nationality of member country of the African Development Bank.

3 For the purpose of establishing a short list, the nationality of a firm is that of the country in which it is registered or incorporated, and, in the case of Joint Ventures, the nationality of its lead partner.
individual consultants in response to an RFP issued by the Grant Recipient. The Grant Recipients actions in processing individual consultants responses to each of these alternatives is dealt with hereunder.

52. Shortlisting and Evaluation of Individual Consultants CVs: For relatively simple assignments of value less than US$ 100,000, the Grant Recipient may choose to compare the CVs only of individual consultants without issuing RFPs (Box 6). This process is relatively much shorter to execute. In this case the Grant Recipient does the following:

- Prepares and issues REOIs containing a summary of the TOR, requesting interested individual consultants to submit their CVs together with their financial proposals for the assignment;
- Evaluates and compares the CVs using the following criteria (Box 6);
  - academic background;
  - relevant specific experience;
  - appropriate, knowledge of local conditions such as national language, culture, administrative systems, and government organization;
  - capability to execute the assignment

53. The Grant Recipient, from the above evaluation, is expected to compile a shortlist of three individual consultant service providers and after ranking them, must select the highest ranking one with the best technical scores and to negotiate the contract for execution of the assignment.

54. Shortlisting and Evaluation of Proposals submitted by Individual Consultants in Response to an RFP: For relatively complex assignments to be executed by individual consultants, of value greater than US$ 100,000, the Grant Recipient follows a process in which, it prepares, issues and evaluates RFPs. In this case, the Grant Recipient proceeds as follows:

- Prepares and issues REOIs containing a summary of the TOR, initially contained in the Application, requesting interested individual consultants to submit their CVs for consideration of shortlisting;
- Receives CVs, reviews them and prepares a shortlist of three individual consultants capable of executing the assignment, using general and specific qualifications and experience (Box 6);
- Prepares and RFP comprising instructions to the consultants, the full TOR and a model contract, and issues it to the shortlisted individual consultants (Annex 3);
- Receives, evaluates and compares the technical proposals using the following criteria (Box 7):
  - General qualifications, academic background and suitability for the assignment to be performed;
  - Experience in the specific assignment described in the TOR;
  - Language proficiency; and
  - Appropriate, knowledge of local conditions such as national language, culture, administrative systems, and government organization.

Box 7: Criteria for Preparing the Short list of Individual Consultant

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<tr>
<th>Criteria</th>
<th>Weight</th>
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<tr>
<td>General qualifications</td>
<td>20%</td>
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<tr>
<td>Specific qualification relevant to the assign</td>
<td>20%</td>
</tr>
<tr>
<td>Years of general experience</td>
<td>20%</td>
</tr>
<tr>
<td>Years of experience relevant to the assign</td>
<td>40%</td>
</tr>
</tbody>
</table>
55. A model RFP containing instructions to consultants, a place holder for TORs and a model contract for Individual Consultants, is given in Annex 5.

56. The Grant Recipient, after ranking the three individual consultants, shall negotiate the contract for execution of the assignment with the highest ranking individual consultant with the highest technical scores.

57. Agreements shall be reached during the negotiations on; (i) the TOR; (ii) the fees and other expenses shall be reasonable; and (iii) the terms and conditions of the contract shall be acceptable to both sides.

58. If the negotiations with the highest ranked individual consultant fail, the Grant Recipient will terminate the negotiations and invite the next ranked consultant for negotiations. This will continue until agreement is reached with one of the technically successful candidates.

Selection Methods

59. **Introduction:** There are five methods for selecting Consulting Firms as Service Providers in line with best procurement practice, apart from direct consulting or SSS. For AFT operations these are grouped into two as follows:

- **Group A Selection Methods:** For relatively simple assignments, normally of value less than US$ 300,000 (UA 200,000) following (i) Consultants’ Qualifications Selection (CQS); (ii) Least-Cost Selection (LCS); and (iii) Fixed-Budget Selection (FBS); and

- **Group B Selection Methods:** For relatively complex assignments as well as those with heavy downstream impact, normally of value greater than US $300,000 (UA 200,000), following; Quality-and Cost-Based Selection (QCBS), and Quality-Based Selection (QBS).

60. Group A selection methods are relatively simple methods, they are recommended for use by AFT Grant Recipients, and are defined and described in the sections following from here. Group B selection methods, on the other hand, are relatively complex, both in nature and in application and they are for complex and generally high value assignments. Since these will not be frequently used by AFT Grant Recipients, they are considered in Annex A.

61. **Group A Selection Methods:** For AFT Operations given the need to fast-track the acquisition process, CQS is recommended for assignments of value less than US$ 300,000 (UA 200,000). The modalities for use of Group A selection methods are described in the following sections and they must also be provided in the Procurement Plan.

62. **CQS:** CQS is usually used when:

- Specialized expertise is required;
- Recruitment time is critical (such as in the case of AFT operations);
- Few consultants would be qualified for the assignment;
- Because of special circumstances, the competitive preparation and evaluation of proposals is not justified; or
- Assignment is relatively simple and of value less than US$ 300,000 (UA 200,000).
63. Using CQS can save time, because the competition is based on more detailed consultants’ or service provider’s qualifications submitted as a result of the REOI and not from the issue of requests for proposals (RFP). Normally, only one RFP that of the winner, is requested and evaluated, which further saves time and expertise of the Grant Recipient, who may be relatively inexperienced in such matters.

64. Use of CQS is recommended for AFT operations of value less than US$ 300,000 (UA 200,000).

65. **Box 8: When to Use CQS**

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<th>CQS may be used for:</th>
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<td>• Brief evaluation studies;</td>
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<td>• High-level and short-term legal assignments;</td>
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<td>• Participation in expert panels to review projects;</td>
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<td>• Advisory assignments that are highly specialized and narrow in scope;</td>
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<td>• Assignments that require the best available qualifications;</td>
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<td>• Assignments for NGOs;</td>
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<td>• Simple safeguard studies such as the preparation of an environmental impact assessment or resettlement plan for a subproject; and</td>
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<td>• Emergency relief assistance.</td>
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66. **CQs Process:** Firms are usually considered from three main sources; (i) from the amplified expressions of interest (EOIs) submitted in response to a detailed advertisement (REOI/SPN); (ii) from the pre-qualified list of consultants already prepared by the AFT for that purpose; and (iii) from firms already known to the Grant Recipient.

67. Typically three top-ranked firms are identified, through evaluation and comparison of their qualifications. An RFP is prepared by the grant Recipient and sent to the first-ranked firm requesting it to submit a combined technical and financial proposal as a basis for negotiations. The technical proposal is usually based on biodata (CVs), and these are evaluated. If considered of sufficiently high quality, the firm is invited for negotiations. On the other hand, if this firm cannot submit an acceptable proposal, then the second-ranked firm is invited to submit a similar proposal. Negotiations may be carried out by e-mail. The normal contract used is lump sum.

68. **LCS:** LCS may be suitable for use if:

- Contracts are of value less than US$ 200,000;
- Services are standard, routine and technically straightforward;
- Well-established practices and standards exist;
- Outcomes are clearly defined;
- There is a low risk of failure; or
- Competing firms are expected to have different cost structures providing a possible cost saving to the Grant Recipient, through a price-competitive process.

**Box 9: When to Use LCS**

Assignments for which LCS may be appropriate include, for example, audits, simple surveys, engineering design and/or supervision of simple construction projects, and routine operation and maintenance work and inspection. Most LCS contracts will be on a lump sum basis.

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4 These will vary on a case-by-case basis but might include references from previous clients, a detailed indication of staff qualifications, and an indication of the continuity of senior management personnel in the firm.
68. **LCS Process**: LCS follows a process whereby:

- REOIs are prepared and issued by the Grant Recipient, similar to FBS, QCBS and FBS;
- Shorlists is prepared from the responses similar, to FBS, QCBS and FBS;
- RFPs are prepared and issued to the shortly
- sted consultants or service providers, similar to FBS, QCBS and QBS;
- Technical and financial proposals are prepared and submitted by consultants or service providers, in separate envelopes, similar to FBS, QCBS and QBS;
- Technical proposals are opened and evaluated first, similar to FBS, QCBS and FBS
- Finally, firms scoring above the minimum specified technical pass mark in the RFP (typically 75 points or more) in the technical evaluation are highlighted, and their financial proposals are opened, in public. The firm with the lowest financial proposal is then selected for negotiations.

69. **FBS**: FBS may be appropriate when:

- The outcome or impact of the consultancy is important enough to favour technical soundness over potential cost savings possible through full competition;
- The TOR are detailed, specific, precise, and position based; and neither the AFT nor the Recipient will change them during implementation;
- The experts' inputs in person-months are adequate to complete the TOR and unlikely to need revising;
- The budget is sufficient for all the requirements in the TOR; or
- The funding available is fixed and cannot be exceeded.

70. **FBS Process**: In the first place, for FBS the maximum possible contract amount must be stated in the RFP. FBS then follows similar process steps as LCS (paragraph 17) except in the financial evaluation. Firstly, technical and financial proposals are submitted by the shortlisted firms, in separate envelopes. An evaluation is first made of the technical proposals. Firms scoring less than the minimum pass mark specified in the RFP (typically 75 points out of 100) are considered technically nonresponsive, and are subsequently dropped from the evaluation.

71. The financial proposals of firms that reached and exceeded the technical passmark are then opened, in public. During the financial evaluation by the committee, any proposals exceeding the maximum contract amount (which has been specified in the data sheet in the RFP) are also rejected. The firm that had submitted the highest-ranking technical proposal among the remaining firms is then invited for negotiations.

72. Additionally, FBS may be more appropriate than other selection methods especially under grant funding, where the budget is fixed and difficult to
adjust. FBS would allow, in such circumstances, a rigorous technical evaluation while ensuring that the financial proposals remain within budget. Where grants are involved, the budget may in any event be known, since grant information is often available through published public documents of the funding agency.

Preparation, Issuance and Evaluation of RFPs

73. Both the FBS and LCS selection methods, unlike the CQS, use Request for Proposals (RFPs). The main purpose of the RFP is to regulate the acquisition process and to provide consultants or service providers with more comprehensive information than is available in the REOIs, about:
   • the project scope;
   • its objectives;
   • how proposals should be prepared and submitted;
   • how proposals will be evaluated; and
   • the draft contract.

74. The AFT CU has prepared standard or model RFPs for use by its Grant Recipients at two levels and these are available on the AFT’s Website:
   • Group A Selection Methods: for FBS and LCS, the RFP must be used for assignments of value less than US$ 300,000 (UA 200,000).
   • Group B Selection Methods: For those assignments between US$ 300,000 (UA 200,000) and US$ 1.0 million (UA 700,000) the RFP for QCBS and QBS must be used.

75. All the RFPs are structured in the same manner as indicated in Box 11.

Box 11: Essential Contents of RFPs

- Section 1 – An Letter of Invitation (LOI), which announces the intention of the Recipient to enter into contract for execution of the assignment, identifies the short-listed firms, states the source of funds, gives the details of the Recipient and the date, time and addresses for submission of proposals;
- Section 2 – Instructions to Consultants (ITC), including detailed guidance on preparing and on submitting the technical and financial proposals, including the evaluation criteria; as well as the Proposals Data Sheet (PDS) with the specifics of the assignment;
- Section 3 – Standard forms for preparation of technical proposals;
- Section 4 – Standard forms for preparation of financial proposals;
- Section 5 – List of the Bank’s Eligible Countries;
- Section 6 – The Bank’s Requirements on Corrupt and Fraudulent Practices;
- Section 7 – Terms of Reference (TOR); and
- Section 8 – Conditions of Contract and Contract Forms: The most common forms of contract include Lump Sum and Time-based contracts.

76. The RFPs must contain and describe the technical evaluation criteria and sub-criteria to be used to determine the highest-ranked technical proposal, along with their relative maximum scores. Normally such criteria shall include:
   • Consultant’s relevant experience for the assignment;
   • Quality of the methodology proposed;
   • Qualifications of the key experts proposed;
   • Transfer of knowledge, if required in the TOR; and
   • Extent of the participation of nationals among key experts in the performance of the assignment.
77. The ranges of technical scores for the different criteria, acceptable under best practice principles are shown in Box 12. The RFP must also disclose the overall minimum technical pass mark below which a technical proposal will be rejected as nonresponsive. The indicative range for the overall minimum technical score is between 70 to 85 points on a scale of 1 to 100. The Grant Recipient must determine the maximum score for each criterion and the minimum overall technical score based on the nature and complexity of the specific assignment. The AFT will provide guidance where this is required.

78. Details of the evaluation criteria for the specific assignment must be provided in the RFP.

79. In this guidance note the general principles of receipt, opening and evaluation of consultants' proposals are provided in Annex C.

**Negotiations:**

80. In the acquisition of Consulting Services, negotiations generally include discussions of the TOR, the methodology, Recipient’s inputs, and special conditions of the contract. These discussions should not substantially alter the original scope of services under the TOR or the terms of the contract, lest the quality of the final product, its price, and the relevance of the initial evaluation be affected. The final TOR and the agreed methodology are incorporated in the “Description of Services” which forms part of the contract.

81. If the negotiations with the highest ranked consultant fail, the Grant Recipient will terminate the negotiations and invite the next ranked Consulting Firm for negotiations. The Bank’s no objection will first be required only in the case of prior review high contract value situations (contract amounts > US $ 500,000).
Agriculture Fast Track Fund  
Procurement Process Flowchart  
Selection of Service Providers (individual and firms)

NOTES:

- Select your Procurement Process based on the provided Procurement Toolkit
- You may use the Service Provider database on the AFT website
- Kick-starting the procurement process does not guarantee grant award by AFT

Direct Recruitment / Single Source Selection

- Submit justification
- AFT reviews justification
- Service Provider edits justification and resubmits
- Rejected, proceed to shortlisting
- Justification approved

Direct Request to Service Provider
(Grant Recipient may request Service Provider to complete RFP as a basis for negotiations and establishing the Contract)

Competitive Selection

- Publication of Advertisement - Issue of SPN/REOIs
- Receipt and evaluation of EOs
- Technical ranking of Firms and Individuals, and selection of best ranked

- Preparation and issue of RFPS
- Receipt and opening of Proposals
- Evaluation and selection
(No Objection required only under prior review)
- Receipt of all No Objections

Contract Negotiations between Grant Recipient and Service Provider
(Under prior review only, Grant Recipient sends negotiated contract to AFT for No Objection prior to signature)
Quality Cost-Based Selection (QCBS)

1. **Definition and Situations for Use:** QCBS combines quality and cost in a proposal for an assignment, by allowing an assessment mechanism for technical quality as well as a weighting mechanism for cost. In this way, QCBS provides efficiency and quality (qualifying firms must attain a minimum technical score) as well as economy (firms with lower priced proposals may still have an advantage). QCBS is considered suitable for recruiting consultants or service providers in most situations. QCBS, given its complex nature may be used for AFT assignments of value higher than US$ 300,000 (UA 200,000).

2. **The QCBS Process:** For QCBS consultants or service providers submit both a technical proposal and a financial proposal at the same time, but each is packaged in a different envelope (two-envelope system). The following procedure is followed:
   - The technical proposals are opened first and evaluated against a maximum of 100 points, by a technical committee in private;
   - Any firm scoring less than a minimum pass mark specified in the RFP (typically 70 to 85 points) is considered technically nonresponsive, and is dropped from further evaluation;
   - The financial proposals of the remaining firms only, are then opened, in public, evaluated by a technical committee in private and ranked. The lowest proposal is allocated a financial score of 100, and the financial proposals of other firms are prorated and provided a score according to their value relative to the lowest proposal;
   - A final combined score is then calculated, based partly on the technical scores and partly on the financial scores. The ratio normally used is 80% for the technical score and 20% for the financial score, stated as “80:20”. The ratio may, at the discretion of the Grant Recipient and with concurrence of the AFT, be set at other values; such as 60:40 for audit assignments or 70:30 for simple feasibility activities.
   - The consultant or service provider with the highest combined score is called for negotiations.

3. For consulting assignments with a high level of complexity or impact, if quality is considered paramount and a ratio higher than 80:20 is considered justified, then QBS should typically be used.

Quality-Based Selection (QBS)

4. **Definition and Situations for Use:** Quality-based selection is the recruitment method that relies solely on technical quality in the selection of the consultant or service provider. This is because in certain cases, the Grant Recipient may consider that the importance of technical quality may be overriding, in an assignment, to the extent that it will be counterproductive to consider price factors in the selection process. Such situations include:
   - Assignments that are complex or highly specialized, making it difficult to define precise TOR and the required input from the consultants to demonstrate innovation in their proposals (for example, country economic or sector studies, multi-sector feasibility studies, design of a hazardous
waste remediation plant or of an urban master plan, financial sector reforms);

- Assignments where the downstream impact is so large that the quality of services is of overriding importance for the outcome of the project, since there may be a high negative impact or cost if the services fail (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

- Assignments that can be carried out in substantially different ways such that financial proposals may be difficult to compare (for example, management advice, and sector and policy studies in which the value of the services depends on the quality of the analysis).

- When recruiting expertise from a United Nations (UN) Organization, NGO, or academic institute, because such organizations may have an undue cost advantage vis-à-vis commercial firms and—to present a more level field of competition— proposals based purely on technical criteria may be considered more appropriate than QCBS.

5. **QBS Process:** Under QBS either a single technical proposal envelope may be requested in the first stage or both technical and financial envelopes (two envelopes system) may be requested at the same time as in QCBS, FBS and LCS. Using the single envelope procedure, initially only technical proposals are submitted. After these are evaluated, the highest ranked firm is asked to submit a detailed financial proposal in the second stage. This is then subject to negotiation and, if unsuccessful, the next ranked firm is asked for a financial proposal. This process continues until a contract is successfully negotiated.

6. On the other hand, if the RFP requests consultants or service providers to provide financial proposals simultaneously together with the technical proposals (two envelopes system), only the financial proposal of the firm selected through the technical evaluation is opened and evaluated as for QCBS. Those of the rest are returned unopened, after the negotiations are successfully concluded. In view of the need for lengthy and detailed negotiations and the greater possibility that negotiations will be unfruitful, QBS tends to be a longer process than QCBS.
ANNEX C
GENERAL PRINCIPLES OF RECEIPT, OPENING AND EVALUATION
OF CONSULTANTS PROPOSALS

7. **Period for Preparation of Proposals:**

8. **Definition and General Principles:** The length of time allowed by the Grant Recipient, for shortlisted Service Providers or Consultants to prepare and submit their proposals normally depends on the type and complexity of assignment. In general the Grant Recipient should allow sufficient time as follows:

- **Group A Selection Methods:** for assignments of value less than US$ 300,000 (UA 200,000) using FBS, CQS, or LCS 2 weeks may be allowed.
- **Group B Selection Methods:** For those assignments of value between US$ 300,000 (UA 200,000) and US$ 1.0 million (UA 700,000) using QCBS and QBS and also complex FBS, the minimum time allowed should be 3 weeks; and
- **Group B Selection Methods:** For assignments of value greater than US$ 1.0 million (UA 700,000), using the MDB’s harmonized standard model (SRFP) the normal minimum of 4 weeks shall be allowed:

9. During the period of preparation of proposals, consulting firms or service providers may request clarifications about the information provided in the RFP. The Recipient must provide these clarifications in writing and best procurement practice principles will require that the Grant Recipient should then copy this response to all firms on the short list contained in the RFP.

10. Shortlisted consultants or service providers must submit technical and financial proposals at the same time and in order to safeguard the integrity of the process, and following the two-envelope procedure, these technical and financial proposals shall be submitted in separate sealed envelopes.

11. Grant Recipients may use electronic systems permitting consultants or service providers to submit proposals by electronic means, provided the AFT is satisfied with the adequacy of the system, including, inter alia, that the system is secure, maintains the integrity, confidentiality and authenticity of proposals submitted (possibly using an electronic password system), and also uses an electronic signature system or equivalent to keep consultants bound to their proposals.

12. **Opening of Technical Proposals:** It is best procurement practice for Grant Recipient to open all technical proposals received by the deadline for the submission of proposals, at the designated place stipulated in the RFP, irrespective of the number of proposals received by such deadline. Consultants service providers or their representatives may attend. The Grant Recipient must neither reject nor discuss the merits of any particular proposal at this stage. Any proposal received after the deadline shall be declared late and rejected and promptly returned unopened. The Grant Recipient must read aloud the names of the consultants that submitted proposals, the presence or absence of duly sealed financial envelopes, and any other information deemed appropriate. The financial proposals shall remain sealed and shall be deposited with a reputable public auditor or independent authority during the period of evaluation of technical proposals.

13. **Evaluation of Technical Proposals:** The evaluation of the proposals shall be carried out in two stages: first the technical quality, and then the cost. The Grant Recipient must constitute an Evaluation Committee (EC) comprising of at least 3 and not more

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5 *An independent entity shall have no direct or indirect interest or involvement with the assignment in question.*
than 7 sufficiently qualified specialists in the sector of the assignment with relevant competence (technical, finance, legal, as appropriate). Each EC member shall not be in a conflict of interest (COI) situation and shall certify to that effect before participating in the evaluation. Evaluators of the technical proposals shall not have access to the financial proposals until the technical evaluation, including any Bank reviews and no objection, is concluded. Financial proposals shall be opened only thereafter. The evaluation shall be carried out in full conformity with the provisions of the RFP.

14. Given the need for high quality services, the quality of the evaluation of technical proposals is paramount. The EC shall evaluate each technical proposal using only the criteria specified in the RFP.

15. The EC shall normally divide these criteria into sub-criteria. Each criterion shall then be scored on the basis of the weights assigned to respective 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 Bank recommends against the use of exceedingly detailed lists of sub-criteria that may render the evaluation a mechanical exercise more than a professional assessment of the proposals. The weight given to experience can be relatively modest, since this criterion has already been taken into account when short-listing the consultant. More weight shall be given to the methodology in the case of more complex assignments (for example, multidisciplinary feasibility or management studies).

16. Only the key experts should be evaluated. Since they ultimately determine the quality of performance, more weight shall be assigned to this criterion if the proposed assignment is complex. The Recipient shall review the qualifications and experience of proposed key experts 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 following three sub-criteria, as relevant to the task:

- General qualifications: general education and training, length of experience, positions held, previous assignments as team expert, experience in developing countries, and so forth;
- Adequacy for the assignment: education, training, and experience in the specific sector, field, subject, and so forth, relevant to the particular assignment; and
- Experience in the region: knowledge of the local language, culture, administrative system, government organization, and so forth.

17. The EC shall evaluate each proposal on the basis of its responsiveness to the TOR. A proposal shall be considered unsuitable and shall be rejected at this stage if it fails to comply with important aspects described in the RFP. Any technical proposal containing any material financial information shall be declared nonresponsive.

18. The EC’s evaluation shall be individually conducted independently of each other, and without any external influence from any person or entity. A proposal shall be rejected if it fails to achieve the overall minimum technical score specified in the RFP. At the end of the evaluation process, the EC shall prepare a detailed Technical Evaluation Report (TER). The report shall:

- Clearly state and substantiate the results of the evaluation;
- Justify the total technical scores assigned to each proposal by describing the relative strengths and weaknesses of each proposal;
- Address any large differences in the individual scores given to a proposal for the same criterion or sub-criterion by different TEC members; and
• Contain the detailed evaluation sheets for each TEC member.

19. In the case of contracts subject to prior review, the TER shall be submitted to the Bank for its review and no objection. All records relating to the evaluation, such as individual score sheets shall be retained for future Bank review and audit purposes.

20. **Opening of Financial Proposals and Evaluation of Costs:** Upon completion of the technical evaluation (and for prior review cases after the Bank has issued its no objection), the Recipient notifies those consulting firms that have secured the minimum overall technical score of the date, time, and place set for opening the financial proposals. The financial proposals are opened in public, the presence of representatives of the consultants who choose to attend. The name of the consultant, the technical scores, including the break-down by criterion, and the offered total prices are all read aloud (and posted online when electronic submission of proposals is used). Minutes of the bid opening are kept in which all information announced are recorded.

21. The Grant Recipient then evaluates and compares the financial proposals in accordance with the following procedures:

• Prices are converted to a single currency selected by the Recipient (local currency or fully convertible foreign currency) as stated in the RFP, by using the selling (exchange) rates for those currencies quoted by an official source (such as the Central Bank) or by a commercial bank or by an internationally circulated newspaper for similar transactions.

• For a time-based contract, any arithmetical errors are corrected, and prices are adjusted if they fail to reflect all inputs that are included in the respective technical proposals.

• For a lump-sum contract, the consultant is deemed to have included all prices in its financial proposal, so neither arithmetical corrections nor price adjustments are made, and the total price, net of taxes understood, included in the financial proposal are considered as the offered price.

22. For the purpose of evaluation, the offered prices shall exclude local identifiable indirect taxes on the contract and income tax payable to the country of the Recipient on the remuneration of services rendered in the country of the Recipient by non-resident experts and other personnel of the consultant. In exceptional circumstances, when indirect taxes cannot be fully identified by the Recipient when evaluating the financial offers, the Bank may agree that prices, for the purpose of evaluation only, include all taxes payable to the country of the Recipient. The offered total price shall include all consultants’ remuneration and other expenses such as travel, translation, report printing, or secretarial expenses.

23. **Combined Technical Quality and Cost Evaluation for QCBS:** For QCBS only, the proposal with the lowest offered total price may be given a financial score of 100 (one hundred) and other proposals given financial scores that are inversely proportional to their prices, as stated in the RFP. The total score is obtained by weighting the quality and cost scores and adding them. Except for the complex and high impact services, the weight for cost shall normally be 20 points out of the total score of 100. The weight

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6 The RFP must 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.

7 All indirect taxes levied on the contract invoices, at National, State (or Provincial), and Municipal levels, such as sales tax, VAT, excise tax, and similar taxes and levies.
for the “cost” is chosen, taking into account the complexity of the assignment and the relative importance of quality. The proposed weightings for quality and cost are specified in the RFP. The firm obtaining the highest total score shall be invited for negotiations.

24. **Financial Evaluation for QBS, FBS, CQS, LCS:** The particulars of the financial evaluation of QBS, FBS, CQS, LCS are all mentioned in the specific sections dealing with these specific methods of selection.
[The TOR must clearly state the relevant background, origin and nature of the Assignment; specify the scope and type of services to be performed by the consultant or service provider, and include timelines incorporating commencement and completion dates. The TOR must be comprehensive and include the schedules, quality standards, tasks and milestones/performance benchmarks that the consultant or service provider must meet in providing the services under the contract. The skills and experience required of the consultant in providing the services, the different tasks to be performed, the method and the expected outcome, and any reports or other forms of output to be delivered under the contract must be set out. On the other hand it must not be too detailed as it is the consultant or service provider that must provide the details. The TOR must have the following contents].

1. Background/origin, nature of the Assignment _______________________________

2. Goals and Objectives of the Assignment _____________________

3. Scope of Services, Tasks (Components) and Expected Deliverables (Examples)
   3.1 Activities, Components and Tasks______________________
   3.2 Proposed Method of execution [indicate if downstream work is required]
   3.3 Expected deliverables
   3.3 Capacity building, if any, [indicate if training is a specific component of the assignment]

4. Team Composition and Qualification Requirements for the Key Experts (and any other requirements which will be used for evaluating the Key Experts)

5. Reporting Requirements and Time Schedule for Deliverables
   • The following should be listed at the minimum:
     o Format, frequency, and contents of reports;
     o Number of copies, and requirements to electronic submission (or on CD ROM). Final reports shall be delivered in CD ROM in addition to the specified number of hard copies;
     o Dates of submission;
     o Persons (indicate names, titles, submission address) to receive them; etc.
   • If no reports are to be submitted, state here “Not applicable.”
   • If the Services consist of or include the supervision of civil works, the following action that require prior approval by the Client shall be added: “Taking any action under a civil works contract designating the Consultant as “Engineer”, for which action, pursuant to such civil works contract, the written approval of the Client as “Employer” is required.”

6. Client’s Input and Counterpart Personnel
   • Services, facilities and property to be made available to the Consultant by the Client: _________________________________ [list/specify]
   • Professional and support counterpart personnel to be assigned by the Client to the Consultant’s team: _______________________________ [list/specify]
PROCUREMENT TOOLKIT ANNEX 2

MODEL

REQUEST FOR EXPRESSIONS OF INTEREST
FROM CONSULTING FIRMS AND INDIVIDUAL CONSULTANTS

(NAME OF GRANT RECIPIENT)

1. The [Name of the Grant Recipient] has received a Grant from the African Development Bank and intends to utilize part of this Grant towards the cost of the following Assignment: [insert the title of assignment]

2. The services to be provided under the Assignment include: [Insert a brief description of services to be provided including the organization and timing].

3. The [Name of the Grant Recipient] invites Consulting Firms to indicate their interest in providing the above-described services. Interested Firms shall provide information (documents, reference to similar services, experience in similar assignments, etc.) on their qualifications and experience demonstrating their ability to undertake this Assignment.

4. The eligibility criteria, the establishment of a short list and the selection procedure shall be in conformity with the African Development Bank’s Procurement Policy for Bank Group Funded Operations, approved by the Bank’s Boards on 14 October 2015 and available on the Bank Website at http://www.afdb.org. Please, note that interest expressed by a Firm does not imply any obligation on the part of the Grant Recipient to include it in the shortlist.

5. The estimated duration of services is [indicate the duration in days or months] and the estimated starting date is [starting anticipated date of commencement of the assignment].

6. Interested Consulting Firms may obtain further information at the address below during official working hours: [insert office hours].

7. Expressions of interest must be received at the address below no later than [insert date] at [insert time] local time and specifically mentioning [insert title of assignment]

For the attention of: Mr./Mrs. ……
[Name of Grant Recipient]
[Geographical Address]
Zip Code: ..............................
Town: .................................
Country: ..............................
Tel: .................................
Fax: .................................
E-mail: .................................
STANDARD REQUEST FOR PROPOSALS FOR CONSULTING FIRMS

The Standard Request for Proposals (RFPs) may be downloaded from: 
http://services.afdb.org/en/section/orpf/page/acquisition-consulting-services-institutional-needs
CONSULTING SERVICES CONTRACTS OF VALUE LESS THAN US$ 75,000 FOR FIRMS

[Name of Recipient]

To: [Name of Consulting Firm that has won the Contract]

Subject: Provision of [specify such as studies, technical assistance, consulting, supervision] Services

1. The [Name of Grant Recipient] would like to sign this Contract for the provision of [specify such as studies, technical assistance, consulting, supervision] services ......................, in conformity with your technical and financial proposals [number] ..... of...............[date] attached herewith as Attachment A, for whose procurement you successfully competed and were successful.

CLAUSE 1 - CONTENT AND PROGRESS OF THE ASSIGNMENT

2. The study and its progress will be in accordance with the Terms of Reference (TOR) attached to this Contract as Attachment B.

CLAUSE 2 - AMOUNT OF THE CONTRACT

3. The amount of the Contract [or rate per day and number of days] is fixed at ............ [currency units] and is not subject to revision (Attachment C).

CLAUSE 3 - TIME LIMIT AND SUBMISSION OF REPORTS

4. The time limit for the completion of the services is scheduled for ...........(days, weeks or months) from the date of the signature of this Contract by the Consulting Firm and the Grant Recipient. This counter signing should take place in the maximum time limit of 14 days from the date of signing of this order/contract.

5. You will submit an edited Inception as well as Interim Report each in 5 copies, as detailed in the TOR to the [name of Grant Recipient] at the end of the field work. It is agreed that the [name of Grant Recipient] will be allowed a maximum of 14 days for the review of this Inception or Interim Report. After that time limit, the Inception or Interim report may be considered as final.

6. Five (5) copies of the Draft Final Report as well as the Final Edited Reports, as required by the TOR, will be submitted to the [name of Grant Recipient] after its review of the Inception or Interim Report, in line with the timelimes set in the TOR. At the same time, one copy will be submitted to the AFT Coordination Unit of the African Development Bank for information.
CLAUSE 4 - LIQUADFTED DAMAGES

7. In case of delay beyond the period specified in the Contract, you [name of Consulting Firm] will be subject to a penalty of 1/1000 of the price of the studies per calendar day of delay. However, the ceiling of these penalties is 10% of the total amount of the contract.

8. In case the 10% ceiling is exceeded, the [name of Grant Recipient] reserves the right to terminate this order/contract.

CLAUSE 9 - SCHEDULE OF PAYMENT

9. The amounts which are due will be paid in the following manner:

   ___% at the countersigning of this letter of order, for advance payment [the amount of this advance should in no circumstance exceed 15% of the total amount] and will be subject to submission of an Advance Payment Guarantee covering the whole amount.
   ___% of the amount of the invoice upon receipt and acceptance of the Inception Report
   ___% of the amount of the invoice upon receipt and acceptance of the Interim Report
   ___% of the amount of the invoice upon receipt and acceptance of the Draft Final Report
   20% of the amount of the invoice upon receipt and acceptance of the Final Report subject to a maximum of 100% of the total payment due.

CLAUSE 10 - REVIEW AND APPROVAL OF THE CONTRACT

10. This document will become effective only after it has been signed by both parties and reviewed and approved by the Agriculture Fast Track Fund of the African Development Bank.

   Place ........................................ Date: ..................................................

   Signed: ...........................................................................................................................
   [Grant Recipient]

   Read and accepted:

   For the Consulting Firm
   Place ........................................ Date: ..................................................

   Signature ..................................................................................................................

   (Consulting Firm)..............................................................................................
   (Printed name of Authorized Signatory representing the Consulting Firm)

   For the Grant Recipient
PROCUREMENT TOOLKIT APPENDIX 5

REQUEST FOR PROPOSALS

FOR INDIVIDUAL CONSULTANTS

PREFACE

1. This "Standard Request for Proposals from Individual Consultants" prepared by the Agriculture Fastrack Fund (AFT) is intended for use by Applicants in the acquisition of the services of individual consultants.

2. The Request for Proposals shall contain: the Letter of Invitation, Instructions to Offerors, the Terms of Reference and the Contract Format. Except for the Terms of Reference, which are prepared by the Grant recipient, there are standard documents which are an integral part of the Request for Proposals documents. These include:

   - Instructions to Shortlisted Individual Consultants
   - Section 1 - The Terms of Reference (TOR) (to be prepared by the Grant Recipient); and
   - Section II - The Model Contract to be used for the Assignment.

   Alternative A – For Contracts of Value < US$ 50,000
Alternative B – For Contract of Value > US$ 50,000 < US$ 200,000

3. The Grant Recipient shall utilize these standard documents with the minimum of modifications acceptable to the AFT as necessary to address country and project specific issues.

4. To obtain further information on procurement under AFT-assisted projects contact:

Agriculture Fast Track Coordination Unit
Agriculture and Rural Development Department
African Development Bank (www.afdb.org)
Headquarters – Abidjan (Côte d'Ivoire)
5 Avenue Joseph Anoma
01 B.P. 1387, Abidjan 01
Côte d'Ivoire
Date _______

Dear Sir,

SUBJECT: REQUEST FOR PROPOSALS FROM INDIVIDUAL CONSULTANTS

INSTRUCTIONS TO SHORTLISTED INDIVIDUAL CONSULTANTS

1. We have the pleasure to inform you that the ______________________________(Name of Grant Recipient) will require the Services of an Individual Consultant Service Provider for the following Assignment: (Name and Brief Description of the Assignment)

2. You are hereby requested to prepare and to submit a technical and a financial proposal in writing by _________(Hours) on ______________________(Date) to the address indicated hereunder.

3. The expected duration of the Assignment is ...... days/months/years.

4. In Section I, kindly find the Terms of Reference (TOR) indicating the Scope of the Assignment to be conducted and the Services requested from the short-listed Consultants. You are expected to comment on the TOR for the Assignment, state your relevant experience and provide an updated Curriculum Vita. In addition, you are requested to present your financial proposal containing your fees.

5. The technical proposal to be submitted by the short-listed Individual Consultants will be evaluated on the basis of the following criteria:

   • General qualification and suitability for the task to be performed 45%
   • Experience in the specific assignment described in the Terms of Reference 40%
   • Language proficiency 10%
   • Knowledge of the region (country) 5%

6. Only Consultants scoring a technical mark of 70 points or more shall be considered for the Assignment. Consultants shall be ranked and the first ranked on the list shall be selected for the Assignment given that his/her fee rate is within the budget.

7. 

8. The Consultant shall be required to meet the cost of any insurance and medical examination or treatment needed by him/her in the course of performing the

Guidelines and Toolkit: Recruitment of Consulting Firms and Individual Consultants as Service Providers by Grant Recipients
Services, and therefore an appropriate allowance should be made in the quoted fees to cover these items.

9. The Consultant shall be responsible for seeking and obtaining any visas or resident permits that he/she may require carrying out the Services and performing his/her obligations under the Contract. The Grant recipient will, as necessary, assist the Consultant in obtaining such visas and/or permits.

10. If you decide to submit a proposal, it must be received at the place designated hereunder, for receipt of proposals not later than the closing date indicated earlier in this document.

11. Your proposal should be submitted to the following address:

   Postal Address:

   Telex Number:

   Fax Number:

   Hand Carry Address:

12. If you are unable to submit a proposal, kindly inform us promptly, by fax or telex.

13. The Ministry would like to thank you in advance for your consideration of this request and we look forward to receiving a proposal from you.

14. Yours faithfully,

   Title of Managing Director
   Grant Recipient ___________________
SECTION I

TERMS OF REFERENCE
SECTION II
ALTERNATIVE A – FOR CONTRACTS OF VALUE < US$ 50,000

MODEL CONTRACT FOR CONSULTANCY SERVICES

[Name of Recipient]
[Address]

To: [Name of Individual Consultant who has won the Contract]
Address: [Address of the Individual Consultant]

Subject: Provision of [specify such as studies, technical assistance, consulting, supervision] Services

11. The [Name of Grant Recipient] would like to sign this Contract for the provision of [specify such as studies, technical assistance, consulting, supervision] services ................., in conformity with your technical and financial proposal [number] ...... of...........[date] attached herewith as Attachment A, for whose procurement you successfully competed and were successful.

CLAUSE 1 - CONTENT AND PROGRESS OF THE ASSIGNMENT

12. The study and its progress will be in accordance with the Terms of Reference (TOR) attached to this Contract as Attachment B.

CLAUSE 2 - AMOUNT OF THE CONTRACT

13. The amount of the Contract [for rate per day and number of days] is fixed at .......... [currency units] and is not subject to revision.

CLAUSE 3 - TIME LIMIT AND SUBMISSION OF REPORTS

14. The time limit for the completion of the services is scheduled for ............(days, weeks or months) from the date of the approval of this invoice letter by the individual consultant. This approval should take place in the maximum time limit of 14 days from the date of signing of this order/contract.

15. You will submit an edited Inception as well as Interim Report each in 5 copies, as detailed in the TOR to the [name of Grant Recipient] at the end of the field work. It is agreed that the [name of Grant Recipient] will be allowed a maximum of 14 days for the review of this Inception or Interim Report. After that time limit, the Inception or Interim report may be considered as final.

16. Five (5) copies of the Draft Final Report as well as the Final Edited Reports, as required by the TOR, will be submitted to the [name of Grant Recipient] after its review of the Inception or Interim Report, in line with the timelines set in the TOR. At the same time, one copy will be submitted to the AFT Coordination Unit of the African Development Bank for information.

CLAUSE 4 - LIQUADFTED DAMAGES

17. In case of delay beyond the period specified in the Contract, you [name of Individual Consultant] will be subject to a penalty of 1/1000 of the price of the studies per calendar day of delay. However, the ceiling of these penalties is 10% of the total amount of the contract.

18. In case the 10% ceiling is exceeded, the [name of Grant Recipient] reserves the right to terminate this order/contract.
CLAUSE 9 - SCHEDULE OF PAYMENT

19. The amounts which are due will be paid in the following manner:

___% at the countersigning of this letter of order, for advance payment [the amount of
this advance should in no circumstance exceed 15% of the total amount] and will be
subject to submission of an Advance Payment Guarantee covering the whole
amount.

___% of the amount of the invoice upon receipt and acceptance of the Inception Report
___% of the amount of the invoice upon receipt and acceptance of the Interim Report
___% of the amount of the invoice upon receipt and acceptance of the Draft Final
Report

20% of the amount of the invoice upon receipt and acceptance of the Final Report
subject to a maximum of 100% of the total payment due.

CLAUSE 10 - REVIEW AND APPROVAL OF THE CONTRACT

20. This document will become effective only after it has been signed by both parties and reviewed
and approved by the Agriculture Fast Track Fund of the African Development Bank.

Place ……………………………………… Date: ………………………………………

Signed: ……………………………………………………………………………………
[Grant Recipient]

Read and accepted:

For the Individual Consultant
Place ……………………………………… Date: ………………………………………

Signature………………………………………………………………………………
(Individual Consultant Service Provider)…………………………………………
(Printed name)

For the Grant Recipient
Place ……………………………………… Date: ………………………………………

Signature(s):……………………………………………………………………………
(Authorized Signatory Representing the Grant Recipient)
………………………………………………………………………………
Printed name(s)
SECTION II
ALTERNATIVE B – FOR CONTRACTS OF VALUE > US$ 50,000 < US$ 200,000

SERVICE CONTRACT

BETWEEN

________________________________________

AND

_______________________________________

WITNESSETH THAT:

WHEREAS the Client has determined the need to employ the Consultant as a technical assistant, subject to the terms and conditions hereinafter set forth;

WHEREAS the Consultant represents and affirms that he possesses the requisite sound qualifications, competence, experience, capability and skill to perform the services hereunder and to carry out the duties and responsibilities set out in the present Contract;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I
APPOINTMENT

1.1 The Client hereby offers the Consultant, subject to the terms and conditions hereinafter set forth or referred to, and the Consultant hereby accepts, a temporary engagement by the Client as an Individual Consultant and is assigned the duties and responsibilities of
_____________________________________________________________________

1.2 The Consultant shall work under the supervision, and in accordance with instructions of, the_____________________________.

1.3 The Consultant shall perform his/her duties at the_____________________________ of the Client in ________________________________, which for the purpose of this/her Contract shall be regarded as his/her duty station. Notwithstanding the foregoing, the Consultant may at any time be required by the Client to work at any other place as the Client may determine.

1.4 The engagement of the services of the Consultant shall be for a period of ________________ commencing from the date of assumption of duty.
ARTICLE II
REMUNERATION

2.1 For all costs, fees and expenses whatsoever reasonably incurred by the Consultant in performing this/her Contract and in carrying out the Services, the Client will pay the Consultant an amount allowed and specified under Annex B and forming an integral part hereof (herein after called “the Contract Amount”.

2.2 The Contract Amount shall be paid in the manner set forth in Annex B.

2.3 Settlement of the Contract Amount shall be made upon satisfactory performance of the Services hereunder, and upon submission to and acceptance by the Client of accurate and complete accounts, together with satisfactory documentary evidence in support of amounts claimed for payment.

ARTICLE III
VACATION AND SICK LEAVE

3.1 During the term of this Contract, the Consultant shall be entitled to vacation leave at the rate of two (2) days per each month of service. Vacation leave shall be taken with the prior authorization of the Client subject to the exigencies of service, which may require that leave be taken by the Consultant during a period designated by the Client.

3.2 If the Consultant is incapacitated from the performance of his/her duties by illness or injury or the Consultant's attendance is prevented by public health requirements, sick leave shall be granted in accordance with the following provisions:

   (i) All sick leave must be approved by the Client;

   (ii) The Consultant shall be responsible for informing his/her supervisor as soon as possible of absence due to illness or injury. Where practicable, the Consultant shall, before absenting himself, report to a duly qualified medical practitioner, acceptable to the Client.

   (iii) Except with the approval of the Client, the Consultant may not be granted sick leave for a period of more than two (2) consecutive working days without producing a certificate from a duly qualified medical practitioner, acceptable to the Client, to the effect that the Consultant is unable to perform his/her duties, and stating the nature of the illness and the probable duration of incapacity. Such certificate shall, except in circumstances beyond the control of the Consultant, be produced not later than the end of the third working day following the initial absence from duty of the Consultant;

   (iv) The Consultant may be required at any time to submit a medical certificate as to his/her condition or to undergo examination by a medical practitioner named by the Client. Further sick leave may be refused or the unused portion withdrawn, if the Client is satisfied that the Consultant is able to return to duty.

   (v) When sickness of more than three consecutive working days occurs within a period of vacation leave, sick leave may be approved on production of an appropriate medical certificate and/or other satisfactory evidence as required by
the Client. In such circumstances, the Consultant shall submit his/her request for sick leave together with supporting certificate or other evidence as soon as practicable, and in any event immediately on his/her return to duty.

ARTICLE IV
GENERAL OBLIGATIONS OF THE CONSULTANT

4.1 Certificate of Physical and Mental Fitness
The Consultant shall submit to the Client a medical certificate of his/her physical and mental fitness to work and reside in ________________.

4.2 Conditions of Service
The Consultant shall carry out his/her duties and responsibilities under this/her Contract diligently and faithfully in accordance with the Terms of Reference herewith attached in Annex A, and shall not engage in any activity which is likely to be incompatible with his/her status as an employee of the Client or with the proper discharge of his/her duties hereunder or which is likely to adversely affect the interests of the Client. The Consultant shall devote his/her entire working time to the services of the Client and shall accord the Client the highest priority in the use of his/her time. Working hours shall be those fixed by the Client. Holidays shall be taken in accordance with the applicable rules and regulations of the Client.

4.3 Conflicting Activities
The Consultant shall not, during the period of the Contract, engage, directly or indirectly, either in his/her own name or in the name of any other person, government or company, in any business, profession or occupation, other than the performance of his/her/her services hereunder, nor shall he/she hold a controlling financial interest in any business or hold any financial interest in such undertaking if he is likely to be suspected of benefiting therefrom by reason of his/her service with the Client. Subject to any provision contained in this/her Contract, the Consultant shall abide by and be subjected to the Client's rules and regulations relating to staff discipline and civil liability.

4.4 Compliance with Laws
The Consultant shall comply with the internal rules and regulations of the Client and with all applicable laws, rules and regulations of ________________.

4.5 Confidentiality
All proprietary rights in data, information and documents produced or obtained under or by virtue of this/her Contract shall vest in the Client. While in the service of the Client and after termination of his/her service, the Consultant shall not disclose, or cause to be disclosed or take any advantage of any data, documents or information that is confidential, and is known to him, or obtained or produced by him, by reason of his/her employment with the Client except as is otherwise authorized in writing by the Client. Without prejudice to the generality of the foregoing:

(a) the Consultant shall not at any time communicate to any person or entity any confidential information disclosed or entrusted to him for the purposes of his/her services hereunder, nor shall he make public any such information made available to, or obtained by, him without the prior written approval of the Client. Information shall be considered as confidential not only when it is explicitly
classified as such, but also when it can be assumed that the information should be so regarded. Information may, however, be communicated to a third party if such communication is necessary for the performance of the services.

(b) The Consultant shall in no event make public any confidential information regarding the operations of the Client, unless explicitly permitted by the Client.

4.6 **Sub-contracting**
The Consultant shall not sub-contract any part of the work under this/her Contract without the prior written authorization of the Client.

**ARTICLE V**
**IMMUNITIES, PRIVILEGES, EXEMPTIONS AND FACILITIES**

5.1 The Client will use its good offices to ensure that the Consultant will, during his/her period of engagement with the Client, be accorded the immunities, exemptions and privileges normally granted by the Government of _____________ to similar experts and Individual Consultants of the Client.

5.2 The Client shall provide the Consultant with (a) office accommodation (b) telecommunications facilities (c) _____________ (d) _____________ in line with the procedures and standards followed by the Client in according such logistical support to its experts and Individual Consultants under similar assignments.

**ARTICLE VI**
**TERMINATION**

This Contract may be terminated by the Client under any of the following circumstances:

(a) At any time without advance notice in the event of the Consultant being at any time guilty of misconduct or commits a breach of his/her obligations under the Contract;

(b) At any time by service of no less than fifteen (15) days notice in writing to the Consultant;

(c) By mutual agreement of the parties to this/her Contract;

(d) In the event of illness which prevents the Consultant from fulfilling her duties under the Contract, as certified by a qualified physician approved by the Client, as being of such nature as to prevent the Consultant from the timely performance of this Contract; or in the event that the Consultant has been ill for a period exceeding one (1) month.

**ARTICLE VII**
**GENERAL PROVISIONS**

7.1 **Settlement of Disputes**
Any dispute arising out of, or in connection with, this Contract which cannot be amicably settled, shall be decided on by the Permanent Secretary of the Client who shall give his/her decision in writing and mail or otherwise furnish a copy thereof to the Consultant.

7.2 Any decision taken by the Permanent Secretary shall be final and binding on both parties unless an appeal therefrom is lodged with the International Chamber of Commerce in Paris within fifteen (15) days from the date of notification by the Permanent Secretary of his/her decision.

ARTICLE VIII
AMENDMENTS

No changes, modifications or amendments shall be made to this Contract except as may be mutually agreed upon, in writing, by both parties hereto.

ARTICLE IX
NOTICES

Any notice, communication, submission, demand or request given or required to be given by any party under this/her Contract shall be in writing and delivered by hand, mail, cable, telex or telefax to the address set forth below or to such address as either party shall have designated by notice to the other party.

TO THE CLIENT                Mail Address:

Cable  :
Telex  :
Telefax :

FOR THE CONSULTANT            Mail Address:
ARTICLE X
ENTRY INTO FORCE/EFFECTIVE DATE OF ENGAGEMENT

10.1 Following signature by both parties hereto, the present Contract shall enter into force and effect on the date on which the Consultant assumes duty.

10.2 Unless otherwise agreed in writing by the Client, the Consultant shall assume duty at ________________ not later than ________________.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed in their respective names in two original counterparts in the English language on the date first above written.

FOR THE CLIENT

____________________________________

FOR THE CONSULTANT

____________________________________

Name
Consultant
ANNEX A

TERMS OF REFERENCE
ANNEX B

CONTRACT AMOUNT AND METHOD OF PAYMENT

A. Contract Amount
Pursuant to Article II of this Contract, the Client will pay the Consultant in full compensation for all services rendered and for all costs and expenses whatsoever incurred in carrying out the Services and performing the Contract the following remuneration:

B. Method of Payment
The Contract Amount shall be paid in the following manner: