



**GOVERNMENT OF THE REPUBLIC OF
SIERRA LEONE**

PUBLIC PROCUREMENT MANUAL

Second Edition, 2020



This Manual was updated with support from the European Union

TABLE OF CONTENTS

TABLE OF CONTENTS.....	2
DEFINITIONS.....	12
ACRONYMS AND ABBREVIATIONS.....	15
SECTION 1: INTRODUCTION.....	16
CHAPTER 1: INTRODUCTION.....	17
1.1 INTRODUCTION AND PURPOSE OF MANUAL.....	17
1.1.1 Introduction.....	17
1.1.2 Purpose of Manual.....	17
1.1.3 Application and Limitations of Manual	17
1.2 REVISIONS TO THE MANUAL	18
1.2.1 Reasons for Revision.....	18
1.2.2 Request for Revisions by a Procuring Entity.....	19
1.3 USE OF STANDARD PROCUREMENT FORMS	19
1.3.1 SPF 1 – Procurement Requisition.....	19
1.3.2 SPF 2 – Submission for Procurement Committee Approval.....	19
1.3.3 SPF 3 – Decision of the Procurement Committee	19
1.3.4 SPF 4 – Evaluation Report (Least Cost - LC).....	20
1.3.5 SPF 5 – Evaluation Report (Quality and Cost Based Selection - QCBS).....	20
1.3.6 SPF 6 – Monthly Procurement Report.....	20
1.4 PROCUREMENT NUMBERING SYSTEM	20
1.4.1 Purpose.....	20
1.4.2 Structure of the Procurement Number	20
1.4.3 Multiple Bids/RFQs or Multiple Contracts arising from a single Requisition.....	21
1.4.4 Use of Procurement Numbers	21
1.5 STANDARD BIDDING DOCUMENTS (SBDs)	21
1.5.1 Standard Bidding Document Formats.....	21
1.5.2 Local Purchase Order.....	22
SECTION 2: GENERAL GUIDELINES.....	23
CHAPTER 2: PRINCIPLES OF PUBLIC SECTOR PROCUREMENT.....	24
2.1 PUBLIC PROCUREMENT PRINCIPLES	24
2.2 VALUE FOR MONEY, ACCOUNTABILITY AND ETHICS	24
2.3 CODE OF ETHICS	25
2.3.1 Examples of Unethical Conduct.....	27
2.4 OBLIGATION OF PUBLIC OFFICIALS	28
2.4.1 Declaration by Public Officials	28
2.4.2 Responsibilities of Officers.....	29
2.4.3 Responsibilities of the Private Sector.....	29
2.5 SANCTIONS FOR NON-COMPLIANCE WITH ETHICAL STANDARDS	30
2.6 PROMOTING ENVIRONMENTAL PROTECTION THROUGH PUBLIC PROCUREMENT	31
2.7 PROMOTION OF INFORMATION AND COMMUNICATIONS TECHNOLOGY IN PUBLIC PROCUREMENT.....	32
2.8 INTERNAL AND INDEPENDENT MONITORING.....	32
2.8.1 Enforcing Compliance with the Act and Regulations	33
2.8.2 Reporting and Actioning of Report Recommendations.....	34

CHAPTER 3: COMMUNICATIONS AND RECORDS MANAGEMENT	35
3.1 CORRESPONDENCE/COMMUNICATIONS.....	35
3.2 DOCUMENTATION/RECORDS MANAGEMENT	35
3.2.1 Documentary Records	35
3.2.2 Filing/Record Management System	35
3.2.3 Procurement Unit Records Management	36
CHAPTER 4: PROCUREMENT STRUCTURES AND RESPONSIBILITY	38
CENTRAL ORGANISATION STRUCTURE	38
4.1 NATIONAL PUBLIC PROCUREMENT AUTHORITY (NPPA).....	38
4.2 INDEPENDENT PROCUREMENT REVIEW PANEL.....	39
4.3 MINISTRY OF FINANCE.....	39
4.4 MINISTRY OF WORKS (MOW).....	39
4.5 MINISTRY OF TRADE & INDUSTRY	39
4.6 MINISTRY OF JUSTICE.....	39
4.7 MINISTRY OF HEALTH AND SANITATION (MOHS).....	39
DECENTRALISED ORGANISATION STRUCTURE.....	40
4.8 PROCURING ENTITY	40
4.9 HEAD OF PROCURING ENTITY	40
4.10 VOTE CONTROLLER.....	41
4.11 PROCUREMENT COMMITTEES	41
4.11.1 General Responsibilities of Procurement Committees	41
4.11.2 Thresholds for review by Procurement Committees	41
4.12 SUBSIDIARY PROCUREMENT COMMITTEES	42
4.13 HEAD OF PROCURING UNIT	42
4.14 MAIN PROCUREMENT COMMITTEES	42
4.15 PROCUREMENT UNITS	43
4.16 ORIGINATING DEPARTMENTS, PROJECTS OR UNITS	45
4.17 STORES DEPARTMENT.....	45
4.18 BID OPENING COMMITTEES.....	46
4.19 BID EVALUATION COMMITTEES.....	46
4.20 INSPECTION/TAKEOVER COMMITTEES	47
CHAPTER 5: THE PROCUREMENT CYCLE	48
5.1 THE PROCUREMENT CYCLE	48
5.2 PROCUREMENT PLANNING	49
5.2.1 Contents of the Procurement Plan	50
5.3 THE BUDGET PREPARATION PROCESS	52
5.3.1 Procurement Committee Actions.....	53
5.3.2 Procurement Unit Actions.....	53
5.3.3 Stores Department Actions	54
5.3.4 Subsidiary Procurement Committees, and Heads of Departments, Units, Projects and Programs	54
5.4 THE MEDIUM-TERM EXPENDITURE FRAMEWORK (MTEF).....	55
5.5 GUIDELINES FOR DETERMINING COMPLETION TIMESCALES	55
5.5.1 Estimated Lead Times - (ICB Goods).....	55
5.5.2 Estimated Lead Times - (NCB Goods)	56
5.5.3 Estimated Lead Times - (ICB Works).....	56
5.5.4 Estimated Lead Times - (NCB Works).....	56
5.5.5 Estimated Lead Times - (Request for Quotation)	57

5.6	PLAN MONITORING AND UPDATING	57
SECTION 3: STEP BY STEP GUIDELINES		58
CHAPTER 6: PROCUREMENT OF GOODS		59
6.1	DEFINITION OF GOODS	59
6.2	PROCUREMENT METHODS	59
6.2.1	Open Competitive Bidding	59
6.2.1.1	National Competitive Bidding (NCB)	60
6.2.1.2	International Competitive Bidding (ICB)	60
6.2.2	Two Stage Bidding	60
6.2.3	Restricted Bidding	61
6.2.4	Request for Quotation (RFQ)	61
6.2.5	Sole Source	62
6.3	IDENTIFICATION AND SPECIFICATION OF REQUIREMENT	62
6.3.1	Identification of Requirement	62
6.3.2	Specification of Requirement	63
6.3.3	Procurement Requisition and Budget Confirmation	63
6.3.4	Preparation of the Procurement Requisition	64
6.4	PRE-QUALIFICATION OF BIDS FOR GOODS	65
6.4.1	Pre-Qualification Criteria	65
6.4.2	Advertisement for Pre-Qualification	66
6.4.3	Pre-Qualification Document	66
6.4.4	Pre-Qualification Evaluation	66
6.4.5	Pre-Qualification Process	66
6.5	STANDARD BIDDING DOCUMENTS FOR GOODS	67
6.5.1	Preparation of the Bid Document	67
6.6	APPROVAL OF THE SPECIFICATIONS, PROCUREMENT METHOD AND BIDDING DOCUMENT	68
6.6.1	Main Procurement Committees	68
6.6.2	Subsidiary Procurement Committees	69
6.7	ANNOUNCEMENT AND ISSUE OF BIDDING DOCUMENT	70
6.7.1	Donor Funded Procurements	70
6.7.2	Announcement following Approval by the Procurement Committees	70
6.7.3	Sale of Bid Documents for Open Competitive Bids	70
6.7.4	Issue of Invitation for Restricted Bids	71
6.7.5	Issue of Request for Quotations	71
6.8	ADVERTISING	71
6.8.1	Advertisements for Open Competitive Bids (ICB and NCB)	71
6.8.2	Contents of the Advertisement	72
6.8.3	Publication of Advertisement for National Competitive Bids	72
6.8.4	Publication of Advertisement for International Competitive Bids	72
6.9	BID CLARIFICATIONS, EXTENSIONS AND CANCELLATIONS	73
6.9.1	Bid Clarification	73
6.9.2	Extension of Bid Closing Date	73
6.9.3	Cancellation of Bidding Process Before Bids Opening	74
6.10	RECEIPT OF BIDS AND BID OPENINGS	74
6.10.1	Receipt of Open and Restricted Bids	74
6.10.2	Opening of Open and Restricted Bids	75

6.10.3	Opening for Requests for Quotations	77
6.10.4	Cancellation of Bids and RFQs after the Bid Opening	78
6.10.5	Extension of Bid Validity	78
6.11	BID EVALUATION AND CONTRACT AWARD.....	80
6.11.1	Evaluation of RFQs.....	80
6.11.1.1	Award of Contract for RFQs.....	80
6.11.2	Evaluation of Bids by the Evaluation Committee.....	80
6.11.3	Evaluation and Comparison of Bids – General Principles.....	81
6.11.4	Technical Evaluation	81
6.11.4.1	Preliminary Examination of Bids.....	81
6.11.4.2	Responsiveness of Bids.....	83
6.11.4.3	Technical Evaluation.....	85
6.11.5	Financial Evaluation.....	86
6.11.6	Comparison and Ranking of Bids.....	87
6.11.6.1	Cross Discounts.....	88
6.11.6.2	Application of Margin of Preference-Support for Domestically Produced Goods.....	88
6.11.7	Post -Qualification of Bids.....	89
6.11.7.1	Post qualification process:.....	89
6.11.8	Evaluation Reports and Recommendations.....	90
6.11.9	Procurement Committee approval of Recommendation for Contract Award.....	91
6.11.10	Review by a donor (if applicable).....	92
6.11.11	Rejection of all Bids	93
6.11.12	Negotiations.....	94
6.11.13	The Contract Document	94
6.11.13.1	Lumpsum Contracts.....	94
6.11.13.2	Framework Contracts.....	94
6.11.13.3	Local Purchase Order.....	95
6.11.14	Preparation of Contract.....	95
6.11.15	Procurement Committee Approval of Contract Document	96
6.11.16	Addressing Complaints by Bidders.....	96
6.11.17	Contract Award and Contract Signature	97
6.11.18	Notification to Unsuccessful Bidders	98
6.11.19	Return of Bid Securities.....	99
6.12	CONTRACT MANGEMENT.....	99
6.12.1	Contract Effectiveness.....	99
6.12.2	Contract Supervision and Administration	100
6.13	RECEIPT AND INSPECTION OF GOODS	100
6.13.1	Pre-Shipment Inspection of Goods.....	100
6.13.2	Collecting Goods from the Port of Entry	101
6.13.3	Delivery of Goods.....	101
6.13.4	Inspection of Goods	102
6.13.5	Issue to the User Department by Stores.....	102
6.14	PAYMENT FOR GOODS.....	102
6.14.1	Payments by Letter of Credit (LC)	103
6.14.2	Prompt Payment.....	103
6.15	MONITORING CONTRACT OBLIGATIONS.....	104
6.15.1	Monitoring the Suppliers Obligations.....	104

6.15.2	Monitoring and Performing the Procuring Entity's Obligations.....	104
6.16	DELAYS IN PERFORMANCE	104
6.17	RESOLUTION OF CONTRACTUAL DISPUTES	105
6.18	TERMINATION OF THE CONTRACT	105
6.19	CONTRACT AMENDMENT.....	106
CHAPTER 7: PROCUREMENT OF WORKS		108
7.1	DEFINITION OF WORKS	108
7.2	PROCUREMENT METHODS.....	108
7.2.1	Open Competitive Bidding	108
7.2.1.1	National Competitive Bidding (NCB).....	109
7.2.1.2	International Competitive Bidding (ICB)	109
7.2.2	Two Stage Bidding	109
7.2.3	Restricted Bidding.....	110
7.2.4	Request for Quotation (RFQ).....	110
7.2.5	Sole Source	111
7.3	IDENTIFICATION AND SPECIFICATION OF REQUIREMENT	111
7.3.1	Identification of Requirement	111
7.3.2	Specification of Requirement.....	112
7.3.3	Procurement Requisition and Budget Confirmation.....	112
7.3.4	Preparation of the Procurement Requisition.....	113
7.4	PRE-QUALIFICATION OF BIDS FOR GOODS	114
7.4.1	Pre-Qualification Criteria	114
7.4.2	Advertisement for Pre-Qualification.....	115
7.4.3	Pre-Qualification Document.....	115
7.4.4	Pre-Qualification Evaluation.....	115
7.5	CLASSIFICATION AND REGISTRATION OF CONTRACTORS	116
7.5.1	Purpose of Classification and Registration	116
7.5.2	Classification Process of MOW	116
7.5.3	Renewal of Classification Certificates.....	117
7.6	STANDARD BIDDING DOCUMENTS FOR GOODS	117
7.6.1	Preparation of the Bid Document	118
7.7	APPROVAL OF THE SPECIFICATIONS, PROCUREMENT METHOD AND BIDDING DOCUMENT	119
7.7.1	Main Procurement Committees.....	119
7.7.2	Subsidiary Procurement Committees.....	119
7.8	ANNOUNCEMENT AND ISSUE OF BIDDING DOCUMENTS	120
7.8.1	Donor funded Procurements	120
7.8.2	Announcement following Approval by the Procurement Committee.....	120
7.8.3	Issue of Invitations for Restricted Bids	121
7.8.4	Issue of Requests for Quotations.....	121
7.9	ADVERTISEMENTS FOR OPEN COMPETITIVE BIDS (NCB and ICB).....	121
7.9.1	The Advertising Process	121
7.9.2	Contents of the Advertisement	122
7.9.3	Publication of Advertisement for National Competitive Bids.....	122
7.9.4	Publication of Advertisement for International Competitive Bids	122
7.9.5	Sale of Bid Documents for Open Competitive Bids	123
7.10	BID CLARIFICATION, EXTENSIONS AND CANCELLATIONS.....	123

7.10.1	Bid Clarification.....	123
7.10.2	Pre-Bid Conference and Site Visits.....	124
7.10.3	Extension of Bid Closing Date	125
7.10.4	Cancellation of Bidding Process Before Bids Opening.....	126
7.11	RECEIPT OF BIDS AND BID OPENINGS	126
7.11.1	Receipt of Open and Restricted Bids	126
7.11.2	Opening of Open and Restricted Bids.....	127
7.11.3	Opening for Requests for Quotations.....	129
7.11.4	Cancellation of Bids and RFQs after the Bid Opening.....	130
7.11.5	Extension of Bid Validity	130
7.12	BID EVALUATION AND CONTRACT AWARD.....	131
7.12.1	Evaluation of RFQs.....	131
7.12.1.1	Award of Contract for RFQs	131
7.12.2	Evaluation of bids by the Evaluation Committee	132
7.12.3	Evaluation and Comparison of Bids – General Principles.....	132
7.12.4	Technical Evaluation	133
7.12.4.1	Preliminary Examination of Bids.....	133
7.12.4.2	Responsiveness of Bids.....	135
7.12.4.3	Technical Evaluation.....	136
7.12.5	Financial Evaluation.....	137
7.12.6	Comparison and Ranking of Bids.....	138
7.12.6.1	Cross Discounts.....	138
7.12.6.2	Application of Margin of Preference-Support for Domestic Contractors	139
7.12.7	Post -Qualification of Contractor	139
7.12.8	Evaluation Reports and Recommendations.....	141
7.12.9	Procurement Committee approval of Recommendation for Contract Award	142
7.12.10	Review by a donor (if applicable)	143
7.12.11	Rejection of all Bids	144
7.12.12	Negotiations.....	144
7.12.13	The Contract Document.....	144
7.12.13.1	Lump Sum Contracts.....	145
7.12.13.2	Unit Price Contracts.....	145
7.12.13.3	Cost Reimbursable and Target Price Contract	145
7.12.13.4	Percentage Based Contracts	146
7.12.13.5	Framework Contracts.....	147
7.12.13.6	Preparation of Contract.....	147
7.12.14	Procurement Committee Approval of Contract Document.....	148
7.12.15	Addressing Complaints by Bidders	148
7.12.16	Contract Award and Contract Signature.....	149
7.12.17	Notification to Unsuccessful Contractors.....	150
7.12.18	Return of Bid Securities.....	150
7.13	CONTRACT MANAGEMENT.....	151
7.13.1	Contract Effectiveness.....	151
7.13.2	Contract Supervision and Administration	151
7.13.2.1	Contract Supervision.....	152
7.14	INITIAL AND FINAL TAKEOVER OF WORKS.....	153
7.15	DEFECTS LIABILITY PERIOD	153

7.16	PAYMENT FOR WORKS.....	154
7.16.1	Payments by Letter of Credit (LC)	155
7.16.2	Prompt Payment.....	155
7.17	MONITORING CONTRACT OBLIGATIONS.....	156
7.17.1	Monitoring the Contractor's Obligations	156
7.17.2	Monitoring and Performing the Procuring Entity's Obligations	156
7.18	Delays in Performance.....	156
7.19	RESOLUTION OF CONTRACTUAL DISPUTES	157
7.20	TERMINATION OF THE CONTRACT	157
7.21	CONTRACT AMENDMENT.....	158
CHAPTER 8:	THE SELECTION AND EMPLOYMENT OF CONSULTANTS.....	160
8.1	DEFINITION OF CONSULTANCY SERVICE.....	160
8.2	SPECIAL FEATURES OF CONSULTANCY SERVICE	160
8.2.1	Merit-Point Systems.....	161
8.2.2	Two-Envelope Bidding.....	161
8.3	METHODS OF SELECTING CONSULTANTS.....	161
8.3.1	Open Bidding.....	161
8.3.2	Quality and Cost Based Selection (QCBS)	162
8.3.3	Quality-Based Selection (QBS).....	162
8.3.4	Selection under a fixed Budget (SFB)	163
8.3.5	Least-Cost Selection (LCS).....	164
8.3.6	Selection Based on Consultants' Qualifications (SBCQ)	164
8.3.7	Sole-Source Selection.....	165
8.4	USE OF INDIVIDUAL CONSULTANTS.....	165
8.4.1	Criteria used to select Individual Consultants.....	166
8.5	THE STEPS OF THE PROCUREMENT PROCESS	166
8.5.1	The Terms of Reference.....	166
8.5.2	Estimating Cost and Budget.....	168
8.5.3	Expressions of Interest (Pre-qualification).....	168
8.5.4	EOI Criteria for Shortlisting of Consultants.....	168
8.5.5	Advertising for Expressions of Interest (EOI).....	169
8.5.6	Preparation and Issue of Request for Proposals (RFPs)	170
8.5.7	Technical Evaluation Criteria.....	170
8.5.8	Minimum Technical Score.....	171
8.5.9	Financial Evaluation Criteria.....	172
8.5.10	Weighting of Technical and Financial Scores.....	172
8.5.11	Receipt and Opening of Technical Proposals	172
8.5.12	Evaluation of Technical Proposals.....	173
8.5.13	Evaluation of Financial Proposals	174
8.5.14	Procurement Committee Approval of Recommendation for Award	175
8.5.15	Negotiation of Contract	176
8.6	CONTRACT AGREEMENTS FOR EMPLOYMENT OF CONSULTANTS.....	176
8.6.1	Lump Sum (Fixed Price) Contracts.....	177
8.6.2	Time Based Contract	177
8.6.3	Retainer and/or Contingency (Success) Fee Contract.....	178
8.6.4	Percentage Contract.....	178
8.6.5	Indefinite Delivery Contract (Price Agreement).....	179

8.6.6	Bid Performance and Securities	179
8.7	AWARD OF CONTRACT.....	179
8.7.1	Award Notification.....	180
8.7.2	Notification to Unsuccessful Bidders	180
8.8	CONTRACT SUPERVISION AND PERFORMANCE.....	180
8.8.1	Contract Supervision and Administration	180
8.8.2	Payment for Consultant Services.....	181
8.8.3	Prompt Payment.....	181
8.8.4	Monitoring Consultant's Obligations	182
8.8.5	Monitoring and Performing the Procuring Entity's Obligations.....	182
8.8.6	Delays in Performance.....	182
8.8.7	Resolution of Contractual Disputes.....	183
8.8.8	Termination of the Contract.....	183
8.8.9	Contract Amendment.....	184
SECTION 4: ADDITIONAL PROCUREMENT GUIDELINES.....		186
CHAPTER 9: PROCUREMENT REPORTING, MONITORING AND EVALUATION		187
9.1	INTRODUCTION.....	187
9.2	PROCUREMENT REPORTING.....	187
9.2.1	Section A: Procurements in process/progress within and above the RFQ Threshold	187
9.2.2	Section B: Contracts Signed within and above the RFQ threshold.....	188
9.2.3	Section C: Procurements Cancelled within and above the RFQ Threshold:	188
9.2.4	Section D: Contracts Completed within and above the RFQ Threshold.....	188
9.2.5	Section E: Minor Procurements under the RFQ Threshold.....	188
9.2.6	Section F: Procurements not yet commenced at the month of reporting	189
9.3	PROCUREMENT MONITORING AND EVALUATION.....	189
9.3.1	Sources of Information.....	189
9.3.2	Action by the National Public Procurement Authority on Receipt of Form SPF6.....	189
9.3.3	Other Monitoring and Evaluation Activities by the NPPA.....	190
9.3.4	Action by the Procuring Entity.....	190
CHAPTER 10: SECURITIES AND RETENTIONS		192
10.1	INTRODUCTION.....	192
10.2	PROCEDURE FOR RECEIPT, STORAGE AND RETURN OF SECURITIES	192
10.2.1	Safe Storage.....	192
10.2.2	Record of Security Details.....	192
10.2.3	Return of Securities.....	193
10.2.4	Expiry Reminder.....	193
10.2.5	Procedure to be followed upon reminder of Expiry.....	193
10.2.6	Proceeds of a Called Security.....	193
10.3	RETENTIONS.....	193
CHAPTER 11: SUPPLIER REGISTRATION AND MANAGEMENT		194
11.1	INTRODUCTION.....	194
11.2	MAINTENANCE AND MANAGEMENT OF THE SUPPLIER DATABASE	194
11.2.1	Advertisement	194
11.2.2	Categories of Registration.....	194
11.2.3	Other Provisions.....	195
11.3	SUPPLIER PERFORMANCE.....	195
11.4	SUPPLIER DEBARMENT	195

11.4.1	Submission of Petitions for Debarment.....	196
11.4.2	Investigations of Petitions to Debar	196
11.4.3	Decision to Debar.....	197
11.4.4	Lifting of Debarment.....	197
11.4.5	Maintaining a List of Debarred Contractors.....	198
CHAPTER 12: USE OF FRAMEWORK CONTRACTS		199
12.1	INTRODUCTION.....	199
12.2	DEFINITION OF A FRAMEWORK CONTRACT	199
12.3	TYPES OF FRAMEWORK CONTRACT	200
12.3.1	Definite Quantity Framework Contract	200
12.3.2	Indefinite Quantity Framework Contract	201
12.3.3	Requirements Framework Contract	202
12.4	BENEFITS AND PROBLEMS OF USING FRAMEWORK CONTRACTS	202
12.5	PROCEDURAL ARRANGMENTS FOR USING FRAMEWORK CONTRACTS	203
12.6	CALL-OFFS/ORDERING PROCEDURES	204
CHAPTER 13: CONTRACT MANAGEMENT AND ADMINISTRATION		205
13.1	INTRODUCTION.....	205
13.2	PURPOSE OF CONTRACT MANAGEMENT AND ADMINISTRATION.....	205
13.3	CONTRACT ADMINISTRATION RESPONSIBILITIES	205
13.4	ROLE OF THE CONTRACT ADMINISTRATOR.....	205
13.5	CONTRACT ADMINISTRATION PLAN.....	206
13.6	CONTRACT ADMINISTRATION FILE.....	206
13.7	MAINTENANCE OF RISKS REGISTER	207
13.8	PERFORMANCE MONITORING AND CONTROL.....	207
13.9	PAYMENTS OF CONTRACTS.....	207
13.10	CONTRACT REVIEW AND REPORTING.....	208
CHAPTER 14: COMPLAINTS ON THE PROCUREMENT PROCESS		210
14.1	INTRODUCTION.....	210
14.2	REVIEW BY HEAD OF PROCURING ENTITY	210
14.3	INDEPENDENT REVIEW BY THE INDEPENDENT PROCUREMENT REVIEW PANEL	211
14.4	RULES APPLICABLE TO REVIEW PROCEEDINGS	212
14.5	SUSPENSION OF PROCUREMENT PROCEEDINGS.....	212
14.6	OTHER REMEDIES AVAILABLE TO AGGRIEVED PARTIES	213
CHAPTER 15: GUIDELINES FOR DISPOSAL OF GOODS AND EQUIPMENTS		214
15.1	INTRODUCTION.....	214
15.2	DEFINITIONS	214
15.3	AUTHORITY TO DISPOSE	215
15.4	DISPOSAL OPTIONS.....	215
15.4.1	<i>Transfer to Government Department or Other Public Entity</i>	<i>215</i>
15.4.2	<i>Sale by Public Bid</i>	<i>216</i>
15.4.3	<i>Sale by Public Auction.....</i>	<i>216</i>
15.4.4	<i>Destruction, Dumping or Burying</i>	<i>217</i>
15.5	DETERMINATION OF MARKET VALUE FOR ASSETS	217
15.6	REVENUE FROM SALES	217
APPENDICES		218
APPENDIX 1: THE PROCUREMENT CYCLE.....		219
APPENDIX 2: ANNUAL PROCUREMENT PLAN TEMPLATE		220

APPENDIX 3: METHOD SELECTION FLOW CHART-GOODS	227
APPENDIX 4: METHOD SELECTION FLOW CHART-WORKS	228
APPENDIX 5: METHOD SELECTION FLOW CHART-SERVICES	229
APPENDIX 6: PRE-CONTRACT ACTIVITIES FLOW CHART	230
APPENDIX 7: POST-CONTRACT ACTIVITIES FLOW CHART-GOODS	231
APPENDIX 8: POST-CONTRACT ACTIVITIES FLOW CHART-WORKS	232
APPENDIX 9: POST-CONTRACT ACTIVITIES FLOW CHART-SERVICES	233
APPENDIX 10: STANDARD PROCUREMENT FORMS-SPF 1.....	234
APPENDIX 11: STANDARD PROCUREMENT FORMS-SPF 2.....	236
APPENDIX 12: STANDARD PROCUREMENT FORMS-SPF 3.....	244
APPENDIX 13: STANDARD PROCUREMENT FORMS-SPF 4.....	246
APPENDIX 14: STANDARD PROCUREMENT FORMS-SPF 5.....	251
APPENDIX 15: STANDARD PROCUREMENT FORMS-SPF 6.....	267
APPENDIX 16: INCOTERMS 2010.....	279
APPENDIX 17: SPECIFICATION TEMPLATE	284
APPENDIX 18: BID RECEIPT TEMPLATE	285
APPENDIX 19: RECEIPT OF BIDS REGISTER TEMPLATE.....	286
APPENDIX 20: RECORD OF BIDDERS QUESTIONS AND ANSWERS TEMPLATE	287
APPENDIX 21: DEBRIEF AND NOTIFICATION TO UNSUCCESSFUL BIDDERS TEMPLATE.....	288
APPENDIX 22: INSPECTION CERTIFICATE TEMPLATE	290
APPENDIX 23: INSPECTION CERTIFICATE NO GO TEMPLATE.....	291
APPENDIX 24: RISK ASSESSMENT AND MITIGATION TEMPLATE.....	292
APPENDIX 25: SUPPLIER PERFORMANCE ASSESSMENT TEMPLATE	295

DEFINITIONS

The terms used in this Manual have the following meanings assigned to them.

Asset Disposal	The formal process of disposal and removal from the books of assets which are no longer of use to a procuring entity. This also includes the removal from circulation of assets not immediately needed by the procuring entity.
Announcement	The act of announcing publicly through appropriate media an advance warning or the opening or results of procurement proceedings.
Authorised Person	Any person who has been granted the power to authorise a transaction or otherwise commit the procuring entity.
Award	The process of awarding a contract ensuing from the notification to the selected bidder.
Bidder	A natural person or a legal entity that, according to the context, is a participant or potential participant in procurement proceedings for the provision of works, goods and services. For the purpose of this Manual, the term bidder includes supplier, contractor, consultant and service provider.
Bidding Document	A document or set of documents prescribing the quantity, quality, characteristics, conditions and procedures, of the transaction prior to the actual procurement, and on the basis of which the bidders are to prepare their bids.
Bids Opening Committee	A committee established by a procurement committee to conduct the opening of bids for procurement.
Code of Ethics	A statement of the standards of practice and conduct to be followed by all parties involved in public procurement activities.
Consultant	A natural person or a legal entity that, according to the context, is a participant or potential participant in procurement proceedings for the provision of consulting services.
Consulting Services	Refers to services of intellectual and non-material nature that do not lead to a measurable physical output. They include design, supervision, training, advisory, auditing, software development, and similar services.
Contract	The written agreement between the parties regarding the procurement of the agreed goods, works, non-consulting services or consulting services, on the basis of which rights and obligations of the parties are determined.
Contract Administrator	The official nominated to manage and supervise the contract execution by the contractor or supplier on behalf of the procuring entity and is responsible for maintaining the contract file. All other functions such as accounting and payment cannot be performed by the contract administrator alone and are subject to internal controls.
Contract Addendum	A document used to make one or more changes to an existing contract or agreement without invalidating the existing contract. It is added as a separate document to the original contract or agreement.
Contract Amendment	Makes changes to an already existing contract and can be regarded as an alteration since it is altering the original contract document or agreement.
Contract File	The file that contains all supporting documentation pertaining to a specific contract and its execution by both parties such as all correspondence, interim payments, survey reports, delivery data, inspection reports, etc. as detailed

	in chapter 9 of the Manual. The contract file contents are compulsory requirements for providing audit trails. See also procurement files as both files are linked.
Donor	An international financing institution (such as the World Bank or African Development Bank) providing external funds to the Government.
Eligible	The status that means a bidder satisfies all criteria to participate in public procurement and disposal proceedings.
Emergency	In relation to public procurement means an “urgent need” as interpreted within the Public Procurement Act. A procurement proceeding that is justified by an emergency means the need for goods, works, services or consulting services in circumstances where there is an imminent or actual threat to public health, welfare, safety, or damage to property such that engaging in bidding proceedings or other procurement methods would not be practical.
Endorse	In this context means to support a decision or concur with a decision already taken.
Evaluation Committee	A committee established by the procurement committee to undertake evaluation and ranking of bids and quotations for procurement.
Goods	Objects of every kind and description, including commodities, raw materials, products and equipment, and objects in solid, liquid or gaseous form, and electricity, as well as services incidental to the supply of the goods if the value of those incidental services does not exceed that of the goods themselves.
Head of Procuring Entity	The Chief Executive of the entity such as the Minister of a Ministry or the overall head of an organization.
INCOTERMS	A set of internationally accepted definitions of trade terms (e.g. CIF, CIP and FOB) issued by the International Chamber of Commerce. A guide to INCOTERMS is attached in Annex 16.
Independent Procurement Review Panel	The five-person Panel under section 20 of the Act for the purposes of considering and deciding upon individual applications by bidders for administrative review.
Lowest evaluated responsive bid	The bid which is rated in first place after evaluation. For avoidance of doubt, the lowest priced bid may not be the winning bid where merit point or price adjustment evaluation systems are used. “Best-evaluated bid” is synonymous with the World Bank term “Lowest evaluated bid”.
Mis-Procurement	When noncompliance with specified procurement procedures cannot be remedied and when such noncompliance is as a result of wilful and dilatory conduct (delaying tactics) on the part of the procuring entity resulting in a need for cancellation or termination of the procurement process.
National Public Procurement Authority (NPPA)	The statutory body responsible for advising, regulating and monitoring of public procurement in Sierra Leone.
Non-Consultant Services	Services which are contracted on the basis of performance of measurable physical outputs (for example, operation and maintenance of facilities or plant, surveys, exploratory drilling, aerial photography, catering services and satellite imagery).
Originating Officer	An officer of the procuring entity having formal authority to initiate a procurement process.
Procurement	The formal process of acquisition of goods, works or services.

Procurement Committee	The group within the procuring entity comprising officials within and outside of the entity.
Procurement File	The file that contains all supporting documentation pertaining to a specific procurement requirement as detailed in chapter 6, 7 and 8 of this Manual. The file contents are compulsory requirements for providing procurement assessment/audit trail. See also contract file.
Procurement Officer	An officer of the procuring entity having formal authority to undertake procurement activity.
Procurement Plan	The document prepared by each procuring entity detailing all procurement requirements necessary to execute the activities of the procuring entity. Procurement plans can include procurement for multi-annual delivery, multi-annual contracts, and next fiscal year delivery or programme.
Procuring Entity	Any organ of the State or regional and local authorities as well as statutory bodies, public sector corporations which are majority owned by the Government, public utilities using revenue collected by the sale of public services as well as any other natural or legal person to whom public funds have been allocated for use in public procurement.
Project Manager	A technical person of or appointed by the procuring entity with the responsibility to manage and supervise a works or consultancy services contract during execution.
Request for Proposals	The term commonly used for bidding document in the procurement of consultancy services.
Request for Quotations	A simple procurement procedure for the purchase of low value goods, works and simple non-consultancy services.
Risk	A situation which may occur in the future and which, if it were to occur, could impact on the success or outcome of the procurement activity and which must be effectively managed and recorded in a risk register.
Vote Controller	The Permanent Secretary of a Government Ministry, Chief Administrator of a Local Government Council, Chief Executive of a State-owned enterprise, or Head of a Government Department, Agency or Commission; who is responsible and accountable for the financial management of the Entity.
Works	All works associated with the construction, reconstruction, demolition, repair or renovation of a building, structure or works, such as site preparation, excavation, erection, building, installation of equipment or materials, decoration and finishing, as well as services incidental to construction such as drilling, mapping, satellite photography, seismic investigations and similar services provided pursuant to the contract, if the value of those services does not exceed that of the construction itself.

ACRONYMS AND ABBREVIATIONS

ACC	Anti-Corruption Commission
BOQ	Bill of Quantities
CFR	Cost and Freight
CIF	Carriage Insurance and Freight
CIP	Carriage and Insurance Paid
CPT	Carriage Paid to
EOI	Expression of Interest
EXW	Ex-Works
FOB	Free on Board
GCC	General Conditions of Contract
IPRP	Independent Procurement Review Panel
ISO	International Standards Organisation
ITB	Instructions to Bidders
LC or L/C	Letter of Credit
Le	Leones
LOI	Letter of Invitation
MDA	Ministry, Department or Agency
MOF	Ministry of Finance
MOHS	Ministry of Health and Sanitation
MOW	Ministry of Works
PIU	Project Implementation Unit
NPPA	National Public Procurement Authority
PPM	Public Procurement Manual
RFP	Request for Proposals
RFQ	Request for Quotations
SBD	Standard Bidding Document
SCC	Special Conditions of Contract
SPF	Standard Procurement Form
TOR	Terms of Reference

SECTION 1: INTRODUCTION

CHAPTER 1: INTRODUCTION

1.1 INTRODUCTION AND PURPOSE OF MANUAL

1.1.1 *Introduction*

Public procurement in Sierra Leone is subject to the Public Procurement Act 2016 (Gazette Vol. CXLVII, No. 10). Legislation can only provide the overall rules to be followed, and with the increasing value and complexity of procurement, effective guidelines and step-by-step procedures are required to assist civil servants, all public officials and other individuals involved or interested in the procurement process.

Sound public procurement practices and policies are essential aspects of sound governance. Good procurement practices can reduce costs and produce timely service delivery. Poor procurement practices generally lead to delays and waste and are often the cause of government inefficiencies and allegations of corruption.

Consistent application of the guidelines presented in this Manual will substantially improve public service delivery efficiency whilst reducing the perception and actual occurrence of corruption in public procurement in Sierra Leone.

1.1.2 *Purpose of Manual*

This Manual details the standards, policies and procedures to be followed in the procurement of goods works and services within the public sector, and also includes a section for guidance on contract administration, asset disposal, and complaints procedures relating to breaches in procurement procedures. These standards, policies and procedures are designed to:

- ☐ guide the procurement and asset disposal processes;
- ☐ provide uniform procedures for the procurement of goods, works and services and for asset disposal;
- ☐ ensure transparency and accountability in all procurement operations;
- ☐ ensure consistency with the guidelines of donors where necessary;
- ☐ improve the efficiency and effectiveness of operations;
- ☐ promote the consistent application of best procurement practices and international standards.

1.1.3 *Application and Limitations of Manual*

This Manual applies to the procurement operations of all institutions using public funds as defined in Subsection 1 of Section 1 of the Public Procurement Act 2016.

In the event whereby Public Sector entities have their own specialist procurement regulations and procedures manuals relating to procurement of specialized items, which have been subjected to formal certification and approval by the National Public Procurement Authority (NPPA), the provisions of this Manual will apply when there is no conflict with procedures or standard documentation as detailed in the specialist

manual.

Where procurement is financed by a donor the provisions of this Manual will only apply when there is no conflict with the terms of the financing agreement, the guidelines, procedures or standard documentation required by the donor. In the case of any conflict the procedures and decisions of the donor will prevail.

The Manual covers the standard procurement cycle from initiation of a procurement to final delivery or performance and contract completion. It will help to:

- ☐ remove or minimise the need for making new decisions every time a comparable situation arises;
- ☐ introduce standard bidding documents and procurement forms and procedures for all routine procurement activities;
- ☐ provide a point of reference against which principles and practices can be evaluated;
- ☐ serve as useful tool for understanding the public procurement system and procedures in Sierra Leone; and
- ☐ serve as a training manual for Civil Service staff and public servants and provide guidance based on best international practices.

Consistent application of the provisions and procedures of the Manual throughout government is essential to achieve improved efficiency, transparency, uniformity of documents and decisions, and reduced costs of procurement for the Government.

It is intended that the Manual will be subjected to continuous upgrading by the National Public Procurement Authority (NPPA) to reflect amendments in legislation, changing needs, the commercial environment, and the adoption of new improved procedures and practices.

1.2 REVISIONS TO THE MANUAL

1.2.1 *Reasons for Revision*

This Manual applies to the procurement operations of all institutions using public fund as defined in Subsection 1 of Section 1 of the Public Procurement Act 2016. A number of factors may necessitate a need for revision of this Manual including:

- ☐ new legislation;
- ☐ policy changes by Government or a funding body;
- ☐ introduction of new improved practices, policies or procedures;
- ☐ removal of outdated practices, policies or procedures;
- ☐ lessons gained from practical experience.

1.2.2 Request for Revisions by a Procuring Entity

Where a revision to the Manual is deemed necessary, a formal request may be submitted to NPPA in accordance with the following procedure:

- ☐ The request shall be prepared and approved by the relevant procurement committee, and authorized by the vote controller of the Procuring Entity.
- ☐ The request shall state the purpose of the revision and provide a comprehensive justification, together with the precise changes suggested to the relevant text of the Manual.
- ☐ The NPPA will formally consider each request and may agree to a general modification of the Manual, a specific exemption to be granted to the requesting procuring entity or may reject the request giving reasons.

1.3 USE OF STANDARD PROCUREMENT FORMS

To assist in the adoption and use of standard practices and procedures in all procuring entities, the following Standard Procurement Forms (SPFs) are introduced within this Manual:

1.3.1 SPF 1 – Procurement Requisition

This form initiates the procurement process and should as a minimum:

- ☐ state the objectives of the procurement
- ☐ establish the preliminary specifications
- ☐ confirm budget availability
- ☐ indicate authority for the procurement and
- ☐ allocate a unique procurement number to be used for procurement tracking and monitoring.

1.3.2 SPF 2 – Submission for Procurement Committee Approval

This Form has four sections as follows:

- ☐ Section A – Request for Approval of Specifications, Procurement Method and Bidding Documents.
- ☐ Section B – Request for Approval of Evaluation Report and Contract Award Recommendations
- ☐ Section C – Request for Approval of Contract Document and Contract Signature
- ☐ Section D – Request for Contract Amendment

The purpose of this form is to standardize the format of submissions to the procurement committee, to act as a checklist of information to be provided to the committee, and to ensure that submissions are presented with the approval of an authorized responsible officer.

Use of the form eliminates the need for individual covering letters to be prepared on each application to the procurement committee.

1.3.3 SPF 3 – Decision of the Procurement Committee

Standard format for reporting and communicating decisions of the procurement

committee for each procurement stage considered by the committee.

1.3.4 *SPF 4 – Evaluation Report (Least Cost - LC)*

Standard evaluation format for the procurement of goods, works and Simple services. Used where the lowest priced responsive and technically compliant bid is selected for award of contract.

The purpose of this form is to standardise the preparation and improve the content of evaluation reports submitted to the procurement committee for approval.

1.3.5 *SPF 5 – Evaluation Report (Quality and Cost Based Selection - QCBS)*

Standard evaluation format for technical and financial evaluations of consultant services and other merit-point system procurements. This format has two sections for separate technical and financial evaluations to allow for “two-envelope” bidding.

The purpose of this form is to standardize the preparation and improve the content of evaluation reports submitted to the procurement committee for approval.

1.3.6 *SPF 6 – Monthly Procurement Report*

Monthly report to be submitted to the NPPA by each Procurement Committee in order to maintain good audit trails. This form is discussed in detail in Chapter 9.

1.4 PROCUREMENT NUMBERING SYSTEM

1.4.1 *Purpose*

The purpose of the procurement numbering system introduced by this Manual is to ensure each requirement is given a unique identification reference to assist in the tracking, monitoring and audit of procurement, and in the tracing and maintenance of records and files. The procurement number is assigned at the requisition stage and will form the basis for document filing and records on management information systems.

Procurement numbers are issued from a register maintained by a store department, or the head of the user department, programme or project as appropriate. Numbers must not be re-used, even if the original procurement is cancelled.

1.4.2 *Structure of the Procurement Number*

The basic procurement number consists of five parts as follows:

- ☐ The procuring entity - Up to five letters being the commonly used abbreviation which identifies the procuring entity (e.g. “MOF” for the Ministry of Finance).
- ☐ The department or project - Up to 7 letters used to identify the department or project (e.g. “Admin” for the Administration Department)

within the procuring entity.

- ☐ The procurement method- (e.g. ICB, NCB)
- ☐ The financial year (e.g. 2019).
- ☐ A four-digit sequence number - The sequence number allocated by the department or project within the financial year (e.g. from 0001 to 9999). The 'sequence number' is directly linked to the number of requisitions raised in a year.

Example:

A simple example is “MOF/ADMIN/ICB/2019/0022” representing the 22nd requisition raised in the year 2019 by the administration department of the Ministry of Finance to be procured using the ICB method.

1.4.3 Multiple Bids/RFQs or Multiple Contracts arising from a single Requisition

When a single requisition results in multiple bids, requests for quotations (RFQ); and/or a bid or RFQ or framework results in multiple contracts, further numbers are added to identify the individual Bid/RFQ and Contract.

Example:

“MOF/ADMIN/ICB/2019/0022/1/3” would identify the third contract arising from the first (or only) bidding process or RFQ resulting from the original requisition.

1.4.4 Use of Procurement Numbers

The procurement number must appear on all correspondence and documents related to the procurement.

1.5 STANDARD BIDDING DOCUMENTS (SBDs)

Bidding documents are used to communicate all necessary requirements, information and instructions to prospective bidders for them to be able to submit a bid. The contents and complexity of bidding documents varies with the type of procurement, the value and the method of procurement.

Bidding documents must describe clearly and accurately the requirements, including the technical specifications, drawings, bills of quantities (BOQ) or terms of reference (TOR), the quantities, delivery or performance requirements, the evaluation criteria to be used, the bidding procedures and the conditions applicable to any resulting contract.

The standard bidding documents issued with this Manual cover most routine requirements and shall be used wherever practical. Standard bidding documents for specialist procurements such as drugs and commodities will be developed by the NPPA in direct consultation with the user MDAs. Written approval for use of any other format for Government procurement must be obtained from the NPPA. Procurements funded by and using donor standard bidding documents are specifically excluded from the requirement for prior approval by the NPPA.

1.5.1 Standard Bidding Document Formats

The following standard bidding document formats are available:

- ☐ Simple goods
- ☐ Request for quotations – Goods
- ☐ ICB works
- ☐ NCB works
- ☐ Small works
- ☐ Request for quotations – Works
- ☐ Non-consultancy services
- ☐ Consultant services – Request for Proposals, with the following contract formats:
 - Lump sum assignments
 - Complex time-based assignments
 - Small lump sum assignments
 - Small time-based assignments
 - Request for quotations – Services

Detailed instructions for use and preparation are provided in a user guide with each standard format, and all standard bidding documents and user guides are available directly from the NPPA or may be downloaded from the NPPA website.

1.5.2 Local Purchase Order

A standard format of local purchase order also exists with a standard set of general conditions of contract for local purchase orders. Detailed instructions for use and preparation of the local purchase order are provided in the user guide of the document.

1.6 ARBITRATION SERVICES

The availability of arbitration services within Sierra Leone provides an alternative to expensive and lengthy litigation in a court of law. Wherever practical, arbitration should be the preferred method of resolving major disputes and this is emphasised in the general conditions of contract of each of the standard bidding documents.

SECTION 2: GENERAL GUIDELINES

CHAPTER 2: PRINCIPLES OF PUBLIC SECTOR PROCUREMENT

2.1 PUBLIC PROCUREMENT PRINCIPLES

The overall objective of the public procurement system is to provide value for money to the Government by ensuring that public funds are spent in a transparent, efficient and fair manner.

- ☐ Transparency means making information on the public procurement process available to everyone: bidders and the public at large, whether to do with procurement practices, processes and policies; except where there are valid and legal reasons arising from protecting proprietary information of bidders or in relation to certain defense/military procurements in which case confidentiality shall be maintained on certain information.
- ☐ Efficiency means adopting practices that promote fair competition in all public procurements; the use of methods of aggregation where appropriate in order to take advantage of economies of scale; the use of appropriate risk mitigation strategies and the consideration of all elements of the cost burden arising from the use of goods, works and services during their entire life span.
- ☐ Fairness means showing consideration and impartiality in all stages of the procurement process, especially demonstrating equality in bid evaluations.

This Manual incorporates policy provisions and procedures to promote transparency, accountability and ethics in the operation, management and reporting of procurement and asset disposal. All Public Servants shall consistently apply these policies and procedures, together with professional judgement and good management.

2.2 VALUE FOR MONEY, ACCOUNTABILITY AND ETHICS

The procurement system must ensure value for money in the procurement of goods, works and services. Value for money can be achieved through procuring:

- ☐ the right goods, works and services;
- ☐ of the right quality from a competent bidder;
- ☐ in the right quantity that ensures cost effectiveness;
- ☐ with delivery at the right time to the right place and
- ☐ paying the right price whilst achieving the lowest possible total cost through an open competitive bidding process.

The Government is entrusted with public funds to provide services to the public. The use of public money must be conducted in a transparent and open manner, allowing stakeholders and the general public access to information on procurement actions by the Government as well as a means to control and audit all procurement cases while holding public sector officials to account.

Furthermore, the rules governing public procurement must be readily available to all interested parties.

The Government requires that:

- ☐ all public officials and practitioners of procurement shall be held accountable and responsible for their actions;

- ☐ all bidders will be treated fairly and given equal opportunity to obtain contracts with the Government;
- ☐ procurement shall be done in the most efficient manner, upholding the principles of value for money, transparency and fairness, particularly in the selection of appropriate procurement methods and clear evaluation criteria set out in bidding documents;
- ☐ funds will be used solely for the purposes for which they have been intended;
- ☐ appropriate procedures of the Government or of the donor have been applied;
- ☐ all transactions shall be properly authorised and fully supported by written records;
- ☐ value for money can be demonstrated by comparison with market rates and consideration of life cycle costs: taking into account all elements of the cost burden arising from the use of goods, works and services during their entire life span: including operational costs, after sale service and maintenance costs, environmental degradation impact, energy conservation savings and disposal value to the extent possible;
- ☐ risk mitigation strategies should as good practice be effectively applied throughout the procurement process and
- ☐ an appropriate Code of Ethics shall be followed by all staff involved in the procurement process.

2.3 CODE OF ETHICS

The principles of the code of ethics governing all officials involved in public procurement for the Government of Sierra Leone are as follows:

1. Ethical principles

A public servant shall not use his or her authority or office for personal gain. Personal gain includes accepting or requesting anything of material value from bidders, prospective bidders or suppliers for the public servant, his or her spouse, parents, children or other close relatives, or for other persons from whom the public servant might gain direct or indirect benefit of the gift.

A public servant shall seek to maintain and enhance the reputation of the Government by:

- ☐ maintaining the highest standards of honesty and integrity in all relationships both inside and outside the procuring entity in which he works;
- ☐ developing the highest possible standards of professional competence;
- ☐ using funds and other resources for which he or she is responsible to provide the maximum benefit to the Government; and
- ☐ complying both with the letter and the spirit of the laws and regulations of the Republic of Sierra Leone; accepted professional ethics; and contractual obligations.

2. Conflict of Interest

A public servant shall declare any personal interest that may affect or might reasonably be deemed by others to affect impartiality in any matter relevant to his duties.

A person has a conflict of interest with respect to a procurement if the person or a

“relative” of the person seeks or has a direct or indirect interest (pecuniary or otherwise) in another person or bidder who seeks, a contract for the procurement; or owns or has a right in any property or has a direct or indirect pecuniary interest that results in the private interest of the person conflicting with his duties with respect to the procurement. For the purposes of clarity, a “relative” means a spouse, child, parent, brother or sister; or a child, parent, brother or sister of a spouse.

In a situation of this nature, the public servant should not participate in any way in the bidding process and may disclose the nature of the conflict of interest to avoid a misprocurement.

3. Confidentiality and accuracy of information

A public servant shall respect the confidentiality of information gained in the course of duty and shall not use such information for personal gain or for the unfair benefit of any bidder. Subject to section 16 of the Act:

- ☐ Information relating to a procurement procedure whose disclosure would either not be in the public interest or would prejudice legitimate commercial interest or inhibit fair competition may not be disclosed.
- ☐ Information relating to the evaluation, comparison or clarification of bids proposals or quotations; or the contents of bids, proposals or quotations prior to the bid opening may not be disclosed.
- ☐ Where disclosure of the record of procurement proceedings may be required in debriefing bidders or in an investigation instituted by a court of law; disclose such information when ordered to do so by the court of law and subject to the conditions of such an order.

Note that such information disclosure restrictions do not apply to information requests from the NPPA, the Auditor-General, the Anti-Corruption Commission and other oversight organs authorised by the laws of Sierra Leone. All procurement records shall be made available for inspection upon demand by the NPPA, the Auditor-General, the Anti-Corruption Commission and other oversight organs authorised by the laws of Sierra Leone.

3.4. Competition

A public servant shall treat all bidders with fairness and impartiality and avoid any business arrangement that might prevent the effective operation of fair competition. All bidders should be awarded equal opportunity to participate in the procurement process:

- ☐ A public servant may therefore not use any form of discrimination which discourages participation in public procurement and undermines any efforts to achieve value for money through open competition.
- ☐ A public servant may not discriminate against any potential bidders or bidders based upon gender, ethnicity, religious affiliation, physical disability, or party affiliation in any procurement proceeding, except specifically and only where such discrimination is a direct and unavoidable consequence of a preference program instituted by the NPPA or as a result of other government policies.

5. Business gifts

A public servant shall not accept business gifts from current or potential Government suppliers unless such gifts are of very small intrinsic value such as a calendar or business diary.

6. Hospitality

A public servant shall refrain from accepting any business hospitality that might be viewed by others as having an influence in making a government business decision as a result of accepting that hospitality.

7. Collusion

A public servant shall not collude with any other person to make any proposed bid price higher or lower than would otherwise have been the case or to submit a bid, proposal or quotation with a specified price or with any specified inclusions or exclusions; or to have a bidder refrain from submitting a bid, proposal or quotation or withdraw or change a bid, proposal or quotation; or to have a bidder refrain from submitting an appeal for an administrative review.

8. Fraudulent Practices

A public servant shall not misrepresent or omit facts in order to influence a selection process or the execution of a contract.

9. Corrupt practices

A public servant shall not offer or give; receive or be offered directly or indirectly anything of value to influence the action of a public officer in the selection process or in contract execution.

10. Reporting

A public servant has a duty to report any unethical conduct by a colleague, a bidder or a supplier to his superiors or to the auditors and shall be protected from disclosure if required.

2.3.1 Examples of unethical conduct

The following are examples of the type of conduct prohibited by the Code of Ethics:

- ☐ Revealing confidential or “inside information” either directly or indirectly to any bidder or prospective bidder;
- ☐ Discussing a procurement with any bidder or prospective bidder outside the official rules and procedures for conducting procurements;
- ☐ Favours or discriminating against any bidder or prospective bidder in the drafting of technical specifications or standards or the evaluation of bids;
- ☐ Destroying, damaging, hiding, removing, or improperly changing any official procurement document;
- ☐ Accepting or requesting money, travel, meals, entertainment, gifts, favours, discounts or anything of material value from bidders or prospective bidders;
- ☐ Discussing or accepting future employment with a bidder or prospective bidder;

- ☐ Obstructing or hindering any individual from carrying out a duty under the Act or knowingly lying to or misleading an individual carrying out a duty or function under the Act with the intention to delay the procurement process unnecessarily.
- ☐ Exerting undue influence or pressure on any member of a procurement, bid or evaluation committee or on any employee of a procuring entity to take a particular action which favours or tends to favour a particular bidder.
- ☐ Requesting any other public servant or Government official representing the procuring entity in a procurement to violate the public procurement rules or procedures;
- ☐ Ignoring evidence that the Code of Ethics has been violated by a member of the procurement committee, public servant or other employee or representative of the procuring entity;
- ☐ Ignoring illegal or unethical activity by bidders or prospective bidders, including any offer of personal inducements or rewards.

2.4 OBLIGATION OF PUBLIC OFFICIALS

The guiding principles of ethical behaviour are impartiality, independence and integrity. Ethical behaviour must be promoted and supported by appropriate systems and procedures, but systems and strict adherence to procedures alone cannot create an ethical and accountable procurement function.

It is absolutely essential that all procurement activities are carried out in a manner above reproach, with complete impartiality and with no preferential treatment. The procurement process must allow bidders to compete for business on a fair basis.

- ☐ Public procurement officers are obliged to follow the Civil Service Code and the regulations governing public procurement.
- ☐ Public officials associated with the procurement function, are responsible for protecting the integrity of the procurement process and maintaining fairness in the Government's treatment of all bidders.

2.4.1 Declaration by public officials

All officials involved in public procurement activities in any way shall, not later than thirty days from assuming responsibility and thirty days after leaving office, make a declaration of their assets and liabilities in such form as the Anti-Corruption Commission may determine. Such information shall be treated confidentially. The original and other copies of the declaration shall be submitted to the National Public Procurement Authority and the Anti-Corruption Commission respectively. All such officials must also sign that they agree to abide by the additional rules and regulations and in particular the ethical code of behaviour.

All public officials involved in any manner in the expenditure of public funds through public procurement are required to read the 'Personal Code of Ethics' relating to public procurement and sign the following declaration prior to engaging in any public procurement operation:

"I [insert full name] acknowledge that in my work involving the expenditure of public funds I am personally accountable for my decisions, actions or failures to act in ensuring that the funds are used exclusively for the purpose for which they were allocated.

I agree to abide by this Code of Ethics including its principles and guidance. If I am in

any doubt about the veracity of my actions, I shall seek guidance from my immediate superior.”

Members of bid evaluation committees are required to sign and attach a further declaration to each and every evaluation report in which they participate as follows:

“In undertaking my role in this evaluation committee,

- *I will uphold the highest ethical values;*
- *I will declare any personal interest which may possibly have a conflict with any interest in this evaluation process;*
- *I will not accept cash, loans, credit, presents, recreation, favours or services from any supplier or potential supplier;*
- *I will ensure that all information pertaining to this procurement process is kept confidential; and*
- *Personal reasons will not affect the selection of suppliers.”*

Note that the above declarations must be applied to all other personnel including external consultants or agents involved in any procurement proceedings.

The Procurement Unit is to ensure that adequate records on signed declarations are maintained for each specific procurement proceeding.

2.4.2 Responsibilities of officers

Senior officers in a procuring entity have responsibility to:

- ☐ Provide instructions and guidance to staff, especially where they may be exposed to opportunities for accusations of fraud or corruption;
- ☐ Encourage staff to follow ethical principles and practices and create an environment where transparency and openness are the standard;
- ☐ Ensure that all staff comply with instructions and guidelines, including the maintenance of documented records;
- ☐ Set appropriate levels of financial delegation and ensure a proper separation and rotation of duties.

Junior officers in a procuring entity have responsibility to:

- ☐ Follow management instructions and procedural guidelines;
- ☐ Be alert to and report any indications of unethical behaviour;
- ☐ Seek guidance from a manager or auditor on any concerns that may arise.

2.4.3 Responsibilities of the private sector

The private sector is not exempt from responsibility to act ethically and transparently in procurement proceedings with the Government of Sierra Leone. In accordance with section 34 of the Act:

- ☐ Bidders shall at all times abide by their obligations under the Public Procurement Act and the Public Procurement Regulations, this Manual, procurement contracts, and other instruments applicable to their conduct and activities related to procurement.
- ☐ A bidder may not engage in or abet corrupt or fraudulent practices, including the offering or giving, directly or indirectly, of improper inducements, or the misrepresentation of facts, in order to influence a procurement process or the execution of a contract.
- ☐ Bidders may not engage in collusion, prior to or after bid submission, designed to allocate procuring entities among bidders, establish bid prices at artificial non-competitive levels or otherwise to deprive the procuring entity of the benefits of free and open competition.
- ☐ A procuring entity must reject a bid if the bidder offers, gives or agrees to give an inducement referred to above and promptly notify the rejection in writing to the bidder concerned, to the NPPA and to the relevant law enforcement authorities.

This message is to be reinforced by requiring bidders to sign a formal declaration before participating in any procurement process:

“I hereby certify that I and all officers of the Company which I represent will uphold the highest ethical standards in doing business with the Government of Sierra Leone. We will not attempt to bribe government officials with money or other goods or services; we will not request favourable treatment and we will not seek information about competitors or other information regarding the procurement process. I understand that if I, or other officers of the Company which I represent are found to have breached this commitment, that sanctions will be made against the Company, including being debarred from doing business with the Government of Sierra Leone for a period of 5 years.

2.5 SANCTIONS FOR NON-COMPLIANCE WITH ETHICAL STANDARDS

Due to the special and additional public trust placed on procurement professionals as custodians of public funds, a special and additional level of rules, compliance, obligations and sanctions governing the activities of all officials engaged in any way in public procurement regardless of their rank or function will be applied.

Sanctions for public officials:

Adherence to the provisions of the Act and Regulations by public officials is obligatory and failure to do so will be considered an offence subject to sanctions (refer to section 33 of the Act). The level of sanctions will be published separately and will be graduated depending on the offence.

- ☐ Any official suspected of non-adherence to the rules and regulations will be suspended and his or her benefits, including salary, withheld pending investigation.
- ☐ Officials found misappropriating government funds, regardless of the value, will be summarily dismissed.
- ☐ Other offences involving non-adherence to the rules and regulations, including negligence and irresponsibility will result in sanctions as specified in the revised Civil Service Code.

- ☐ If a public official participates in a procurement procedure despite a conflict of interest or a potential conflict of interest and the contract is awarded to the person or his relative or to another person in whom one of them had a direct or indirect pecuniary interest, the contract can be annulled at the option of the procuring entity. Note that the annulment of a contract by the procuring entity under such circumstances does not limit any other legal remedy the Procuring Entity may seek.
- ☐ Any official who signs or enters into a procurement contract on behalf of a procuring entity where there is a pending complaint does so contravention of the Act and commits an offence and shall be liable on conviction to a fine not exceeding 10 % of the value of the contract or to imprisonment for a term not exceeding five years or to both such fine and imprisonment in accordance with section 56(5) of the Act.

Sanctions for bidders:

Any bidder who attempts to influence a procurement process, or the administration of a contract by any unfair method, will be subject to sanctions which may include:

- ☐ debarment of the bidder from Government contracts for a period of six years;
- ☐ additional remedies that may be sought in a court of law.

2.6 PROMOTING ENVIRONMENTAL PROTECTION THROUGH PUBLIC PROCUREMENT

Consistent with the objectives of the Procurement Act (see subparagraph (iii) of paragraph (f) of subsection (3) of section 49 and the Regulations (see Regulations 11), this Manual seeks to promote sound principles of environmental protection in public procurement. Measures to protect the environment should be introduced in the design of a procurement requirement whenever and wherever possible.

Environmental protection factors that may be considered in bid preparation and evaluation of bids by procuring entities provided these factors are directly indicated in the bidding document include but are not limited to:

- ☐ prevention or minimisation of waste and pollution;
- ☐ energy conservation in buildings and use of energy saving equipment;
- ☐ avoiding over ordering of procurement items to avoid stock build-up, thereby minimising storage requirements and reducing possible obsolescence;
- ☐ specifying environmentally friendly products in bids that consider for example, the level of carbon footprint, forest degradation and toxic chemical spillage and emissions.

The possibilities for taking environmental considerations into account whilst procuring items can differ according to the various procurement categories:

Goods: In the case of goods procurement, the technical specifications for a requirement can be used to achieve environmental objectives through for example, procuring energy efficient goods such as purchasing printers with paper saving features or energy saving light bulbs.

Work: For works procurement, environmental considerations can be taken into during the design and execution of the works as well as the final product. Clear instructions should be given to architects and/or engineers on for instance the design of sustainable works

developments through for example the use of specific construction materials, the installation of energy efficient lighting systems, and provision of specific requirements relating to energy and water use or waste management and disposal on and around the construction site.

Non-consultant service: For the procurement of services, environmental considerations may be taken into account in the mode of performing service contracts. For example, with respect to the cleaning of buildings, a specific requirement could be made for the use of only products that are less harmful to the environment.

Consultancy services- In procuring consultant services, environmental considerations can be incorporated in the examination of candidates' suitability. For instance, consultants who have a record of serious breaches of environmental rules may be excluded from participating in certain bidding processes. If the requirement for services also require specific experience in the field of environment, then such experience can be used as a criteria for assessing the technical ability and knowledge of the consultant in relation to the assignment.

In incorporating environmental protection considerations in the procurement process, it is advisable to seek the advice of the environmental regulatory authority and the NPPA.

2.7 PROMOTION OF INFORMATION AND COMMUNICATIONS TECHNOLOGY IN PUBLIC PROCUREMENT

In accordance with section 28 of the Act, steps may be taken by the NPPA to promote the use of information and communications technology in public procurement. This may be through the introduction of E-Procurement which will involve the reorganisation of procurement processes and may require legal and regulatory adaptation to accommodate the application and introduction of an E-Procurement system.

Promotion of information communication technology in public sector procurement can ensure enhanced transparency of procurement processes, reduced administrative costs through the streamlining and standardising of procurement processes and reduced bidding costs for potential bidders.

In doing so, the NPPA will identify and rectify any required amendments to the legal and regulatory framework. All procuring entities will be provided with instructions regarding the introduction and implementation of information communication technologies such as E-Procurement and will be required to comply with such policies as directed by the regulatory authority.

2.8 INTERNAL AND INDEPENDENT MONITORING

Each procuring entity shall ensure that regular internal monitoring of procurement activity is undertaken in accordance with the principles and provisions of public procurement law, and the Manual, to ensure the overall effectiveness of procurement.

Regular monitoring of procurement in a procuring entity will continue to be undertaken by the NPPA through the institution of reviews during the procurement process, in the course of execution of a procurement contract and after the completion of a contract. The NPPA will assess issues of professional efficiency and effectiveness in procurement, may call for detailed assessments or explanations on individual procurements, and will issue

reports of findings.

2.8.1 Enforcing Compliance with the Act and Regulations

The NPPA may order an investigation of procurement proceedings subject to section 14 and 55 of the Act to determine if there has been a breach to the Act, the Regulations the Standard Bidding Documents, the Manual or any circular or other written instructions of the Authority.

If the NPPA orders such an investigation a notification will be issued prior to the investigation to inform the procuring entity. The NPPA may interview any party to a contract or require the completion of documentation by the parties to a contract. All procuring entities and all parties to a contract are required by Section 15 of the Act to respond to written requests from the NPPA in writing with all due timeliness. The communications between the procuring entities and the NPPA may be made by registered post, electronic communications or by publication in a widely read newspaper. The head of the procuring entity and its entire staff must provide their full and complete cooperation with the NPPA's personnel.

Such cooperation requires providing access to all of the documents and files that are required by Act and the Regulations to be maintained for a particular procurement procedure.

Any procuring entity that does not have all of the documents required by the Procurement Act or Regulations or by this Manual to be maintained for a given procurement procedure shall be in serious breach of the Act and the Regulations. The personnel of the Authority shall make a report of the breach and form an own opinion.

The personnel of a procurement proceeding under order of the NPPA will not impact, influence or interfere with the audit schedule of the Auditor General, the Internal Audit or any other special audits that might be launched. Carrying out an investigation or review of procurement proceedings falls within the powers of the NPPA as part of its oversight function. The actions and corrective measures taken by the NPPA in responding to the recommendations of the personnel will impact on any sanctions or penalties that may be applied to the procuring entity or any of its officers in accordance with the Act or any other relevant Acts.

For the purpose of carrying out an investigation or a review of procurement proceedings, the NPPA has the following powers:

- ☐ The personnel of the authority shall have access to all books, records, returns, reports and other documents of the procuring entity or a person who participated in the procurement proceedings, including electronic documents.
- ☐ The notification of an investigation to the procuring entity or bidder shall include the Terms of Reference of the impending review. The personnel of the authority shall present and discuss with the head of the procuring entity any preliminary findings prior to completing the report.

If, after considering the report of an investigator, the Authority is satisfied that there has been a breach of the Act, the Regulations or any directions of the NPPA, the Authority may prepare a summary of the investigator's findings and recommendations and give a copy to the procuring entity or bidder under investigation, the Internal Audit, the Auditor General and to the Anti-Corruption Commission as the Authority may find appropriate;

Before making an order, the NPPA shall give the procuring entity and any other person whose legal rights the Authority believes may be adversely affected by the order an opportunity to make representations.

The outcome of an investigation conducted by the NPPA subject to section 14 of the Act includes the following:

- ☐ Opportunity granted to the procuring entity to take corrective measures to rectify any contraventions.
- ☐ Termination of the procurement process.

In cases of persistent breaches:

- ☐ Recommendation made to the competent authority for suspension of funds disbursement related to the specific procurement where a breach of procedures has occurred and
- ☐ Recommendation made to the competent authority for the disciplining of the vote controller, chairman or member of the procurement committee or any other officer concerned with the procurement process in issue.

Subject to Section 15 of the Act the procuring entity and any other party to a contract that commits an offence shall be liable on conviction for the payment of a fine of not less than ten million Leones or to imprisonment for not less than a 12 months term, or to both fine and imprisonment if:

- ☐ they fail to answer a question put to them regarding any investigation or review ordered by the Authority or provide an answer to such a question which is false or misleading in any material respect, knowing the answer to be false or misleading; or
- ☐ willfully obstruct the Chief Executive or any officer or employee of the Authority in the performance of any of the Authority's functions under the Act and Regulations.

Note that the Authority shall not be held liable by a procuring entity or any other person for any outcomes arising from the conduct of its investigations.

2.8.2 Reporting and Actioning of Report Recommendations

All reports arising from such monitoring activities shall be communicated to the head of the procuring entity for appropriate action. Additionally, independent monitoring and external audit reports may be communicated to donors or other funding agencies where the report covers contracts and/or projects funded by them.

- ☐ On receipt of a monitoring report, the procuring entity shall take appropriate action to remedy any adverse findings, weaknesses or anomalies identified in the report;
- ☐ implement any recommendations for improvement;
- ☐ impose the specified sanctions on individual public officials.

CHAPTER 3: COMMUNICATIONS AND RECORDS MANAGEMENT

3.1 CORRESPONDENCE/COMMUNICATIONS

Correspondence and communications are essential to the management of relationships with suppliers and other bodies, but communications issued by a procuring entity may commit the procuring entity or bind it to a course of action with legal, contractual or financial implications. Therefore, all procurement correspondence and communications issued by a procuring entity shall be made by persons authorised in accordance with their duties and responsibilities.

3.2 DOCUMENTATION/RECORDS MANAGEMENT

3.2.1 *Documentary Records*

Documentary records, both in print or electronic format, are essential for efficient and effective management of activities, as they provide evidence in support of decisions and actions taken, provide an audit trail for verification of transparency, accountability and effectiveness. Efficient records management is essential to ensure effective storage, retrieval and use of records with due regard to security, integrity and confidentiality.

All officers shall ensure they obtain, retain and maintain appropriate documentation supporting the activities for which they are responsible.

Senior officers involved in approval or authorization of procurement proceedings shall ensure that any transactions they approve or authorize are backed by appropriate supporting documentation.

The NPPA has a responsibility to collect and process data and information pertaining to the practice and performance of procurement in Sierra Leone. Therefore, the NPPA may require procuring entities to submit reports on their procurement activities and to establish and maintain data and information bases concerning their procurement activities.

Section 14 of the Act requires the NPPA to prepare annual reports on the public procurement system in Sierra Leone. These reports will rely on the information and data recorded and provided by the procuring entities. Therefore, to facilitate the preparation of these reports, it is imperative that accurate records and documentation are maintained by procuring entities and for procuring entities to report in a timely fashion to the NPPA.

In accordance with section 32 of the Act, procuring entities must ensure that all procurement files are accessible and can be made available to any authority empowered to request access to such files within an appropriate timeframe for the requesting authority to perform its duties or as stipulated by the NPPA.

3.2.2 *Filing/Record Management System*

Procurement units have a general responsibility for maintaining procurement dossiers and contracts registers, but each procuring entity must ensure that complete documentation is maintained in respect of all procurement activities and for contracts and agreements entered into.

Responsibility for the official maintenance of record files, authority to access files, and coordination of management and follow-up actions must be clearly defined in each procuring entity to avoid:

- ☐ partial and incomplete records being held by several different departments and individuals;
- ☐ unauthorised access to records; or
- ☐ failure to take any necessary action at the right time.

3.2.3 Procurement Unit Records Management

All documents regarding the manner in which procurement may be conducted and a particular procurement case shall be kept for future reference and monitoring and control purposes for a minimum period of six years. All procurement requirements are allocated a unique sequential identification number by the procurement unit. Each procurement file should bear this unique procurement identification number.

The recommended filing structure for a procurement dossier is divided into four main categories with relevant sub-categories to include the following documentation:

Folder 1: CORRESPONDENCE:

- Original request from originating officer
- Correspondence with originating officer
- Correspondence with bidders (post-order only)
- Internal correspondence within procurement unit

Folder 2: BIDDING PROCESS

- Invitation for bids
- Invitation for prequalification
- Request for expressions of interest
- Shortlist or advertisement
- Bidding documents and specifications/Terms of reference
- Correspondence with bidders relating to bidding
- Bids, proposals, quotations or Pro-forma invoices received
- Bid opening record
- Record of bid securities
- Evaluation report
- Submission to procurement committee & relevant minutes of decisions

Folder 3: ORDER & DELIVERY

- Notice of contract award and publication
- Contract/purchase order & acknowledgement of receipt
- Delivery documentation
- Inspection and acceptance reports
- After sales warranty and performance claims

Folder 4: FINANCE

- Copy of record of commitment of funds
- Copy of invoices or certificates
- Copy of payment vouchers
- Record of retentions and release
- Performance security and release.

Administrative Guidelines

This Public Procurement Manual is one of several complementary instruments employed by the NPPA to achieve sound public procurement practice that is compliant with the Public Procurement Act and the Public Procurement Regulations. It is complemented by a number of other instruments issued by the Authority. They include **standard bidding documents, procurement circulars, regulatory instructions** and **policy statements** for which it is the responsibility of each procuring entity to maintain and file in sequence for ease of access and reference.

CHAPTER 4: PROCUREMENT STRUCTURES AND RESPONSIBILITY

CENTRAL ORGANISATION STRUCTURE

4.1 NATIONAL PUBLIC PROCUREMENT AUTHORITY (NPPA)

The National Public Procurement Authority acts as the regulatory body on procurement. All procurement committees are required to abide by the provisions in the Act, technical guidelines, policy circulars and regulatory instructions issued by the NPPA.

The NPPA has responsibility for the overall coordination, direction and development of Government procurement practices and procedures. The

NPPA is assigned 17 functions under Section 14 of the Act which may be summarized as follows:

- ☐ Formulating public procurement policy and standards to ensure compliance;
- ☐ Assessing public procurement operations and improvement of procurement processes;
- ☐ Facilitating and promoting capacity building and human resource development in public procurement;
- ☐ Obtaining and ensuring dissemination of information relating to public procurement through the publication of the Public Procurement Bulletin, the preparation and presentation of the annual report to Cabinet and on the Gazette, newspapers and electronic media;
- ☐ Developing and issuing standard documentation for use in public procurement by all procuring entities;
- ☐ Planning and coordinating all technical assistance in the field of procurement;
- ☐ Maintaining and publishing registers of bidders and records of prices;
- ☐ Investigating and suspending through debarment from public procurement, bidders who have contravened the provisions of the Act and Regulations, and communicating a list of debarred firms to procurement entities;
- ☐ Providing a platform for discussion of issues relating to public procurement through an annual procurement forum; and
- ☐ Monitoring of public procurement compliance and performance in line with requirements established by the Act and Regulations.

Other functions of the NPPA subject to Regulations 9 & 11 respectively include:

- ☐ Setting and updating thresholds in accordance with Section 68 of the Act;
- ☐ Ensuring environmental protection in public procurement;
- ☐ Promoting the use of information and communications technology in public procurement and
- ☐ Designating a special agency, central administration or special procurement unit and procurement committee to procure common use items on behalf of the procuring entities.

4.2 INDEPENDENT PROCUREMENT REVIEW PANEL

The Independent Procurement Review Panel (IPRP) is responsible for independent administrative review of procurement complaints by aggrieved bidders, and the general public. The Panel has full investigatory powers and authority to order the re-evaluation or re-bidding of disputed contract awards as well as pursuing miscreants through civil service procedures and criminal and civil courts of law.

4.3 MINISTRY OF FINANCE

The Ministry of Finance is involved in the procurement process through the appointment and supervision of all accounting, stores staff and stock verifiers in the Civil Service, and inventory management and internal audit activities within the Regulations.

The Budget Bureau of MOF is responsible for co-ordination of the annual budgeting process and for financial approval of the procurement plans for each procuring entity.

The Accountant General's Department is responsible for national commitment control and for all payments to suppliers of goods, works and services.

4.4 MINISTRY OF WORKS (MOW)

The Ministry of Works (MoW) is responsible for the preparation of specifications and designs for construction works and projects through its own resources, or any organisation it assigns to the task, except where Procuring Entities have their own approved technical departments.

MoW is responsible for supervising and monitoring the implementation of Government funded construction projects and works in the public sector and no Procuring Entity may contract consulting or supervising engineers except with the approval of MoW.

MoW maintains the registers of pre-qualified, licensed and approved Contractors and Engineers which is complemented by the central register of qualified engineers compiled by the Sierra Leone Institute of Engineers based on a classification system according to their capability, performance and speciality.

4.5 MINISTRY OF TRADE & INDUSTRY

The Ministry of Trade & Industry issues and registers trading licenses for local suppliers.

4.6 MINISTRY OF JUSTICE

The Ministry of Justice is responsible for the approval of all contract formats either through Legal Officers assigned to specific procuring entities or by referral of contracts to the Ministry.

4.7 MINISTRY OF HEALTH AND SANITATION (MoHS)

The Ministry of Health and Sanitation provides regulatory oversight for the importation of drugs and other medical consumables & equipment and will assist the NPPA and other user departments in the development of Standard Bidding Documents for pharmaceutical

products and medical consumables & equipment.

DECENTRALISED ORGANISATION STRUCTURE

Decentralization of procurement functions is dependent on formal certification by the National Public Procurement Authority that the procuring entity has the necessary structures and staffing to undertake decentralized procurement, including an operational procurement committee and procurement unit. Certification of a procuring entity is subject to regular review by the NPPA and authority for conducting procurement may be withdrawn, limited or expanded as a result of such review.

4.8 PROCURING ENTITY

Any organ of the State or regional and local authorities as well as statutory bodies, public sector corporations which are majority owned by the Government including public utilities; using revenue collected by the sale of public services, as well as any other physical or juridical person to whom public funds have been allocated for use in public procurement.

4.9 HEAD OF PROCURING ENTITY

The head of a procuring entity and any officer or public servant to whom authority is delegated are responsible and accountable for actions taken and for any instructions with regard to the implementation of the Act. He is responsible for ensuring that the provisions of the Act are complied with; and along with the procurement committee is to be held accountable for any contract that may be determined to have been procured in a manner that is inconsistent with the provisions of the Act.

The Head of a procuring entity's role in procurement processes shall include:

- ☐ Based on the membership composition specified in section 18 of the Act, appointment of procurement committee members;
- ☐ Appointment of a secretary to the committee in the situation where a procurement unit does not exist;
- ☐ Approval for recommendations of contract awards submitted by the procurement unit; review of decisions on complaints submitted under Section 64 of the Act; and
- ☐ Signing of contracts on behalf of the procuring entity.

The head of the procuring entity may delegate signature of small contracts to the head of procurement unit or other senior official of the entity. The First Schedule of the Act and the Regulations provides threshold values up to which the head of a procuring entity may approve the award of contracts and regulations 18 of the Regulations provides the conditions under which such approvals can be granted.

4.10 VOTE CONTROLLER

The vote controller is the permanent secretary of a Government ministry, chief administrator of a local council, managing director or a general manager, executive director or other head of a State-owned enterprise, or head of a Government department, agency or commission. In line with sub sections (3) and (9) of section 18 of the Act, the vote controller shall serve as chairman of the procurement committee and is accountable for compliance with the Act in procurement proceedings carried out by procuring entity.

4.11 PROCUREMENT COMMITTEES

The chairmanship, structure and membership of each committee is established within the Public Procurement Act, 2016.

All procurement committees should meet on a regular basis to consider requests for approval of procurement procedures and processes.

For a main procurement committee, procurements costing less than the lowest thresholds contained within the First Schedule of the Act and or Regulations may be delegated to the respective procurement unit. Subject to approval by the vote controller, the main procurement committee in a procuring entity may also authorize the establishment of subsidiary local or departmental procurement committees and establish approval thresholds for these committees and their respective procurement units.

4.11.1 *General responsibilities of procurement committees*

All procurement committees have responsibility within their approved levels of financial authority to:

- ☐ Coordinate the development and approval of the annual procurement plan;
- ☐ Approve entries and removals from the register of suppliers and consultants;
- ☐ Appoint on the recommendation of the procurement unit, standing or ad hoc sub-committees as required for preparation of specifications, bid opening, bid evaluation, receipt of goods and certification of works;
- ☐ Review and approve prior to any announcement of a procurement process:
 - the method of procurement;
 - the bidding documents;
 - the specifications, classifications, bills of quantities, plans, drawings and terms of reference as appropriate; and
 - advertisements, letters of invitation and shortlists;
- ☐ Nominate evaluation teams, review evaluation reports, and approve the award of contract to the selected bidder;
- ☐ Ensure that all technical guidelines and regulatory instructions issued by the NPPA, or the procuring entity, are followed by procurement staff.
- ☐ Maintain detailed minutes of meetings and records of all decisions and recommendations.

4.11.2 *Thresholds for review by procurement committees*

Procurements above the upper thresholds contained within the First Schedule of the Act or the Regulations established by the committee and delegated to the respective

procurement unit, must be approved by the procurement committee before award of contract. Lower value procurements, undertaken within the authority delegated by the procurement committee to the procurement unit, will be subject to post-review in summary form by the procurement committee.

All approvals for award of contract must be within the annual procurement plan for the financial year and the committee must confirm that sufficient funding is available within the remaining vote code balance.

Where any member of the procurement committee has a conflict of interest in any submission, s/he shall declare the interest in the submission and shall not participate in the deliberations or decision-making process of the committee in relation to that submission.

4.12 SUBSIDIARY PROCUREMENT COMMITTEES

Subsidiary procurement committees in the departments and regional branches of procuring entities will consider and approve award of contract for all procurements within their areas of responsibility, up to the level of authority delegated by the main procurement committee. Procurements above this financial limit must be referred to the main procurement committee for approval of contract award.

Subsidiary committees will report each month to the main procurement committee of the procuring entity, and to the National Public Procurement Authority, on all procurement activities undertaken for the calendar month.

Subsidiary committees will provide detailed procurement plans to the main procurement committees as part of the annual budget process.

4.13 HEAD OF PROCURING UNIT

All procuring entities must appoint a head of procuring unit, who shall serve as secretary to the procurement committee. The head of a procuring unit may approve all procurements below the threshold stipulated by the law.

4.14 MAIN PROCUREMENT COMMITTEES

The main procurement committee for a procuring entity will have authority to approve all procurements in accordance with the thresholds stipulated in the law. The committee will also review submissions from any subsidiary procurement committees above the authorized financial limit for these subsidiary procurement committees.

Main procurement committees will be required to approve the detailed annual procurement plans for goods, works and services, as part of the annual budget submission process, and to revise the procurement plan based on priorities, in the event of insufficient funds being voted by Parliament. A copy of the detailed final procurement plan for the MDA must be provided to the National Public Procurement Authority and to each subsidiary procurement committee

Main committees will report monthly to the National Public Procurement Authority on all procurement activities undertaken by the procurement unit and the procurement committee during the calendar month.

4.15 PROCUREMENT UNITS

Each procurement committee is supported by a procurement unit of qualified procurement staff to co-ordinate the professional aspects of procurement within the procuring entity.

The responsibilities of the procurement unit are to:

- request detailed information from, heads of departments, projects and programmes for development of the annual procurement plan;
- receive and analyse information for the development of annual procurement plans from all procurement units, projects, programmes and other originating officers;
- develop and cost detailed annual procurement plans by vote code for approval of the procurement committee;
- review and prioritize the final annual procurement plan to the approved vote funding for approval of the procurement committee;
- notify Heads of departments, units, projects and programmes of their approved annual budget for procurement;
- undertake all procurement activities including the evaluation of bids and award of contract for purchases up to the financial threshold(s) delegated by the procurement committee including:
 - ensuring the proposed procurement is defined in the approved annual procurement plan;
 - confirming that budgeted funds are available prior to commencement of procurement proceedings;
 - ensuring that funds are properly committed prior to issue of any contract or purchase order;
 - selection of the appropriate procurement method;
 - conducting market research;
 - preparation of precise detailed specifications (together with the appropriate technical staff and their classification into lots if required); terms of reference, bills of quantities and drawings;
 - defining packaging, marking and delivery instructions;
 - preparing the prequalification, bidding and request for quotation documents, advertising or selection of a shortlist as appropriate;
 - conducting bid openings;
 - evaluation of bids and contract award;
 - initiation and processing of the commitment of funds;
 - preparation and issue of the contract document or local purchase order and notification of unsuccessful bidders;
- contract management including the initiation of advance payments, the processing of invoices for payment, and file closure on completion of all obligations of each party to the contract.
- Ensure due diligence on every aspect of the procurement process.

Where so required by the NPPA, submission of documentation for review and approval by the procurement committee prior to issue.

For purchases above the delegated financial threshold(s), prepare all necessary bidding documentation for approval of the procurement committee, and undertake further procurement processing action as approved or directed by the committee, including;

- ensuring the proposed procurement is defined in the annual procurement plan;
- confirming that budgeted funds are available prior to commencement of procurement proceedings;
- ensuring that funds are properly committed prior to issue of any contract or purchase order;
- recommendation of the procurement method;
- preparation of precise detailed specifications (together with the appropriate technical staff and their classification into lots if required); terms of reference, bills of quantities and drawings;
- defining packaging, marking and delivery instructions;
- preparing the bidding documents and advertisement or shortlist as appropriate;
- participation at bid opening meetings;
- registration and maintenance of bid securities;
- evaluation of bids unless a specific evaluation committee is established by the procurement committee for the procurement;
- initiation and processing of the commitment of funds following contract award by the procurement committee;
- preparation and issue of the contract document or local purchase order and notification of unsuccessful bidders;
- registration and maintenance of performance guarantees, warranties and retentions;
- contract management including the initiation of advance payments, the processing of invoices for payment, and file closure on completion of all obligations of each party to the contract.
- respond to requests for clarifications from bidders;
- notify bidders of any approved revisions to closing dates for the submission of bids;
- request extensions of bid validity from bidders if necessary;
- register and maintain bid securities;
- register and maintain any samples submitted by bidders
- publish notices of intent to award a contract;
- ensure that all contractual obligations of the procuring entity are performed promptly and efficiently;
- register and maintain performance securities, warranties and retentions;
- notify the supplier immediately of any failings in performance of his obligations;
- process claims against securities and retentions, and release and return all securities as soon as they are no longer required;
- monitor delivery schedules and the inspection and certification of delivery or

- performance;
- coordinate the process for payment to suppliers;
- report weekly to the procurement committee on all procurements processed by the procurement unit under the delegated authority, for retrospective approval;
- provide general secretariat support and advice to the procurement committee including:
 - preparation of correspondence, notices, minutes of all procurement meetings, and communication of the decisions or queries of the committee;
 - photocopying;
 - filing of documents; and
 - maintenance of comprehensive dossiers for each procurement;
- receive, record and present documents and issues to the procurement committee;
- ensure accurate maintenance of the register of commitments against budget in liaison with accounting staff and the vote controller;
- maintain the contracts registers where this responsibility is not delegated to technical departments by the procurement committee;
- liaise with and keep informed subsidiary procurement committees, originating officers, technical staff, bid opening committees, bid evaluation committees as necessary for efficiency and transparency during the procurement process;
- maintain a register of pre-qualified suppliers, and consultants.
- carry out any other associated procurement tasks as assigned by the procurement committee.

Where so required by the NPPA, submission of documentation for review and approval by the procurement committee prior to issue.

4.16 ORIGINATING DEPARTMENTS, PROJECTS OR UNITS

The originating officer, department, project, programme or unit is the initiator of requests for procurement or asset disposal action and has responsibility to:

- ☐ Ensure that the requirement for procurement is:
 - justified by the needs of the department, project, programme or unit;
 - not for goods already available in the stores;
 - within the annual procurement plan; and
 - covered by available funding in the recurrent budget or development plan;
- ☐ Prepare the initial specification of the requirement; and
- ☐ Prepare a procurement requisition.

4.17 STORES DEPARTMENT

Stores departments are responsible for the following procurement activities:

- ☐ preparation of the annual budget for both unallocated stores and assisting in the preparation of the budget for allocated stores;
- ☐ co-ordination of receipt of goods procedures; and
- ☐ acting as the originating department for purchase of stock items.

4.18 BID OPENING COMMITTEES

Bid opening committees are formed as required by the procurement committee to conduct and supervise each opening session in accordance with the required procedures for bid openings. The procurement unit will normally undertake this responsibility for procurements within the financial authority thresholds approved by the procurement committee.

Bid opening committees are formed in accordance with the following principles:

- ☐ The committee shall have at least 3 members, including a chairman, the secretary and a committee member;
- ☐ At least one of the members must not be directly involved in the processing or evaluation of the bids.

Bids shall be opened in accordance with Regulation 63. Each member of the bid opening committee shall sign each bid on one or more pages as determined by the bid opening committee; and insert 'Initials', in each bid, against the quotation of the price and any modifications or discounts.

All the bid opening documents plus the minutes shall be passed on to the evaluation committee through the head of the procurement unit.

4.19 BID EVALUATION COMMITTEES

The bid evaluation committee must be constituted by officers that possess specialist knowledge in the procurement undertaken as specified in regulation 66 of the Public Procurement Regulations. Evaluations will be carried out by the procurement unit or by an evaluation committee appointed by the procurement committee to:

- ☐ Check bids for arithmetic errors;
- ☐ Review the bids and samples received for conformity with all specifications and conditions stated in the bidding documents;
- ☐ Report on the technical and commercial compliance of each bid in a technical evaluation;
- ☐ Analyse the financial bids and report the results in a financial evaluation; and
- ☐ Prepare an evaluation report, including justified recommendations for rejection of bids and for the award of contract, for approval by the procurement committee.

A member of an evaluation committee should have any or all of the following capabilities:

- ☐ Knowledge of the overall operations of the procuring entity;
- ☐ Knowledge of the technical aspects of the procurement such as engineering, agriculture, information and communications technology and software development; medical and pharmaceutical sciences; and
- ☐ Knowledge of the accounting and financial principles to secure accurate financial evaluation.

The proceedings for bid evaluation are as follows:

- ☐ Recommendations for award of contract should be made solely on the basis of information and evaluation criteria provided in the bid documents or request for proposals and without recourse to any extrinsic evidence, personal preferences or political pressure. Where any member of the bid evaluation committee has a conflict of interest in any bid evaluation, s/he will declare the interest in the bid and should not participate in the deliberations or decision-making process of the committee in relation to that submission.
- ☐ Scoring of bids should be conducted individually by members of the bid evaluation committee and the scores formally combined by the procuring unit to arrive at a recommendation for contract award. Recommendations of the bid evaluation panel should be unanimous, but any dissenting views should be recorded within the evaluation report to be submitted to the procurement committee.
- ☐ The evaluation report prepared for each evaluation conducted should be signed by all participating members of the committee.

4.20 INSPECTION/TAKEOVER COMMITTEES

The receipt of all goods, and the validation of work completed for works and services is subject to inspection and verification by a formal committee. This includes initial and final takeover inspections for works, and the Inspection and receipt committees for goods.

Subject to Regulations 147 and 148, an inspection/takeover committee should comprise of 3 members and be responsible for performing inspections where required; testing goods received, inspecting and reviewing services, works and consulting designs in order to certify compliance with the terms and specifications of the contract and accepting or rejecting on behalf of the procuring entity the delivered goods, works, or services.

A report of the inspection procedures should be completed with all three members signing any minutes and reports of meetings of the committee.

Members of these committees should not also be members of the procurement committee that approved or supervised the procurement process. The inspection/takeover committee must be constituted by officers that possess specialist knowledge in the procurement undertaken.

No procurement object should be accepted, or payment processed without acceptance or approval of the inspection/takeover committees.

CHAPTER 5: THE PROCUREMENT CYCLE

5.1 THE PROCUREMENT CYCLE

The procurement cycle represents the various stages in the procurement process. The activities that need to be undertaken at each stage of the procurement process include:

Planning: The requirements to be procured are first identified by originating/end user departments through the completion of the 'Requirements Form'. Once the procurement requirements have been identified, preparation of the procurement completion timetable is done through the procurement plan as part of the annual budget preparation process and a method to procure the requirements is determined based on the procurement thresholds and the competitiveness of the selected method. Following the approval of the procurement plan, procurement activities can be initiated. Initiation of the procurement activity is done by originating/end user departments through the completion of the 'Procurement Requisition Form' (SPF 1) and specifications of requirement. Funding availability is also confirmed prior to initiating the procurement process.

Sourcing: Following the initiation of procurement activity by the originating/end user department, the bid preparation process can begin. Depending on the type of procurement and the procurement method selected, this could include identifying sources of supply; pre-qualifying potential bidders; preparing the invitation to bid and the bid document, request for quotation or request for proposals; gaining all required approvals; receiving bids and holding public bid openings. Following the public bid opening and receipt of bids, quotes or proposals; evaluation commences through the appointment of an evaluation committee. Based on the evaluation, an award of contract is recommended by the committee, all necessary approvals for the award of the contract are sought; if allowed and required, negotiations with the most responsive bidder is conducted.

Contracting: After the approval of the award of contract to the most responsive bidder, an award notification can be issued or published. The successful bidder and other bidders are notified of the contract award from which point the contract documents can be drawn. If no complaints regarding the award are brought forward by unsuccessful bidders within a 14 days standstill period and all due diligence requirements are satisfactorily completed, the signing of the contract agreement is done.

Contract Management: Once the contract has been signed and depending on the nature of the items procured, inspection is arranged; delivery is done; a contract administrator may be appointed; contract administration plan is developed to aid contract performance monitoring, letters of credit are established and arrangements for installations, monitoring, receipts and payments are made based on the terms and conditions specified in the contract agreement whilst contract modifications and variations are managed and recorded appropriately.

Storing: Following the completion of inspection; receiving reports and/or acknowledgement of goods received note, procurement items may be stored in adequate locations such as stores, warehouses or central supply units. This is to prevent wastage and loss and ensure continued utilisation of procurement supplies. In order to achieve these objectives, sound inspection, testing, warehousing, security measures, insurance and inventory practices should be applied. Stores represent 'money' and the utmost economy in their use and accuracy in all transactions relating to their management is essential.

Distribution: From stores, warehouses and central supply units, distribution to originating

departments or end users in various locations can proceed as and when required. Sound and credible distribution procedures must be developed such that they result in originating departments or end users having the right supply, at the right place, in the right time and in right quantity.

Disposal: Once requirements have been procured and utilized by the procuring entity in the discharge of their duties, it might become necessary to dispose of some requirements. Disposal may become necessary due to items becoming unserviceable, obsolete or surplus making maintenance, insurance and storage costs to well exceed the returns that can be derived from such items. In such cases an effective method of transferring and disposing of such items is employed following obtaining of appropriate approvals with any funds from disposal proceedings accurately reflected in the Consolidated Revenue Fund.

Evaluation: The last stage in the procurement cycle requires the procuring entity to as good practice, review the completed procurement process; identify any weaknesses in the process and develop an action plan to prevent any problems in the future. Such reviews can also be complimented by reviews instituted by the NPPA to assess the level of compliance, efficiency and effectiveness of the procurement process.

5.2 PROCUREMENT PLANNING

Section 29 of the Act and Regulation 28 both require procuring entities to prepare a procurement plan for each fiscal year and prepare quarterly updates and in consultation with the Ministry of Finance and the NPPA. The Regulations require that the procurement planning process is fully integrated with applicable budget processes and circulars issued by the NPPA and the budget preparation instructions of the Ministry of Finance.

Adequate procurement planning and prioritisation of needs by each procuring entity is an essential prerequisite to effective purchasing for the following reasons:

- ☐ Poor procurement management without well managed links to the budget can totally undermine the budget process; as well the fiduciary risks typically associated with poor procurement procedures and ineffective procurement controls undermines the objectives of the budget.
- ☐ Funding for procurement is unlikely to be sufficient to meet all requirements, and scarce financial resources must be channeled to ensure that the priority public service aims of a procuring entity are adequately met before spending on less essential procurements.
- ☐ Effective planning allows requirements to be aggregated into larger purchases at lower unit costs, rather than frequent sourcing of quotations for identical items and issuing many individual local purchase orders.
- ☐ Procurement of common user items may also be aggregated within a procuring entity or for more than one procuring entity into framework (Call-off) contracts for six months or a year, to permit further economies of bulk purchasing, saving of time wasted by separate procurements, and a reduction of the need to maintain high stock levels.
- ☐ Publication of realistic annual procurement plans allows the private sector to respond more effectively to the requirements and specifications of Government, through investment in staff and equipment, manufacture and importing of goods, and financial planning.

Structured development of procurement plans is an essential part of the annual budget

preparation process and provides an essential checklist for the approval of procurements by procurement committees and monitoring of procurement activity by the National Public Procurement Authority.

Note that procurement planning is a complex undertaking that requires coordination with other departments to ensure its usefulness as a guide and as a control tool as well as its coherence with end-user departmental activity plans. The preparation and updating of the procurement plan should be done on a quarterly basis and forwarded to NPPA for validation in line with the approved budget.

5.2.1 Contents of the Procurement Plan

The annual procurement plan for each procuring entity should include:

- ☐ a detailed breakdown of the goods, works and services required and the interdependency of consulting services, works and goods that form part of a particular procurement.
- ☐ a schedule of the delivery, implementation or completion dates for all goods, works and services required;
- ☐ An indication of the anticipated procurement method for each procurement requirement, including any need for pre-qualification, and the anticipated time for the completion of the procurement cycle, taking into account the applicable approval requirements;
- ☐ an indication of any items that can be aggregated for procurement as a single package, or for procurement through any applicable arrangements for common use items;
- ☐ an estimate of the value of each package of goods, works and services required and the source of funding;
- ☐ an indication of the rules applicable to the procurement, where any procurement is not subject to the Regulations in accordance with section 1 of the Act, for example in the case of donor funded procurement; and
- ☐ details of any committed or planned procurement expenditure under existing multi-year contracts.

Market Research

Prior to completing the procurement plan, it is useful to conduct an analysis of the market to gain an understanding of market dynamics. Market research is useful for determining whether the minimum requirements are practical or realistic; in the identification of adequate supply sources; in determining how to appropriately describe the requirements; and assessing whether cost estimates and schedules are realistic. The extent of a market study is usually determined by the degree of complexity and value of the requirement. Market research can be conducted through various means such as through the internet and/or by soliciting information potential suppliers, contractors, or consultants. As good practice and for audit purposes as well as for future use, it is useful to record and file the results of a market research.

Grouping, Packaging and Profiling

In preparing the procurement plan, requirements must be grouped, packaged and profiled accordingly.

Grouping: Separation and grouping together of goods, works, non-consultant services and consultancy services. As a general rule these should not be mixed in procurement except in special cases where they are inseparable. Consideration should also be given to the cost and the difficulty in the procurement of each procurement.

Packaging: Putting procurement items together (aggregating) to form procurement packages. Items packaged together will be purchased together either in a single bid or one request for quotations. In packaging procurement items, consideration must be made for the following: like items, large or small items and values of the items. Packaging contributes towards determining the relevant procurement method to be used in procuring the required procurement items.

Profiling: Analysing all procurement packages based on their grouping; taking into consideration the value of the procurement packages and the degree of difficulty in procuring the packages.

Consideration for Aggregation of Requirements

In determining the optimum packaging of planned contracts, a procuring entity should aggregate procurement requirements, where appropriate, to achieve economies of scale. In deciding where aggregation is appropriate, the procuring entity should consider all relevant factors, including:

- ☐ which procurements are of a similar nature and likely to attract the same potential bidders;
- ☐ shelf-life and storage constraints;
- ☐ when delivery, implementation or completion is required;
- ☐ the optimum size and type of contract to attract the greatest and most responsive competition, taking into account the market structure for the requirement;
- ☐ which procurements will be subject to the same bidding requirements and conditions of contract; and
- ☐ the potential to realise savings in time or transaction costs or to facilitate contract administration by the procuring entity.

Considerations for Division into Lots

The division of a procurement requirement into lots, which could otherwise be procured as a single contract, should be considered when:

It is anticipated that the award of several separate contracts may result in the best overall value for the procuring entity through enhanced competition;

The division of a requirement into a package of separate lots is likely to increase the number of responsive bids by enabling the participation of bidders who are able to bid for some, but not all, types of items; or small enterprises that would not be qualified to bid for the complete package as a single contract. This might support economic development policies. Any justification provided should clearly establish the link to such a policy and the impact of the division.

A requirement cannot be divided into lots:

- ☐ For the purpose of avoiding procurement thresholds;
- ☐ Where the award of several separate contracts would create problems of compatibility or inter-changeability between items purchased as separate lots;
- ☐ Where the award of several separate contracts would invalidate or otherwise restrict any contractor's warranty or liability; and

- ☐ Where the award of several separate contracts would increase the costs of servicing, maintenance or similar requirements;

Where a requirement is divided into lots, which may result in separate contracts, the selection of the procurement method is determined by the estimated total value of all the lots and not by the individual values of the separate lots.

Where a requirement which could be procured as a single contract is divided into lots with equal packages, the procuring entity will permit bidders to bid for a single lot, any combination of lots or all lots.

5.3 THE BUDGET PREPARATION PROCESS

Annual budgets are prepared each year in accordance with the procedures specified by the Budget Bureau of the Ministry of Finance. One of the key vehicle for budget implementation is the procurement process. Therefore, effective commitment control should be based on approved procurement plans. Detailed instructions for the preparation of annual procurement plans will be issued by the National Public Procurement Authority in consultation with the Budget Bureau.

The vote controller has responsibility for coordinating the preparation of the budget for the procuring entity, including procurement plans based on previous consumption and estimated requirements for stores replenishment, and the submissions of departments, units and projects. The completion of the procurement plan is done by the procurement unit with inputs received from originating departments and end user departments.

In preparing the procurement plan and estimating the cost of the procurement, consideration should be made for other factors in addition to the total contract price. Such costs may include:

- ☐ contingencies including anticipated contract variations, exchange rate fluctuations, price adjustments;
- ☐ costs relating to facilities, services or resources to be provided by the procuring entity such as office space for counterpart staff or storage space for receiving goods and communication facilities and
- ☐ costs for which the procuring entity may become liable such as freight charges, customs clearance, insurance, import taxes and duties, inland delivery, inspections and installations including costs associated with maintenance or service agreements.

Such factors must be taken into account particularly for purposes of verification of fund commitment prior to initiating the procurement process.

Preparation of the annual procurement plan should be commenced at least three months before the start of the financial year to allow sufficient time for a realistic and accurately costed plan to be compiled.

Upon approval of the budget by Parliament, procuring entities may need to revise their procurement plans to reflect the actual budgetary allocations. Revised procurement plans will form the basis for preparing the cash flow projections that will inform the budgetary release process to the procuring entity.

5.3.1 *Procurement Committee Actions*

The procurement committee has overall responsibility for control of the preparation and the approval of the detailed annual procurement plan under the authority of the vote controller. The work of compilation, costing and prioritization of expenditure for the procurement plan will be undertaken by the procurement unit.

Actions by the procurement committee:

- ☐ Instruct the procurement unit to commence development of the annual procurement plan in accordance with the instructions issued by the National Public Procurement Authority and the Budget Bureau.
- ☐ Receive and approve the draft annual procurement plan and costings from the procurement unit, and forward to the vote controller for inclusion in the annual budget.
- ☐ If insufficient budget funding is available, either on the advice of the vote controller before submission to the Budget Bureau and/or following notification of the approved annual budget, instruct the procurement unit to trim the procurement plan according to service priorities.
- ☐ Receive and approve the final annual procurement plan and forward a copy to the National Public Procurement Authority.
- ☐ Ensure that quarterly updates of the procurement plan are prepared by the procurement unit and that updated copies are forwarded to the NPPA and the Budget Bureau.

5.3.2 *Procurement Unit Actions*

The procurement unit has the task of compiling the costed annual procurement plan from the individual departments, units, projects and programmes of the procuring entity.

Procurements for donor-funded projects and programmes should also be included but identified in a separate section of the annual procurement plan.

Action by the Procurement Unit:

- ☐ Subject to the instructions of the procurement committee, the National Public Procurement Authority and the Budget Bureau, commence the preparation process for the annual procurement plan at least three months before the start of the next financial year.
- ☐ Issue detailed instructions to subsidiary committees, the heads of departments, units, projects and programmes on the format and content of submissions for the procurement plan. The instructions should clearly indicate that items omitted from the submissions may not be purchased in the financial year without adjustment to the quantities of other items under the same detailed vote sub-head, or the formal issue of a supplementary budget. Note that the NPPA will provide the procurement planning template or any planning software for use by procuring entities with detailed instructions and timetables for compilation of the procurement plan.
- ☐ Receive submissions, check quantities and costing, obtain clarifications and other responses to any queries, analyse and compile all submissions into a comprehensive procurement plan.

- ☐ Submit the draft annual procurement plan to the procurement committee for approval.
- ☐ In response to the advice of the procurement committee, and in full consultation with the subsidiary committees, heads of departments, units, projects and programmes, trim the procurement plan according to service priorities.
- ☐ Compile the final annual procurement plan and submit to the procurement committee for approval.
- ☐ Notify individual subsidiary committees, heads of departments, units, projects and programmes of their approved procurement plans and annual procurement budgets.

5.3.3 *Stores Department Actions*

Stores departments are required to prepare the estimated requirement, cost and delivery scheduling of each stock item held in addition to departmental operational purchases. The planned quantities to be procured must be in accord with existing stock levels, and annual usage patterns.

Note that purchases of stores departments that are entirely funded by a revolving fund are not included in the annual budget. However, proposed procurements, quantities and prices are still required to be submitted to the procurement unit for price and quantitative information.

Action by the stores department:

- ☐ Analyse the stores ledger and extract stock descriptions, annual issues and seasonal usage patterns, current stock levels, average purchase quantities, anticipated requirements for the next financial year and costing.
- ☐ Submit detailed schedules of the annual requirement for stock items, the costs analyzed between detailed vote codes, and supporting information to the procurement unit in accordance with the instructions received.
- ☐ For operational requirements other than stock items, also submit a procurement plan.
- ☐ Respond to any queries raised by the procurement unit.
- ☐ Receive notification of the final approved annual procurement plan and budget and use this as an essential guideline for all procurement processes to be undertaken in the new financial year.

5.3.4 *Subsidiary procurement committees, and heads of departments, units, projects and Programs*

Subsidiary procurement committees and heads of departments, units, projects and programmes are required to ensure the analysis and preparation of annual procurement plans for their own and subordinate areas of control.

Procurements for donor-funded projects and programmes should also be included but identified in a separate section of the procurement plan.

Action by subsidiary procurement committees and heads of departments, units, projects and programmes:

- ☐ Review previous procurement plans to determine if any planned procurements will need to be carried out in the new financial year.

- ☐ All planned procurements of goods, works and services for the next financial year must be identified and scheduled in the annual procurement plan. Care should be taken to avoid double-counting of requirements where there are overlapping responsibilities in functional and line relationships, and for items normally supplied through the stores department.
- ☐ Identify specific requirements and categorize them into the types of procurement, i.e. goods, works or services.
- ☐ Aggregate similar items into suitable packages or lots and estimate the cost of each package or lot.
- ☐ The procurement threshold in the First Schedule of the Regulations determines the procurement method to be used. It should be noted that the procurement requirement may not be split into parts to avoid the use of a specified procurement method.
- ☐ For procurements funded through the Government budget, submit the annual procurement plan to the procurement unit, identifying all proposed procurements for the new financial year by quantity, cost and the full vote code.
- ☐ For direct donor-funded procurements, identify and cost all proposed procurements for the next financial year. Add these as a separate item in the annual procurement plan identifying the donor, the project or programme and the loan or credit number.
- ☐ Respond to any queries raised by the procurement unit.
- ☐ Receive notification of the final approved annual procurement plan and budget and use this as an essential guideline for all procurement processes undertaken in the new financial year.

5.4 THE MEDIUM-TERM EXPENDITURE FRAMEWORK (MTEF)

Failure to integrate the processes for policy, planning and budgeting within government results in poor budgeting outcomes. Insufficient and unpredictable funding also contributes to inefficient procurement often resulting in poor operational performance of the public sector. By managing public expenditure through strategic prioritisation of government policy within available resources in the budget, MTEF provides linkages between government policy, planning and budgeting processes.

The Medium Term Expenditure Framework provides an estimate that is a sufficient basis for planning procurement with multi-year incidence. It is important to appropriately plan multi-year procurements and to integrate them into the medium term budgetary frameworks.

Where a multi-year arrangement is planned, the period should not exceed the period of the Medium Term Expenditure Framework for goods, non-consultant services and consultancy services. In the case of works, the period of the procurement plan should only be limited by the scheduled time of completion.

5.5 GUIDELINES FOR DETERMINING COMPLETION TIMESCALES

5.5.1 *Estimated Lead Times - (ICB Goods)*

- | | |
|---|------------------|
| 1. Preparation of bid documents - | 4-5 weeks |
| 2. Prior review/procurement committee/NPPA approval - | 1-2 weeks |

3.	Adverts/ Invitation to bid - minimum	6 weeks
4.	Bid Close/ Opening - same date	Same date
5.	Bid Evaluation and report submission -	2 weeks
6.	Approval by procurement committee -	1-2 weeks
7.	Contract award -	1-2 weeks
8.	Contract signature -	2-3 weeks
9.	Letters of credit (goods) -	2-4 weeks
10.	Delivery -	2 weeks-18 months
11.	Inspection and acceptance -	1-2 weeks

If there is the need for prequalification of bidders, then total time for the delivery of the goods or works will have to be expanded by 7-13 weeks to allow for the completion of the prequalification procedures.

5.5.2 Estimated Lead Times - (NCB Goods)

1.	Preparation of bid document -	1-3 weeks
2.	Prior Review/Procurement committee approval -	1-2 weeks
3.	Advert/Bid invitation -	4 weeks
4.	Bid Close/Opening -	same date
5.	Bid Evaluation and report submission -	1-2 weeks
6.	Procurement committee approval -	1 week
7.	Contract award -	1 week
8.	Contract signature -	1-2 weeks
9.	Letter of credit -	1-4 weeks
10.	Delivery -	As per contract
11.	Inspection and acceptance -	0-1 week

5.5.3 Estimated Lead Times - (ICB Works)

1.	Preparation of bid documents -	4-5 weeks
2.	Prior Review/Procurement committee approval -	1-2 weeks
3.	Advert/Bid Invitation -	6 weeks
4.	Bid Close/Opening -	Same date
5.	Bid Evaluation and report submission -	2 weeks
6.	Post Review / Procurement committee approval -	1-2 weeks
7.	Contract award -	1-2 weeks
8.	Contract signature -	2-3 weeks
9.	Mobilisation (advance payment) -	2-4 weeks
10.	Completion period	2 weeks-18 months
11.	Final Acceptance -	1-2 weeks

5.5.4 Estimated Lead Times - (NCB Works)

1.	Preparation of did documents -	1-3 weeks
2.	Prior Review/Procurement committee -	1-2 weeks
3.	Advertising/Bid Invitation -	2-4 weeks
4.	Bid Close/Opening -	same date
5.	Bid Evaluation and report submission -	1-2 weeks
6.	Post Review /Procurement committee approval -	1 week
7.	Contract award -	1 week
8.	Contract signature -	1-2 weeks

9.	Mobilisation (advance payment) -	1-4 weeks
10.	Completion period -	As per contract
11.	Final acceptance -	0-1 week

5.5.5 *Estimated Lead Times - (Request for Quotation)*

1.	Preparation of documents -	0-1 week
2.	Invitation or solicitation letter -	0-2 weeks
3.	Bid Close/Opening -	Same date
4.	Evaluation and submission of report -	0-1 week
5.	Award of contract -	0-1 week
6.	Contract signature -	1 week
7.	Delivery/completion period -	1-4 week
8.	Inspection and acceptance -	0-1 week
9.	Final acceptance (works) -	As per contract

5.6 PLAN MONITORING AND UPDATING

During procurement or project execution the original procurement plan should be regularly monitored and updated. The essence is to see how actual performance compares with the planned activities and to make changes in the plan if necessary. If slippage occurs in the award or execution of one major contract, it may require rescheduling of other related contract awards and deliveries.

The purpose of plan monitoring is to complete the details of what has actually been executed, to note whether there are major discrepancies with what was anticipated and make adjustments in the plans so as to give a complete picture of procurement performance.

A full revision and update of the procurement plan must be submitted to the procurement committee for approval and subsequently to the NPPA for review and for reference on a quarterly basis throughout each financial year.

SECTION 3: STEP BY STEP GUIDELINES

CHAPTER 6: PROCUREMENT OF GOODS

6.1 DEFINITION OF GOODS

“Goods” means objects of every kind and description, including commodities, raw materials, products and equipment, and objects in solid, liquid or gaseous form, and electricity, as well as services incidental to the supply of the goods if the value of those incidental services does not exceed that of the goods themselves.

6.2 PROCUREMENT METHODS

Procurement methods that can be used for the procurement of goods are:

- ☐ Open Competitive Bidding (National or International)
- ☐ Restricted Bidding (National or International)
- ☐ Request for Quotations (RFQ)
- ☐ Sole Source
- ☐ Two-Stage Bidding (National or International)

The selection of procurement method chart given at Annex 2 provides an indicative summary of the various factors to be considered in deciding the procurement method to be used in line with the procurement thresholds. Procuring entities should always choose the procurement method that ensures the maximum level of competition. The costs of the procurement proceedings should also be kept in balance with the estimated value of the procurement requirement.

Requirements must not be split into two or more procurements to avoid using the correct procurement method, or to avoid approval of the procurement committee, or endorsement by the NPPA.

6.2.1 *Open Competitive Bidding*

Open Competitive Bidding both national and international by public advertisement is the preferred method for Government procurement as it has the most potential for ensuring the achievement of key procurement principles of transparency, competitiveness and value for money. The use of alternative procurement methods is strictly limited to the provisions of Part V of the Public Procurement Act, the implementing Regulations and chapter 6.2.3 to 6.2.6 below.

Alternatives to the use of open competitive bidding are:

- ☐ Restricted Bidding
- ☐ Requests for Quotations (RFQ)
- ☐ Sole Source

There are no procedural differences between international competitive bidding and national competitive bidding apart from the need to advertise international bids in the international media and to allow a longer time before bid closing to reflect the slower communications involved.

6.2.1.1 National Competitive Bidding (NCB)

National Competitive Bidding is appropriate for less complex procurements where international competitive bidding is not cost-effective, where the goods by their nature or scope are unlikely to attract foreign competition, or where there are justifiable reasons for the procuring entity to restrict bidding to domestic bidders. These reasons could include the availability of enough qualified local bidders to execute a contract and locally competitive prices for the required goods in comparison to the international market. The Regulations permits the use of NCB for procurement of goods valued at the thresholds stated in First Schedule of the Regulations.

6.2.1.2 International Competitive Bidding (ICB)

International Competitive Bidding is appropriate for high value or complex procurements, or where the supply of goods by their nature or scope, is unlikely to attract adequate local competition or where the prices for goods are not competitive in the local market. The Regulations requires the use of ICB for procurement of goods above the threshold stated in First Schedule of the Regulations.

6.2.2 Two Stage Bidding

Two-stage bidding is an appropriate method of procurement when it is not feasible for the procuring entity to formulate detailed and precise specifications for the required goods, or to identify their characteristics, or when the character of the goods is highly technical or is subject to rapid technological advances.

It is an infrequently used procurement process in which a procuring entity invites bidders in the initial stage to contribute to the detailed specification of the goods through the submission of only technical bids. Following initial evaluation and consultations, new detailed specifications are prepared and a restricted bid requesting both technical and financial information is issued in the second stage to all participants who were not rejected in the first stage.

Procedure for two-stage bidding for goods:

- ☐ prepare bid documents, with evaluation criteria, detailing out the general requirements and specifications of the proposed goods;
- ☐ obtain all required approvals from the procurement committee and endorsements from the NPPA;
- ☐ identify list of pre-qualified suppliers;
- ☐ invite suppliers to submit the first stage proposals, without bid prices, that meet the requirements of the bidding documents;
- ☐ evaluate the proposals and select the most feasible and responsive bids to be considered during the second stage of the process and reject non-responsive bids at this stage;
- ☐ finalise requirements with respect to specifications and features using the selected proposals as a guide. This might require the deletion and modification of specific aspects of technical or quality characteristics of the selected proposals;
- ☐ develop bid documents and detailed evaluation criteria.;
- ☐ invite only the responsive bidders to submit technical and financial proposals;
- ☐ evaluate and select the best evaluated offer.

Although the two-stage procurement process can extend the procurement lead -time, it allows prospective suppliers to have a good understanding of the requirements and reduces risks at the contract implementation stage.

6.2.3 *Restricted Bidding*

Restricted bidding is a process of direct invitation to a shortlist of pre-qualified, pre-registered or known suppliers, and is subject to a specific endorsement being granted by the National Public Procurement Authority. This may directly follow a formal pre-qualification of suppliers for the specific requirement. Detailed guidelines on pre-qualification process are provided in this Manual.

It is an appropriate method of procurement where:

- ☐ the estimated cost of the goods is less than the threshold established in the Regulations ;
- ☐ OR subject to a specific waiver being granted by the National Public Procurement Authority under one or more of the following conditions:
 - the requirement is of a specialised nature or has requirements of public safety, or public security which make an open competitive bid impossible;
 - due to the urgent nature of the requirement, an open competitive bid is not practical;
 - the number of potential suppliers is limited; or
 - an open competitive bid has failed to bring an award of contract.

Under restricted bidding, the procuring entity will invite bids from a list of pre-qualified suppliers broad enough to assure competitive prices and including all suppliers when there are six or less.

6.2.4 *Request for Quotation (RFQ)*

This method is also known as “shopping” and is based on comparing price quotations obtained from several suppliers, usually at least three, to ensure competitiveness.

Shopping is a procurement method based on comparing price quotations obtained from several suppliers, usually at least three, to assure competitive prices, and is an appropriate method of procuring readily available "off-the shelf goods" or "standard specification commodities" that are small in value. It is sometimes referred to as the local purchase system. Requests for quotations should indicate the description and quantity of the goods, as well as desired delivery time and place. Quotations may be submitted by electronic means or hand delivery.

Request for quotations may be used when:

- ☐ The estimated value is less than the thresholds in the First Schedule of the Regulations
- ☐ subject to a specific waiver being granted by the NPPA under the conditions wherein:
 - the goods are only available from two suppliers; or

- no bids were received, or only one bid was presented in response to two consecutive open competitive bids or restricted bids

Standard RFQ documents are particularly suitable for procuring readily available off-the-shelf goods or standard specification items of low value and should contain clear requirements in terms of quality, quantity, terms and time of delivery including any special requirement.

Note that for urgent higher value or more complex requirements, a more appropriate standard bidding document and contract format should be used to protect the procuring entity.

6.2.5 Sole Source

Sole source procurement from a supplier without competition (direct procurement) may be appropriate upon securing a specific waiver from the National Public Procurement Authority usually when:

- ☐ only one supplier has the exclusive right to the manufacture of the goods, to be procured, and no suitable alternative is available;
- ☐ for additional deliveries of goods by the original supplier which are intended either as parts replacement for existing goods where a change of supplier would compel the procuring entity to procure goods not meeting requirements of the interchangeability with already existing goods.
- ☐ there is extreme urgency, provided the circumstances which gave rise to the urgency were neither foreseeable by the procuring entity nor the result of dilatory conduct on its part and provided this is restricted to the minimum quantity required to meet the urgent need until a procurement by other methods can be fulfilled.

In the use of the Sole source method, a written description of the needs and any special requirements as to the quality, quantity, terms and time of delivery should be prepared by the procuring entity. The submission of a bid by the sole bidder is required. Publication of the notice of the holding of sole-source procurement processes is also required in the Gazette, a newspaper of national circulation, on the NPPA's website and when feasible on the website of the procuring entity when the estimated value of the procurement exceeds the threshold set in the First Schedule of the Regulations

Use of the sole source procurement method requires the approval of the procurement committee and following such approval, an endorsement must be sought from the NPPA.

6.3 IDENTIFICATION AND SPECIFICATION OF REQUIREMENT

A flowchart showing a summary of pre-contract activities required and who is responsible for them is provided in the Annex section of this Manual.

6.3.1 Identification of Requirement

A requirement may originate from the stores department for replenishment of stock items, or from any department, subunit or project of a procuring entity for other goods.

The estimated cost of the requirement must already be included in the approved annual procurement plan and budget.

Actions by the Procurement Unit:

- ☐ Estimate the cost based on previous procurements and market rates;
- ☐ Identify the source of funding;
- ☐ Check if this requirement can be consolidated with similar known requirements within the procuring entity to make a more attractive bidders.

6.3.2 Specification of Requirement

The description of goods to be procured shall contain or be accompanied by a complete, precise and unambiguous description of the goods required. The description may include drawings where appropriate. If detailed specifications cannot be prepared by the originating department or unit, the advice of the procurement unit may be sought for assistance or the appointment of a specialist technical advisor. Specifications for the procurement of goods shall include:

- ☐ the purpose and objectives of the goods;
- ☐ a full description of the requirement in terms of quantity, quality, urgency;
- ☐ a functional description of the goods, including any environmental or safety features;
- ☐ performance parameters, including outputs and any indicators or criteria by which satisfactory performance can be judged;
- ☐ dimensions, symbols, terminology language, packaging, marking and labelling requirements;
- ☐ inspection and testing requirements; and
- ☐ any applicable national or international standards required.

Descriptions of goods must be generic and should not include any reference to a particular brand name, trademark, patent, design, type, specific origin, producer, manufacturer, catalogue or numbered item, unless there is no other sufficiently precise or intelligible way of describing the requirement, in which case the words “or equivalent” shall be included and the description shall serve only as a benchmark during the evaluation process.

Note that requirements may not be split into more than one requisition for the purpose of reducing the estimated value in order to be within approval thresholds or to avoid a method of procurement.

6.3.3 Procurement Requisition and Budget Confirmation

To assist in the identification and management of procurement, a Procurement Requisition (Form SPF 1) is prepared by the originator to include the detailed specification of the requirement and an estimated cost, prior to approval by the head of the department/unit.

A procurement requisition and prior budgetary approval is not required for urgent small value procurements which are paid for out of advance imprest funds.

The procurement unit will co-ordinate with accounting staff of the procuring entity to verify the provisional availability of budgeted funds for the procurement of the goods.

6.3.4 Preparation of the Procurement Requisition

Complete the procurement requisition (Form SPF 1) in three copies as follows:

Action by originator:

- ☐ Subject of procurement - enter a brief title for the requirement e.g. "Photocopier for Administration Office".
- ☐ Location/Site - e.g. "Ministry Headquarters - Freetown".
- ☐ Item - the sequential number of each separate requirement - e.g. "1", "2" "3" etc.
- ☐ Description - list the individual requirement for goods - e.g. "Photocopier with Sorter and Stapler for 20 copies, A3/A4 paper handling, duplex facility, minimum of 40 pages per minute". For works and services provide a general description of the requirement. Wherever appropriate, attach detailed specifications to provide full information.
- ☐ Quantity - the number of items required.
- ☐ Unit of Measure - e.g. "each", "pack of 10", "1 Kg box" as appropriate.
- ☐ Estimated Unit Cost - enter the estimated cost of 1 unit.
- ☐ Estimated Total Cost - enter the estimated cost of 1 unit multiplied by the Quantity.
- ☐ Funds availability: enter the detailed Vote Code which will be used to fund the expenditure, or if funding is provided directly by a donor, enter the donor's name and project number.
- ☐ Sign and enter details of name, job title and date.
- ☐ Attach all necessary supporting documents including detailed specifications, as appropriate.
- ☐ Forward the original of Form SPF 1 and two copies to the Head of Department/Unit for approval.

Action by Head of Department/Unit:

- ☐ Check the details entered on the SPF 1 form, and the attachments for accuracy and completeness and refer back to the originator if there are any queries.
- ☐ Allocate the procurement number using the next available sequence number and record the procurement in the register of procurement requisitions.
- ☐ Sign and enter details of name, job title and date.
Forward the original and one copy to the procurement unit for processing and confirmation of the availability of funds. Retain one copy for departmental/unit records and progress chasing of the procurement.

Action by Procurement Unit:

- ☐ Receive the procurement requisition form SPF1 and supporting documents from the stores department or the originating department.
- ☐ Verify the current availability of sufficient funds in the budget heading and that the requirement is defined in the annual procurement plan.
- ☐ Check that documents are complete, that all essential inspections have been carried out, and that due consideration for safety, economic and environmental factors is included.

- ☐ Ensure that the specifications for goods are suitable for the need and are of an appropriate quality.
- ☐ Review the specifications and develop as necessary ensuring that these are detailed, precise and generic without reference to the trademarks or products of a specific supplier. Brand names shall only be used if essential in which case a full justification must be given, or the words “or equivalent” added.
- ☐ Classify the requirements into Lots or groupings of similar items if necessary to maximise competition by bidders.
- ☐ Review the price estimate for the procurement.
- ☐ Determine the procurement method to be used. If an alternative method to that which would normally be used is recommended, prepare a full justification.
- ☐ Prepare the draft bidding and contract documents to ensure that all necessary conditions are incorporated in accordance with the format of the standard bidding documents or the documentary formats of the donor as appropriate.
- ☐ Prepare a draft advertisement or invitation to bidders and make arrangements for the sale of the bidding documents.
- ☐ If the procurement is within the financial authority level delegated to the procurement unit, issue the advertisement or invitation to proceed. If not, process for approval by the procurement committee:
 - Prepare Form SPF 2 section ‘A’ – Request for approval of specifications, procurement method and documents in three copies. Retain one copy for progress chasing of the procurement.
 - Process the original of form SPF 2 section ‘A’ with all required attachments to the procurement committee for approval of the procurement, the procurement methodology, the draft bidding documents and the draft advertisement or invitation to bidders.
 - Retain one copy of the SPF 2 Form section ‘A’ for filing in the procurement dossier.

6.4 PRE-QUALIFICATION OF BIDS FOR GOODS

Pre-qualification of suppliers for goods contracts should be done in accordance with Regulation 23. It is used to identify bidders who are qualified prior to the submission of bids, and:

- ☐ is appropriate in circumstances when the high costs of preparing detailed bids could discourage competition;
- ☐ is often used for custom-designed equipment and industrial plant under turnkey contracts;
- ☐ ensures that invitations to bid are extended only to those who have adequate capabilities and resources;
- ☐ helps to ensure that only bids from competent bidders are considered and eliminates disputes that may arise from rejection of lowest bidders because the bidders are not considered qualified;
- ☐ may be a requirement on a donor funded procurements.

6.4.1 Pre-Qualification Criteria

Pre-qualification is based upon the capability and resources of prospective tenderers to perform the particular contract satisfactorily, taking into account there:

- ☐ experience and past performance on similar contracts;

- ☐ capabilities with respect to personnel, equipment, or manufacturing facilities;
- ☐ required licensing and professional registrations; and
- commercial and financial resources.

6.4.2 Advertisement for Pre-Qualification

The invitation to pre-qualify for bidding on specific contracts or groups of similar contracts shall be advertised in a similar way to an open competitive bidding. The scope of the contract and a detailed statement of the requirements for qualification must be provided in the advertisement.

6.4.3 Pre-Qualification Document

A procuring entity shall supply a set of prequalification documents as outlined under Regulation 49 to each supplier that requests them. The pre-qualification documents shall include:

- ☐ instructions to prepare and submit prequalification applications;
- ☐ a summary of the main terms, qualifications and conditions required for the procurement contract to be entered into as a result of the procurement proceedings;
- ☐ any documentary evidence or other information that must be submitted by suppliers to demonstrate their qualifications;
- ☐ the manner and place for the submission, sealing and labelling of applications to pre-qualify and the deadline for the submission, expressed as a specific date and time which allows sufficient time for suppliers to prepare and submit their applications, taking into account the reasonable needs of the procuring entity;
- ☐ the evaluation criteria; and
- ☐ any other requirement that may be established by the procuring entity in conformity with the Act and Regulations in relation to the preparation and submission of applications to pre-qualify and to the prequalification proceedings.

6.4.4 Pre-Qualification Evaluation

No formal opening of submissions is required but a formal evaluation of the capabilities of each supplier is required by the tender evaluation panel against the criteria as stated in the advertisement.

- ☐ All applicants that meet all the specified criteria are pre-qualified and approval of the procurement committee may be sought to add these applicants to the general register of pre-qualified suppliers held by the procuring entity.
- ☐ Where a large number of suppliers pass the stated qualification criteria, it may not be realistic to invite more than six to participate in the specific bid. If so, only the best qualified suppliers should be selected and invited to bid.
- ☐ All applicants should be informed of the results of pre-qualification and acceptance to the register of pre-qualified suppliers. Applicants who fail to meet the prequalification criteria should be briefly advised of the reasons. No further correspondence will be entered into regarding applications.
- ☐ When pre-qualification is completed, issue the bidding documents to all qualified bidders, or to an appropriate shortlist of the qualified bidders.

6.4.5 Pre-Qualification Process

The procuring entity shall respond to any request by a supplier for clarification of the

prequalification documents if the request is made prior to the deadline for the submission of applications to pre-qualify as per sub regulation (4) of Regulation 57.

The supplier by the procuring entity shall be given within a reasonable time so as to enable the supplier to make a timely submission of its application to prequalify.

All suppliers should be notified of the results of prequalification. Suppliers who fail to meet the pre-qualification criteria should be briefly advised of the reasons. No further correspondence should be entered into regarding applications.

6.5 STANDARD BIDDING DOCUMENTS FOR GOODS

The Second Schedule of the Act specifies the various Standard Bidding Documents (SBDs). SBDs are a set of documents issued by the NPPA which establishes the goods required through technical specifications, the procurement procedures to be followed, and specifies the proposed contract conditions. The detail and complexity of the bidding documents may vary depending on the size and nature of the proposed bid package and contract, but in general should contain all information necessary to allow the bidder to prepare a responsive bid or quotation.

The Bidding document must contain information to:

- ☐ instruct bidders on the procedure for submission of bids;
- ☐ describe the goods to be procured through the specifications;
- ☐ inform bidders of the criteria for evaluation of bids; and
- ☐ define the conditions of any resulting contract.

Use of a Standard Bidding Document (SBD) format, as defined in the Second Schedule of the Act, is mandatory for all procurement of goods, unless an alternative format has been specifically approved by the NPPA in writing.

If a fee is charged for the bidding documents, it shall be reasonable and reflect only the cost of their printing and delivery and shall not be so high as to discourage prospective qualified bidders.

Note that procurement of goods using funds of donor partners may be subject to the required use of the standard formats of the donor.

The updated versions of each approved SBD, together with an individual user guide to assist in preparation of the bidding document, may be obtained from the NPPA, or directly downloaded from the Authority's website.

6.5.1 Preparation of the Bid Document

The preparation of the bidding document is coordinated by the procurement unit and is a teamwork. The preparation of the document commences upon receipt of a purchase requisition and notification of availability of funds.

The bid document must be prepared by modifying the appropriate Standard Bidding Document issued by the NPPA and as specified in the Second Schedule of the Act. The SBDs can be obtained directly from the NPPA or by downloading them from the Authority's website.

In preparing the bidding document, the instructions to bidders and the general conditions of contracts should not be changed. Modifications to the bidding documents can only be made through the bid data sheet and the special conditions of contract respectively. The main sections in the bidding document that need completion and modifications are:

- ☐ The Invitation to bid;
- ☐ The bid data sheet;
- ☐ Technical specification;
- ☐ The schedule of requirements,
- ☐ The special conditions of contract and
- ☐ Sample forms to be completed by the bidder

Action by Procurement Unit:

- ☐ Select the appropriate Standard Bidding Document depending on the type of procurement.
- ☐ Complete the invitation to bid section with the relevant information which is self-explanatory.
- ☐ Consult with the end-user, regarding finalisation of the description of requirements (Specification) for inclusion in the document.
- ☐ Complete the bid data sheet with details of the bidding process e.g. the bid closing date, the address for submission, the evaluation criteria to be applied, any qualification criteria to be applied etc. Note that the text of the Instructions to bidders should not be modified.
- ☐ Complete the special conditions of contract with the specific conditions which will apply to the contract e.g. payment terms, delivery/completion period, warranty, liquidated damages. Note that the special conditions of contract modify the general conditions of contract – the text in the general conditions of contract must not be modified.
- ☐ Complete the schedule of requirement section by describing the required items, quantities etc.
- ☐ The sample forms provide text and format samples for the various forms which are to be completed by the bidder.

6.6 APPROVAL OF THE SPECIFICATIONS, PROCUREMENT METHOD AND BIDDING DOCUMENT

6.6.1 Main Procurement Committees

A main procurement committee will consider all formal requests for approval of specifications and bidding documents which are above the financial threshold delegated to its procurement unit. This includes requests processed through any subsidiary procurement committee that exceed the subsidiary committee's level of financial authority.

Action:

- ☐ Receive Form SPF 2 Part A from the procurement unit together with all draft documents for review. If necessary, a presentation from the relevant head of department/unit may be required in respect of the specific procurement and to seek clarification of any issues.

- ☐ Review and approve or reject the lists of items to be procured. This shall include the detailed specifications as well as any classification into Lots to enhance competition from bidders.
- ☐ Review and approve or reject the bidding documents and the advertisement or invitation to bidders and shortlist, including the bidding period and cost of the bidding documents.
- ☐ Return any rejected procurements to the procurement unit giving detailed reasons for the rejection.
- ☐ Issue a full or a qualified approval for the procurement to proceed. A qualified approval may be issued subject to clearly explained minor corrections which must be made to the documents or specifications before issue.
- ☐ Nominate the bid opening committee and the evaluation committee as appropriate for each approval granted.
- ☐ Maintain full minutes of meetings and record all decisions and recommendations using form SPF3. Ensure that copies of all documents reviewed by the committee are retained by the procurement unit for ease of reference, and that the decisions of the committee are promptly communicated to the originator.

6.6.2 *Subsidiary Procurement Committees*

A subsidiary procurement committee will consider all formal requests for approval of specifications, procurement method and bidding documents which are above the financial threshold delegated to its procurement unit.

Action by the Subsidiary Procurement Committee:

- ☐ Receive Form SPF 2 Part 'A' from the procurement unit together with all draft documents for review. If necessary, a presentation from the relevant head of department/unit may be required in respect of the specific procurement and to seek clarification of any issues.
- ☐ Review and approve or reject the lists of items to be procured. This shall include the detailed specifications as well as any classification into Lots to enhance competition from bidders.
- ☐ Review and approve or reject the bidding documents and the advertisement or invitation to bidders and shortlist, including the bidding period and cost of the bidding documents.
- ☐ Return any rejected procurements to the procurement unit giving detailed reasons for the rejection.
- ☐ Issue a full or a qualified approval for the procurement to proceed. A qualified approval may be issued subject to clearly explained minor corrections which must be made to the documents or specifications before issue.
- ☐ If the estimated value of the procurement exceeds the level of financial authority delegated to the committee, no further action should be taken. In these cases, arrange for copies of all documentation and the recommendations of the subsidiary committee to be forwarded to the main procurement committee for further processing.
- ☐ Nominate the bid opening committee and the evaluation committee as appropriate for each approval granted within the authority threshold of the subsidiary procurement committee. Maintain full minutes of meetings and record all decisions and recommendations using form SPF3. Ensure that copies of all

documents considered by the committee are retained by the procurement unit for ease of reference, and that the decisions of the committee are promptly communicated to the originator.

6.7 ANNOUNCEMENT AND ISSUE OF BIDDING DOCUMENT

6.7.1 *Donor Funded Procurements*

If the procurement is funded by a donor and is subject to the donor's prior review procedures, the procurement unit will forward all required documents to the donor for a "no objection". No further action may be taken until a formal response is received from the donor.

If the procurement is rejected by the donor, or substantial modifications to the bidding documents are required for a conditional no objection, refer back to the procurement committee for information and a decision on the action to be taken.

6.7.2 *Announcement following Approval by the Procurement Committees*

Following approval of the procurement method, the draft bidding documents and the draft advertisement by the procurement committee (and the donor where appropriate), the technical and administrative arrangements for the announcement of the bid, or issue of the RFQ must be completed.

Action by Procurement Unit:

Examine the decision of the procurement committee (and the donor if appropriate) and ensure that full approval has been granted or that any modifications required or approved by the committee are accurately corrected in the documents.

- ☐ Complete the documents as necessary, rechecking to see that the bidding document and the announcement are clear and complete, and fully in accordance with the appropriate standards.
- ☐ Confirm to the chairman of the bid opening committee, the date and time of the bid opening. Ensure that the room where the bid opening will be held, is available and booked.
- ☐ Arrange for publication of the advertisement, or issue of the invitation to short-listed bidders.
- ☐ Prepare sufficient copies of the bidding documents ready for sale by the first day of publication for an open bid.
- ☐ Ensure that full records are maintained and updated and that copies of all relevant documents are retained in the procurement dossier for reference.

6.7.3 *Sale of Bid Documents for Open Competitive Bids*

The sale of bidding documents for open competitive bidding will be coordinated by the procurement unit. The price charged for the documents must only reflect the actual cost of production of the bidding document. A percentage of the sale of the bidding document shall be paid to the National Public Procurement Authority.

Action by the Procurement Unit:

- ☐ Prospective bidders should be allowed to briefly inspect the bidding documents, if requested, before committing to purchase the documents.
- ☐ Obtain the bidder's signature on the declaration of ethical conduct.

- ☐ Record the name and address of each bidder purchasing the bidding documents in a register.
- ☐ All fees received from the sale of bidding documents must be recorded and the income deposited in the Consolidated Revenue Fund. A formal treasury receipt must be issued to the bidder.
- ☐ If the bid is subject to conformity with a sample or samples, obtain written acknowledgement from the bidder at the time of sale of the bidding documents that the sample or samples have been inspected.

Procuring entities must ensure that bid documents are available for sale before publication of the invitation. Denying a prospective bidder, the opportunity to purchase a bid document, and failing to provide a bid document for inspection by a potential bidder may constitute grounds for complaint under Part VII of the Act.

6.7.4 Issue of Invitation for Restricted Bids

The bidding documents for restricted bidding must be issued to all shortlisted bidders simultaneously, either by registered post, or by hand in return for a written receipt.

Action by the Procurement Unit:

- ☐ Prepare the envelopes for distribution containing a personalised letter of invitation and the complete set of bidding documents, together with the declaration of ethical conduct.
- ☐ Send the invitation by registered post to all short-listed bidders or deliver by hand and obtain a written receipt.
If the bid is subject to conformity with a sample or samples, obtain written acknowledgement from the bidder that the sample or samples have been inspected.

6.7.5 Issue of Request for Quotations

The procedure for issue of requests for quotations to short-listed bidders follows the same principles as for restricted bidding above.

The standard bidding document formats for request for quotations will be used for simple requirements wherever practical. For complex requirements where the normal RFQ documents are not appropriate, or the purchase order is not a suitable form of contract, the procuring entity is recommended to select appropriate formats from the other standard bidding documents.

6.8 ADVERTISING

6.8.1 Advertisements for Open Competitive Bids (ICB and NCB)

Any procurement using open competitive bidding methods should be advertised. Publication of the advertisement should allow sufficient time before the deadline to enable prospective bidders to obtain the bidding documents and to prepare and submit their bids. The period allowed should be a minimum of one month following the date of the first advertisement, but longer periods may be necessary for more complex requirements. Procuring entities should be careful to also allow for the time between submission of the advertisement to the press and the time the advertisements are actually

published.

Where the circumstances so require, (refer to paragraph (j) of sub section (2) of section 32 of the Act), particularly in respect to urgent items; the procurement unit can make a recommendation to the procurement committee for a reduction in the advertising period.

Approval by the procurement committee for a reduction of the bidding period should not be lower than half of the minimum required bidding period for open competitive bidding. The procurement committee shall seek NPPA's endorsement for a reduction of the bidding period.

6.8.2 Contents of the Advertisement

The advertisement must clearly explain how bidders may submit a bid and provide sufficient information to enable potential bidders to decide whether to participate.

The information contained in the advertisement must correspond with the information in the bidding document and in particular, the relevant information in the bid data sheet. Sample advertisement are provided in the standard bidding documents.

The advertisement should include as a minimum, brief information on:

- ☐ the source of funding;
- ☐ the goods to be procured;
- ☐ any qualification requirements for bidders (e.g. a requirement for a minimum level of experience in the subject of the procurement);
- ☐ the procedure for obtaining a set of the bidding documents;
- ☐ the place and deadline for submission of bids;
- ☐ the fee charged for bidding documents. This must reflect only the cost of printing and delivery to prospective bidders;
- ☐ the value of any bid security required.

6.8.3 Publication of Advertisement for National Competitive Bids

The advertisement shall be published as follows:

- ☐ on the NPPA website,
- ☐ on the procuring entity's website if such exists,
- ☐ in the Sierra Leone Government Gazette,
- ☐ in at least two national print media of wide circulation in Sierra Leone weekly for at least the first three weeks of the bidding period; and
- ☐ optionally, broadcast over the radio or television, on the stations and programmes and at a time most likely to target the widest spectrum of potential bidders.

For highly specialized procurement, an optional advertisement in well-known technical magazines and/or trade publications of wide circulation is recommended.

6.8.4 Publication of Advertisement for International Competitive Bids

The advertisement shall be published as follows:

- ☐ on the NPPA website,

- ☐ on the procuring entity's website if such exists,
- ☐ in the Sierra Leone Government Gazette,
- ☐ in at least two national print media of wide circulation in Sierra Leone weekly for at least the first four weeks of the bidding period; and
- ☐ in at least one on-line international electronic media such as Development Business, dgMarket, United Nation Development Business (UNDB) or a similar widely known website of procurement opportunities.

For highly specialized procurement, an optional advertisement in well-known technical magazines and/or trade publications of wide international circulation is recommended.

6.9 BID CLARIFICATIONS, EXTENSIONS AND CANCELLATIONS

The objective at this stage is to clarify aspects of the bid which might appear ambiguous or inconsistent to bidders. Bidders have the right to request for clarifications and the procuring entity should clarify and resolve any technical or financial aspects of the bid arising from a bidder's request for clarification and deemed to be a serious flaw.

Resolving such clarifications might result in either a need for extending the bidding period or cancelling the bidding process altogether.

6.9.1 Bid Clarification

The period during which bid clarifications may be requested will be defined in the bidding documents. Requests for clarifications received after this period may be ignored unless they draw attention to a serious flaw in the bidding documents. In all cases, any response to a bidder must be communicated to all bidders who received the bidding documents, but without identifying the bidder who requested the clarification.

Action by the Procuring Entity:

- ☐ Each request for clarification must be recorded and referred immediately to the procurement unit to develop a response in consultation with the concerned technical department.
- ☐ The procurement unit should also consider if the proposed response to a request for clarification will require bidders to undertake additional work, or make substantial modifications to their bids, which cannot reasonably be completed by the stated date for submission of bids. In this case, the procurement committee should be consulted for approval to extend the date for submission of bids.
- ☐ Provide a written response to the bidder and notify details of the query and the response (but without identifying the source of the query) to all other bidders simultaneously.
- ☐ Place copies of all correspondence on bid clarification in the procurement dossier.

The recommended period for receiving bid clarification is up to 7 days prior to the deadline for bid submission in the case of NCB; and up to 14 days prior to the deadline for bid submission in the case of ICB.

6.9.2 Extension of Bid Closing Date

The closing date for submission of bids may be extended at the discretion of the procurement committee for any practical or justifiable reason. Such reasons could

include modification to the bidding documents after issue, requiring additional research or effort by bidders to submit a responsive bid; request for a time extension by two or more bidders; and unforeseen administrative issues which force a postponement of the proposed bid opening.

Action by the Procurement Committee:

- ☐ Ensure that an adequate and practical justification exists for extending the bid closing date. Extensions should not be granted, for instance, where a bidder has by his own inactivity failed to purchase the bidding document early enough to permit submission of a responsive tender.
- ☐ Following approval by the procurement committee of an extension of time, confirm a revised closing date with the procurement unit and the bid opening committee.
- ☐ Notify all bidders in writing of the revised date for submission of bids.
- ☐ Place copies of all correspondence in the procurement dossier.

6.9.3 Cancellation of Bidding Process before Bids Opening

A bidding process may be cancelled at any time before the deadline for receipt of bids with the approval of the procurement committee with an endorsement from NPPA. Note that for donor funded procurements, the donor must be consulted before any cancellation of the bidding process.

Justifications for cancellation are:

- ☐ the need for the goods has ceased to exist or changed significantly;
- ☐ insufficient funding is available for the goods;
- ☐ there is a significant change in the required technical details, bidding conditions, conditions of contract or other details, such that the recommencement of proceedings is necessary;
- ☐ insufficient, or no responsive bids are received;
- ☐ there is evidence of collusion among bidders; or
- ☐ cancellation is deemed to be in the interest of national security.

Action by the Procurement Committee:

- ☐ Notify all bidders who have purchased or received the bidding documents, of the cancellation and refund any fees paid for the purchase of bidding documents.
- ☐ If the bidder has already submitted his bid, this must be returned unopened.
- ☐ Notify all departments, units and sub-committees involved in the procurement, and the donor if appropriate, of the cancellation.

6.10 RECEIPT OF BIDS AND BID OPENINGS

6.10.1 Receipt of Open and Restricted Bids

All bids shall be received by the procurement unit and deposited in the designated locked bid box until the bid opening. The procurement unit will co-ordinate the organisation of bid opening proceedings.

The bidding documents will have provided clear instructions to bidders on the marking and sealing of their bids and the procedures to be followed for submission.

The closing time for submission of bids on the date set shall be determined in advance by

the procurement committee. Bid opening shall commence immediately after this time and all work should be completed within the same session.

Action by the Procurement Unit:

- ☐ Arrange placement of the bid box in a prominent place and ensure that all reception office staff and staff responsible for the receipt of post are fully aware of the bid and their responsibilities for bids received.
- ☐ Ensure that the bid box is kept locked until the bid opening and that neither the bidders nor staff have an opportunity to tamper with the box.
- ☐ Register all bids received by post or by courier service on receipt, stamp with the date and time of receipt, and deposit the envelope unopened in the correct tender box.
- ☐ Direct all bidders' representatives delivering bids by hand to the bid box so that they may place their envelopes directly in the tender box.
- ☐ Bids or samples received which are too large to fit in the bid box shall be registered and securely retained in a locked and secure room under the control of the procurement unit until the bid opening.
- ☐ Close and seal the tender box immediately following the deadline for submission of bids and transport the bid box to the room where the bid opening will take place.
- ☐ Alternatively, if a single bid box is used for multiple bidding procedures, or the bid box is a fixture, open the bid box immediately following the deadline for submission of bids and remove all bids required for that bid to be opened, and transport these to the room where the bid opening will be held.
- ☐ Ensure that bids or samples which were too large to fit in the bid box are also transported to the room where the bid opening will be held immediately following the deadline for submission of bids.

6.10.2 Opening of Open and Restricted Bids

The procurement unit will co-ordinate the administration of the bid opening to assist the bid opening committee, ensure smooth operation of the proceedings, take minutes of the meeting, and advise the chairman on procedural issues if requested.

A bid opening committee shall comprise of at least three persons, including the chairperson. The chairperson shall ensure that minutes of the bid opening proceedings are duly written.

The chairman of the bid opening committee will control and direct the bid opening and shall not allow bidder's representatives to interfere with the work of the Committee. Any objections by a bidder to the procedures or decisions of the bid opening should be made in writing to the chairman of the relevant procurement committee.

All work in respect of the opening of bids received against a particular piece of procurement must be done in the same session. For purposes of transparency it is not permitted for a bid opening to be halted or postponed once a bid has been opened.

Action by the Bid Opening Committee:

The Chairperson shall:

- ☐ Open the meeting and outline the procedures to be used for the bids opening.

- ☐ Ensure that bidder's representatives are seated separately from the bid opening committee and officials of the procuring entity, and that the name, institution represented and contact details of all attendees are recorded in an attendance register.
- ☐ Ensure the security of documents and bids at all times during the bid opening procedure to prevent any unauthorised interference with the documents and process.
- ☐ Bring in the unopened bid box and/or all bids and samples received which have been removed from the bid box or could not be accommodated in the tender box.
- ☐ Open the bid box, check that the writing on each envelope or sample inside confirms that it is for the correct bid and complies with the wording and sealing required in the bidding documents. Stack all envelopes in clear view of the bidders ready for opening. Samples supplied by bidders shall be stacked separately after checking that the bidder's name is clearly identified on each sample provided.
- ☐ Any bids not received by the deadline for the opening of bids must be rejected and returned unopened to the bidder. Bidders are not permitted to amend their bid in any way during the bid opening or to submit any additional documents during the process.
- ☐ Check for any withdrawals or modifications and match with the original bid before proceeding. Withdrawn bids shall not be opened once the authenticity of the withdrawal notice has been confirmed.
- ☐ Open the first bid after confirming that all conditions regarding marking and sealing of the envelope have been met and the envelope has not been tampered with. Stamp each copy of the bid and annotate each bid with a sequential serial number as it is opened (e.g. "1 of 7" where the total number of bids is 7).
- ☐ Examine the contents of the envelope and identify, stamp and number all originals and copies, and any separate sections and attachments.
- ☐ Read out the following details of each bid from the original copy:
 - any bid modifications or withdrawals;
 - the number allocated to the bid by the bid opening committee;
 - the name and country of the bidder;
 - a brief description of the goods offered if the bid is for more than one Lot;
 - the currency of the bid;
 - the total bid price;
 - any discounts offered;
 - the presence or absence of any required bid security;
 - confirmation that the bidder has completed the declaration of ethical conduct, and
 - any other appropriate information at the discretion of the chairman.
- ☐ Pass all bid securities to the representative of the procurement unit for review, registration and safekeeping.
- ☐ The chairman and two members of the committee shall initial the original of each bid and all attachments thereto including any samples provided by the bidder. Any corrections to prices or obvious errors and omissions shall be circled in red ink and also initialed.
- ☐ Record the details read out of each bid in the register of bid opening ensuring that amounts are recorded in words as well as figures and record all corrections and

errors or omissions which are noted during the bid opening in the minutes of the meeting.

- ☐ Mark any samples received identifying the supplier and the procurement number and record samples in a register.
- ☐ Any envelopes containing substitutions, or modifications, must be subject to the same level of scrutiny, including the reading out of critical details, such as price changes.
- ☐ Minutes of the bid opening shall be prepared by the procurement unit, signed by the chairman of the committee and made available to any bidder involved in the bid who requests a copy in writing.

6.10.3 Opening for Requests for Quotations

No public opening of the quotations submitted is required, but all quotations must be opened on a predetermined date and time by the procurement unit to avoid the opportunity for any bidder to become aware of the prices quoted by other bidders. The recording of quotations and the bid evaluation procedures followed are similar to those for open competitive bidding and restricted bidding except for the following:

- ☐ Quotations will normally be submitted using sections 'B' and 'C' of the appropriate standard request for quotations document;
- ☐ Sealed quotations and any samples will be received directly by the procurement unit rather than being placed in the bid box;
- ☐ The procurement unit will register the receipt of each quotation and keep the envelopes secure and unopened until the date of the bid opening;
- ☐ Bidders will not normally be invited to attend the opening of quotations, but the basic procedures and formality of the meeting must be maintained.

Action by the Procurement Unit:

- ☐ Ensure that the name, organisation represented and contact details of all attendees are recorded in an attendance register.
- ☐ Ensure the security of documents at all times during the procedure to prevent any unauthorised interference with the documents.
- ☐ Bring in the unopened quotations and any samples received and check that the writing on each envelope or sample confirms that it is for the correct RFQ.
- ☐ Open the first quotation after confirming that all conditions regarding marking and sealing of the envelope have been met and the envelope has not been tampered with. Note each quotation with a serial number in sequence as it is opened (e.g. "1 of 4" where the total number of bids is 4).
- ☐ Examine the contents of the envelope and identify, stamp and number all originals and copies, and any separate sections and attachments.
- ☐ Read out the following details of each bid from the original quotation:
 - the number allocated to the quotation by the bid opening committee;
 - name of the bidder;
 - brief description of the goods offered if the RFQ is for more than one Lot;
 - any bid modifications or withdrawals;
 - the currency of the bid;
 - the total bid price;

- any discounts offered;
- the presence or absence of the bid security if required
- confirmation that the bidder has completed the declaration of ethical conduct; and
- any other appropriate information at the discretion of the chairman.
- obvious failure to provide a responsive quotation such as no bid security or inadequate bid security (if required in the RFQ) shall be noted in the minutes.
- ☐ The chairman and two members of the committee shall initial the original of each bid and all attachments thereto including any samples provided by the bidder. Any corrections to prices or obvious errors and omissions shall be circled in red ink and also initialed.
- ☐ Prepare a record identifying the samples provided by each bidder.
- ☐ Record the details read out of each quotation in the register of bid opening ensuring that amounts are recorded in words as well as figures and record all corrections and errors or omissions which are noted during the bid opening in the minutes of the meeting.
- ☐ Minutes of the bid opening shall be prepared by the procurement unit.

6.10.4 Cancellation of Bids and RFQs after the Bid Opening

Bids and RFQs may be cancelled by recommendation of the evaluation committee following approval of the procurement committee, if:

- ☐ most of the bids were presented with unacceptable reservations and conditions; or
- ☐ the procurement committee confirms that the lowest priced bid is higher than the budgetary provision.

Action by Procurement Unit:

- ☐ Obtain approval of the head of department responsible and the procurement committee for cancellation of the Bid/RFQ;
- ☐ Notify all bidders that the bid/RFQ process has been cancelled and return any bid securities.
- ☐ Decide whether the procurement is to be cancelled, or to proceed, and by what method.
- ☐ If the procurement is to proceed, re-submit all documents to the originating officer for preparation of revised specifications, or prepare bidding documents appropriate to any different procurement method proposed.

6.10.5 Extension of Bid Validity

The duration of bid validity is specified in the bidding documents and should be confirmed in the signed bid form submitted by each bidder.

- ☐ If circumstances occur in which award cannot be made within the original bid validity period, extensions in writing should be requested from bidders, in accordance with the bidding documents.

- ☐ The evaluation and award of contract should be completed within the period set for the validity of bids. The date for expiry of bid validity must be monitored and attention drawn to this deadline not less than two weeks before the expiry date.
- ☐ If, due to unforeseen circumstances, the work cannot be completed within the set period, the procurement unit may contact bidders to seek their agreement to an extension of the bid validity.
- ☐ Bidders who refuse this request may withdraw from the bid without incurring any penalty, but bidders who agree to a bid extension will also be required to extend their bid securities for an appropriate period.
- ☐ When an extension of bid validity period is requested, bidders shall not normally be requested or be permitted to change the quoted price or other conditions of their bid. However, the bidding documents may provide for an appropriate price adjustment mechanism when requests for second or subsequent extensions are made, to reflect changes in the cost of inputs for the contract over the period of extension.

Following approval of bid extension by the procurement committee, the following actions should be taken by the procurement unit:

Action by Procurement Unit:

- ☐ Maintain a diary reminder of all bid validity dates and advise the responsible officer not less than two weeks before the expiry date so that appropriate action can be taken in time.
- ☐ Determine the additional time required to complete the evaluation and award of the specific contract. Any extension of bid validity should be for the minimum period required to complete the evaluation, to obtain the necessary approvals and to award the contract.
- ☐ Prepare an individual letter to each bidder requesting their formal approval to an extension of the validity of bids and an extension of their bid securities (where necessary) for the required period. Set a date for written responses to be received by the procuring entity stressing that bidders who do not respond in time will be considered to have withdrawn their bids.
- ☐ Send the letter by registered post or deliver by hand to each bidder and obtain a receipt.

Bidders have the right to refuse to grant an extension of bid validity without forfeiting their bid security or incurring any penalties as would normally be the case if the bidder makes a request for bid withdrawal during the bid validity period-refer to sub sections (4) and (5) of section 50 of the Act. If a bidder refuses to extend the validity of his bid then, upon expiry of the original bid validity period, the bid security shall be returned, and the bid not considered further.

Only bidders who respond confirming their unconditional acceptance and enclosing any required extension to their bid security may be considered for further evaluation and award of contract.

6.11 BID EVALUATION AND CONTRACT AWARD

6.11.1 *Evaluation of RFQs*

Evaluation of quotations shall be undertaken by an evaluation committee or by person or persons appointed by the procurement committee.

Action by the Evaluation Committee:

The evaluation committee should:

- ☐ Rank all quotations that are responsive to the request for quotations according to price and select the lowest evaluated priced RFQ that is substantially responsive to the requirements of the procuring entity for contract award.
- ☐ Prepare a brief report of the evaluation for the procurement record.

6.11.1.1 *Award of contract for RFQs*

Following evaluation and receipt of the evaluation report, the head of the procurement unit should:

- ☐ Ensure availability of funds.
- ☐ After the expiry of any notice of intent to award period, prepare a purchase order for signature by the authorised signatory of the procuring entity.
- ☐ Issue the purchase order to the selected supplier.

Note that performance securities are not normally required where the request for quotations procedure is used, and the contract value is less than the thresholds contained in part 2 of the First Schedule of the Regulations.

6.11.2 *Evaluation of bids by the evaluation committee*

The purpose of bid evaluation is to determine the cost of each bid in a manner that allows for comparison of bids on the basis of their evaluated cost. The bid with the lowest evaluated price, but not necessarily the lowest submitted price, should be selected for award. Note that price is not the only criteria that has to be considered during evaluations. The procuring entity therefore decides the factors in addition to price that will be considered during evaluation and these factors through the development of specifications must have been described to the bidder in clear terms within the bidding documents.

The procurement committee will nominate an evaluation committee to undertake the evaluation of bids received and to make recommendations for the award of contract. The work of the evaluation committee must be commenced and completed as soon as possible after the bid opening to ensure that a contract is formed with the winning bidder within the period of bid validity.

Under the single envelope bidding system used for the procurement of goods, the evaluation committee will conduct the technical evaluation followed immediately by the financial evaluation in one stage. Form SPF 4 is the standard format for the evaluation report and recommendation for contract award.

Forms SPF 4 should be used for evaluation of all procurements which are not donor funded.

6.11.3 Evaluation and comparison of bids – General principles

Procuring entities should evaluate bids solely on the basis of the information provided by bidders in their respective bids. It should be noted that bidders frequently attempt to contact the procuring entity during bid evaluation, directly or indirectly, to ascertain progress of evaluation, to offer unsolicited clarifications, or to provide criticisms of their competitors.

In general, bid evaluation must be governed by the following principles:

- ☐ After the public opening of bids, no information relating to the examination, clarification and evaluation of bids shall be disclosed to bidders or to other persons not officially concerned with the process.
- ☐ Bids received after the deadline for submission of bids, bids withdrawn by the bidder, or bids not opened and read out at the bid opening, shall not be considered.
- ☐ Bids are evaluated initially by reviewing responsiveness against the requirements stated in the bidding documents, and bids that are determined not to be substantially responsive will be rejected.
- ☐ The lowest evaluated responsive bid will be recommended for contract award except where:
 - a merit points weighting system is stated as the evaluation method in the bidding documents. In this case the bid achieving the highest total points score will be recommended for contract award;
 - non-price evaluation criteria are assigned a monetary value for bid comparison purposes causing the lowest priced bid not to be the best evaluated bid;
 - post-qualification reveals that the bidder of the lowest priced bid is not qualified to perform the contract;
 - the procuring entity exercises its right to reject all bids.
- ☐ If the evaluation committee requires clarifications on ambiguities or inconsistencies in a bid, a formal request must be made to the bidder in writing. No changes in the price or the originally offered goods may be sought or accepted except for the correction of arithmetical error.
- ☐ Responses from bidders to clarifications will only be considered if in writing. No meetings or conversations between the evaluation committee and bidders are permitted during the bid evaluation process.
- ☐ A detailed report shall be prepared on the evaluation and comparison of bids giving specific reasons for rejection of any bids and for the recommended award of contract.

6.11.4 Technical Evaluation

6.11.4.1 Preliminary Examination of Bids

The purpose of preliminary examination is to identify and reject bids that are incomplete, invalid or substantially non-responsive, i.e. do not comply with the basic instructions and requirements to the bidding documents and are therefore not to be considered further. To pass preliminary examination, bids must:

- ☐ be correctly submitted and completed in all general respects;
- ☐ be properly signed;
- ☐ meet the eligibility requirements specified in the bidding document;

- ☐ be accompanied by the required bid security; and
- ☐ be substantially responsive to the bidding documents.

If a bid contains major deviations from, or reservations to, the terms, conditions and specifications in the bidding documents, it is not substantially responsive. The bidder is not permitted to correct or withdraw any material deviations or reservations once the bids have been opened.

Action by the Evaluation Committee:

- ☐ Examine the content of each bid to ensure that all required commercial and technical data is submitted in the format and detail required by the bidding documents. This will include:
 - All specified documentation such as valid business registration certificate, tax clearance certificate, annual accounts, evidence of previous experience, powers of attorney, manufacturer's authorisations, or joint venture agreements;
 - The correct number of copies of the bid documents have been submitted;
 - Physical and chemical characteristics of goods offered and conformity of samples with the specification (where appropriate);
 - The bid is valid for the period required;
 - Use the checklist table in Forms SPF 4 verify that all criteria specified in the bidding documents are met.
- ☐ Establish that the bid is a complete bid in accordance with the requirements of the bidding document. This will include:
 - the completeness of the bid form and response to the specifications;
 - offering all of the required items, unless the bidding documents specifically allow partial bids permitting bidders to quote for only some items, lots, or for only partial quantities of a particular item;
 - all erasures, interlineations, additions or other changes made have been initialed by the bidder before bid submission;
 - no missing pages in the original copy of the bid or contradictions in model numbers or other designations of critical items exist.
- ☐ Confirm the eligibility of the bidder to bid and the eligibility of the goods offered, based on the requirements specified in the bidding documents. This will require that:
 - the bidder and all partners to a joint venture are nationals or juridical entities from an eligible source country;
 - all goods and services originate from eligible source countries. For plant and equipment, this test is normally applied only to the finished product offered in the bid, and to its major and clearly identifiable components;
 - the bidder is not disqualified due to conflict of interest through affiliation with a firm that has provided related goods on the project by which the procurement is financed;
 - if the bidder is an agent, an authorisation from the manufacturer should be provided;
 - any required samples have been submitted

- ☐ Confirm the presence and acceptability of the bid security (where required by the bidding documents). If a bid security was requested but not submitted, the bid will be rejected. Determine the compliance of the bid security as follows:
 - The security must conform to the requirements of the bidding documents, and accompany the bid;
 - If the security is in the form of a bank guarantee, it should follow the wording of the bid security form provided in the bidding document;
 - The security for a bid submitted by a joint venture should be in the name of all of the partners of the joint venture;
 - Submission of a copy bid security is not acceptable unless expressly permitted in advance;
 - Securities for an amount smaller, or for a period shorter, than that specified in the bidding documents are not acceptable.
- ☐ Check if the bidder has placed any unacceptable reservations on delivery, performance or the conditions of contract.
- ☐ If a prequalification procedure was applied, reject and exclude any Bid received from other than the prequalified bidders.
- ☐ Check for major deviations to the commercial requirements. Major deviations are those that, if accepted, would not fulfil the purposes for which the bid is requested, or would prevent a fair comparison with bids that are fully compliant with the bidding documents. Examples of major deviations include:
 - refusal to bear important responsibilities and liabilities specified in the bidding documents, such as performance guarantees and insurance coverage;
 - disagreement with critical provisions such as the applicable law, taxes and duties, and dispute resolution procedures; and
 - any other conditions that are specified in the bidding document which may require rejection of the bid.

Note: Bids that offer deviations may be considered as substantially responsive if the deviations can be assigned a monetary value to be added as a penalty for comparison of bids, and if such deviations would be acceptable in the eventual contract.

Recommend rejection of any bid which is not responsive to the bidding document. Minor deviations should be mentioned in the evaluation report but may usually be considered as immaterial. If the evaluation committee considers that more serious reservations in a bid could be removed by subsequent negotiation with the bidder, this shall be fully explained in the evaluation report.

6.11.4.2 Responsiveness of Bids

Following the preliminary examination of bids, the bid evaluation committee should examine the bids to determine whether any issues arising from the preliminary examination affect the responsiveness of an individual bid, and whether each bid is substantially responsive to the technical specification and contract conditions stated in the Bid Document.

- ☐ The determination of a bid's responsiveness is based on the contents of the bid itself, subject to any clarifications received in the preliminary examination of bids.
- ☐ A substantially responsive bid is one that conforms to all the instructions, requirements, terms and conditions of the bid documents, without material deviation, reservation or omission. A material deviation, reservation, or omission is one that:
 - affects in any substantial way the scope, quality, or performance of supplies specified in the bid documents; or
 - would limit in any substantial way, inconsistent with the bid documents, the rights of the procuring entity or the bidder's obligations under any resulting contract; or
 - if corrected would unfairly affect the competitive position of other bidders presenting substantially responsive and compliant Bids.
- ☐ A bid shall be rejected and considered not substantially responsive when it contains a material deviation, reservation or omission; and may not subsequently be made responsive by the bidder or the procuring entity.
- ☐ In classifying a deviation, reservation or omission as material or non-material, the objectives and requirements of the individual procurement requirement as stated in the bid document shall be used to determine such and the impact of other key factors such as cost, risk, time and quality shall be taken into account.

Material deviations, reservations or omissions may typically include:

- unacceptable time schedules for delivery compared with requirements stated in the bid document;
- unacceptable alternative technical details, such as different or inferior design, materials, workmanship, specifications, standards or methodologies; that do not offer substantial equivalence in critical performance parameters;
- unacceptable counterproposals with respect to key contract terms and conditions such as changes in the payment terms and price adjustments; subcontracting; refusal to accept responsibility allocated in the bidding document for important liabilities such as performance guarantees and insurance coverage; liquidated damages or warranty, or
- Unacceptable response and exception to critical provisions such as applicable law, taxes and duties, and dispute resolution procedures.

Non-material deviations may include:

- longer delivery schedules unless this takes delivery past a clearly defined cut-off date stated in the bid document;
- minor deviations in the payment terms required and price adjustments such as requests for a change in the coefficient of the price adjustment formula specified in the bidding document;
- bids offering goods to alternative, but equal or superior specifications and performance, for example;
- bids offering the specified goods but omitting minor attachments or components (e.g. a missing toolkit for a vehicle).;
- bids offering goods with minor deviations from the technical specification which do not affect the suitability of the goods for the intended use, e.g., an

agricultural tractor with a diesel engine developing 80 hp at 2600 rpm in response to bid specifications for agriculture tractors developing 80 hp at 3000 rpm (deviations which affect the efficiency or performance should be evaluated for purposes of comparison);

- ☐ The classification of deviations, reservations and omissions as material or non-material must be consistently applied to all bids;
- ☐ Where a bid is determined to be substantially responsive, the evaluation committee may waive, clarify or correct any non-conformity, error or omission, which does not constitute a material deviation.

In determining whether a deviation, reservation or error is material or non-material, note that non-material deviations which can be classified as minor and trivial do not generally incur penalties while those that are material in nature must be quantified in monetary terms prior to comparison of bids and the detailed technical and financial evaluation process so as to equalise the bids. Pricing of features or components which are omitted in a bid shall be based on the prices for corresponding components, items, in other responsive bids and if not available, from external sources such as price lists.

Action:

The Evaluation Committee may:

- ☐ Reject and exclude from further evaluation any bid that is incomplete, unsigned, not accompanied by a bid security, not accompanied by essential supporting documents, or not substantially responsive to the technical specifications, contract conditions or other critical requirements stated in the bid document.
- ☐ Reject and exclude from further evaluation any bid which contains material deviations, reservations or omissions, and is therefore not substantially responsive.

The reasons for declaring a bid as non-responsive must be clearly documented.

6.11.4.3 Technical Evaluation

Only bids that have passed the preliminary examination and are considered to be substantially responsive to the bidding documents shall be considered for further evaluation.

Mandatory criteria as specified in the bidding document are assessed on a simple pass/fail basis. Bids that fail to meet any of the mandatory criteria will be considered non-responsive. The reasons for declaring a bid non-responsive must be clearly documented by the Procurement Officer in the procurement file.

Action:

- ☐ Check for compliance with the technical specifications. As a general rule, unacceptable deviations are those that, if accepted, would not fulfil the purposes for which the bid is requested, or would prevent a fair comparison with bids that are fully compliant with the specifications. Examples may include:
 - failure to respond to the specifications by offering a different product that is inferior in performance or in other requirements;

- submission of samples which do not correspond to the specifications;
- sub-contracting in a substantially different amount or manner than that specified.
- ☐ Record the results of any inspection of samples.
- ☐ Complete Table 2 of Form SPF 4 to confirm compliance or to record reasons for non-compliance with the specifications. All bids passing the technical evaluation will proceed directly to the financial evaluation stage.
- ☐ Recommend rejection of any bid which is not technically responsive to the bidding document, where the sample provided does not conform to the required specifications, or where the required technical score is not reached under a merit point system.

6.11.5 Financial Evaluation

Only bids determined to be substantially responsive to the requirements of the bid documents and passing the technical examination shall be considered for financial examination. Bids failing the technical examination are to be rejected.

The purpose of financial evaluation is to determine the evaluated price of each bid and the lowest evaluated bid.

Bids offering a choice of different product models are normally evaluated on the basis of the lowest price offer by the bidder from among the models meeting the requirements of the bidding document.

Action by the Evaluation Committee:

- ☐ Only evaluate bids that have passed the technical evaluation stage.
- ☐ Use the bid price as read out in the bid opening
- ☐ Financial bids that are based solely on a discount to the lowest other bid presented shall be rejected as non-responsive. Similarly, bids stipulating a price adjustment when fixed price bids were requested may be rejected as non-responsive.
- ☐ If permitted in the bidding document, prior to bid opening bidders may have submitted modifications to their original bid. The effect of any such modifications must be fully reflected in the examination and evaluation of the bids.
- ☐ Check the bids for arithmetic errors:
 - where there is a discrepancy between the amounts in figures and in words, the amount in words will govern;
 - where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern, unless in the opinion of the committee there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern and the unit rate will be corrected and
 - make all corrections in accordance with the methodology specified in the bidding document, and which are considered binding on the bidder.
- ☐ **Pricing of Missing Items:** Where items missing in some bids are present in others, the highest price quoted by the other bidders is added to the incomplete bids for evaluation purposes. If these are not available, pricing from external sources such as printed price lists or parts list, etc. should be used. Where bids offer features that exceed the required standards or specification in the bidding

document, for instance, additional horsepower or capacity; no additional credits should be given unless there is a specific provision for this in the bid document.

- ☐ **Acceptable Deviations:** Adjust the bid price for any factors such as delayed delivery or different payment schedules in accordance with the rules specified in the bidding document. The adjusted total bid price will be used only for the purposes of evaluation and ranking of bids. Any such deviations must be acceptable to the procuring entity in the eventual contract.
- ☐ **Provisional Sums:** If the bids contain provisional sums set for contingencies, since these sums are the same for all bids, they should be deducted from the prices read out at the bid opening to allow a proper comparison of the competitive elements of bid prices.
- ☐ **Modifications and Discounts:** Discounts offered in accordance with the bidding document that are conditional on the simultaneous award of other contracts or lots in the bidding documents (“cross-discounts”) shall not be evaluated until the completion of all other evaluation steps. Non-conditional discounts shall be taken into account at the financial evaluation and bid comparison stage. Prompt payment discounts should not be considered at the financial evaluation and bid comparison stage. If included in a bid, prompt payments shall become part of the contract terms should the bid be accepted, and should payment be made in accordance with the terms of discount. Any discount offered after the deadline for bid submission shall not be considered.
- ☐ **Currency conversions:** If bids in different currencies are permitted in the bidding documents, convert the bid prices to the single currency (normally Leones) as stated in the bidding documents:
 - The selected source and date for currency exchange rates must be as specified in the bidding documents.
 - The source of exchange rates will normally be the selling rate quoted by the Bank of Sierra Leone on the selected date.
 - The selected date should not be earlier than four weeks prior to the deadline for the receipt of bids, nor later than the original date for the closing of bids.
 - Obtain written evidence of the conversion rates to be used confirming the required date and source.
 - Apply the appropriate conversion rate to each corrected bid price to arrive at the evaluation price in the common currency.
- ☐ Complete Table 3 of Form SPF 4.

6.11.6 Comparison and Ranking of Bids

Following the completion of financial evaluation, the corrected bid prices, adjusted for omissions, deviations and specified evaluation factors, and converted to a common currency are ranked to determine the lowest evaluated responsive bid in Table 3 of Form SPF 4.

Note that the ranking of bidders is subject to:

- ☐ the application of any margin of preference as allowed for in the bidding documents;
- ☐ the application of any cross-discounts, dependent on the simultaneous award of multiple contracts or lots; and

- ☐ post-qualification evaluation, or, if pre-qualification has occurred, reconfirmation of pre-qualification information.

6.11.6.1 Cross Discounts

Cross-discounts are conditional discounts offered if more than one contract or lot is awarded to the same bidder. Bid evaluation in such cases can be complicated where:

- ☐ the value of cross-discounts offered vary with the number of contracts awarded; or
- ☐ the bidding documents limit the number or total value of awards to a bidder based on financial and technical requirements. Thus, a bidder offering the best-evaluated bid on a particular contract may be denied award because of such a restriction.

Where cross-discounts are offered for goods procurements, the evaluation committee should select the optimum combination of awards on the basis of the least overall cost of the total contract package, consistent with the evaluation criteria.

Any calculations of cross-discounts must be detailed on an attachment to the evaluation report, which should also include the bid evaluation(s) for the other contracts, if they have been evaluated separately.

6.11.6.2 Application of margin of preference-support for domestically produced goods

Where it is indicated in the bidding document, and in accordance with any rules or schemes for domestic preference issued by the NPPA, the evaluation committee may apply a margin of preference to eligible bids as provided for in section 36 of the Act.

The application of margin of preference during bid evaluation is a way of supporting domestic suppliers and/or the development of domestically produced goods with preferential margin of points in consideration of economic and social development factors.

In applying any margin of preference and subject to any policies and schemes issued by the NPPA, the bidding document shall clearly state:

- ☐ Eligibility criteria for the margin of preference, in terms of location of supplier or production facilities, origin of labour, raw materials or components, where local labour, raw materials and components (where such account for the bulk of inputs or component) s or any other relevant factor;
- ☐ The documentation required as evidence of eligibility for the margin of preference; and
- ☐ The percentage of the margin of preference and the way it will be applied during the evaluation.

It should however be pointed out that the domestic preference price is used solely for comparison and ranking of bids. The applicable price for contract award is the corrected bid price rather than the domestic preference price.

6.11.7 *Post-Qualification of Bids*

Post-qualification is usually applied following bid evaluation and prior to any negotiations when procurement requirements involve large sums of money or are of a complex nature. It is used to review and verify whether the lowest evaluated responsive bidder is qualified to perform the contract effectively and whether the information he has provided is accurate. It affords the procuring entity some measure of protection against potential risks, frauds and liabilities prior to entering into a contract with a bidder. The bidding documents should clearly specify the criteria for post-qualification.

Note that:

- ☐ If pre-qualification was conducted, the lowest evaluated responsive bid should be recommended for the award of contract, unless the bidder's qualifications have since materially deteriorated, or if the bidder has since received additional work that reduces the available capacity.
- ☐ Where pre-qualification has not taken place, only the lowest evaluated responsive bid should be subjected to post-qualification, according to the procedures described in the bidding documents.

6.11.7.1 *Post qualification process:*

Using the criteria specified in the bidding documents, this review should include an assessment of the bidder's technical, financial and physical requirements and resources available to undertake the contract, including his current workload with reference to section 21 of the Act:

- ☐ One way of verifying whether the information provided by the bidder matches the requirements of the bid is to visit the bidder's establishment. As an initial step, it helps the procuring entity to confirm, verify, and ascertain the accuracy of all the statements made and documents submitted by the bidder.
- ☐ Technical requirements may involve verifying and ascertaining the correctness of the documents submitted by the bidder to prove the quality of the goods offered. This may involve:
 - ☐ verifying the bidder's stated competence and experience;
 - ☐ verifying and or inspecting and testing of the products, in applicable cases physical inspection of factories, plants, sites or places of business may be conducted including determining production or supply capacity as well;
 - ☐ if necessary, verifying the validity of after sales maintenance and capabilities; and
 - ☐ ascertaining of the authenticity of the bid security and the bid validity period.
- ☐ Financial requirements may involve verifying and ascertaining the bid price of the bidder, the required bank commitment to provide a credit line to the bidder to ensure the bidder can sustain the operating cash flow of the transaction.
- ☐ The evaluation committee should use a post-qualification checklist which must be signed by all committee members and counter signed by the bidder being evaluated. The checklist should be attached to the evaluation report submitted to the procurement committee for approval.

It is recommended that the concerned bidder is formally informed that verification of all

the information provided in the bidding documents is to be done through post-qualification prior to the entering of a contract with the procuring entity.

Following post-qualification:

- ☐ If the lowest evaluated responsive bidder fails post-qualification, his bid should be rejected, and the next ranked bidder should then be subject to post-qualification examination. If successful, this bidder should receive the award. If not, the process continues for the other bidders.
- ☐ The rejection of a bid for reasons of qualification requires substantial justification, which should be clearly documented in the text of, or in attachments to, the evaluation report.
- ☐ A history of poor performance may be considered a justification for failing post-qualification if the bidder is unable to demonstrate that steps have been taken to resolve previous problems.

6.11.8 Evaluation reports and recommendations

The evaluation report should be completed using the standard format (Form SPF 4-for goods procurement) to include all supporting documents and tables. The evaluation report is an essential document to demonstrate a record of transparency in the procurement process and must be compiled with care and attention to detail.

The evaluation committee may recommend that all the bids be rejected if:

- ☐ none of the bids are found to be responsive;
- ☐ all the bids are unreasonably high in price compared to the cost estimate;
- ☐ none of the bidders are qualified;
- ☐ there is deemed to be an absence of competition, (however lack of competition is not usually decided solely since the number of bidders that responded to the invitation to bid).

The amount of the recommended contract award is the bid price as submitted by the best-evaluated bidder and adjusted as described in the bidding documents for corrections, any discounts (including cross-discounts) and acceptance of alternative offers from the lowest evaluated responsive bidder. Adjustments for evaluation purposes only (e.g. for deviations or margins of domestic preference) used to determine the lowest evaluated responsive bid, will not be included in the contract price.

Further adjustments to the final price and scope of the contract to correct for acceptable omissions and quantity variations in the bid may still need to be agreed with the best-evaluated bidder. If the procurement is donor financed, prior agreement of the donor to the proposed award of contract is normally required before any such negotiations are commenced.

Action by the procurement officer:

- ☐ Check that the total price quoted by the lowest evaluated responsive bid is acceptable compared with the original estimated cost through an assessment of market price.
- ☐ Complete the narrative sections of the evaluation report with attention to:
 - the recommendations;
 - a summary of the bids received and opened

- details on the lowest evaluated substantially responsive bid, for each lot where applicable, clearly establishing the actual amount of the contract award.
- justification of any decisions reached by the evaluation committee on rejection of bidders and the recommendation for award of contract, or for essential negotiations with the best-evaluated bidder or rejection of all bids;
- ☐ Explain any inconsistencies between prices and modifications to prices read out at bid opening.
- ☐ Detail bids rejected during the examination. Copy selected pages from bids, if necessary, to show examples of objectionable features.
- ☐ Explain reasons if provisional sums vary among bidders.
- ☐ Explain any substantial corrections for arithmetic errors which may affect the ranking of bidders; particularly non-material deviations which were accepted and the way in which they were quantified and considered in the financial evaluation.
- ☐ Explain any additions, adjustments, and priced deviations that may affect the ranking of bidders.
- ☐ Provide verification evidence of eligibility for domestic preference if the ranking of bids is affected.
- ☐ Explain any cross-discounts not read out and recorded at the bid opening.
- ☐ Attach copies of any evaluation reports for other related contracts awarded to the same bidder.
- ☐ Give detailed justification of any reasons for not recommending award of contract to the best-evaluated bidder.
- ☐ If an alternative bid is recommended for acceptance, a detailed explanation addressing issues of time delays, performance factors, and cost implications, and justification of any changes to the original scope and contract conditions.
- ☐ Explain all adjustments to the evaluated price or to the contract award price.
- ☐ Provide details of any post-qualification review if conducted.
- ☐ Attach the following to the evaluation report:
 - Attach copies of any correspondence from bidders who raised objections to the bidding or evaluation process, together with detailed responses.
 - Attach copies of any letters from bidders requesting clarifications, and responses by the procuring entity, and bid clarifications requested by the procuring entity and bidder responses.
 - Attach any separate evaluation report from an external consultant, if one was engaged for this purpose.
 - Attach all required tables and supporting documents.
- ☐ Ensure that the bid evaluation report is double-checked, signed and completed by members of the evaluation committee before submitting for approval by the procurement committee.
- ☐ Forward the completed evaluation report to the procurement committee with Section 'B' of Form SPF 2 (request for approval of evaluation report and award of contract) for approval.

The evaluation report forms a part of the record of procurement proceedings required under Section 28 of the Act and must be submitted to the NPPA for information purposes.

6.11.9 Procurement committee approval of recommendation for contract award

The relevant procurement committee will review the evaluation report and

recommendations presented by the evaluation committee.

Before giving approval, the committee will ensure that any written complaints made by bidders concerning the bid opening procedures have been reviewed and responded to. A copy of the complaint and the response shall be sent to the Head of the procuring entity. If the complaint reveals a serious breach of procedures or ethics or the Independent Procurement Review Panel, the committee shall reject the evaluation report, cancel the procurement proceedings and call for re-bidding.

The procurement committee will award the contract to the bidder who has submitted the lowest-evaluated responsive bid and has been determined to be qualified to be able to perform the contract.

The quantity of items ordered may be varied to reflect the current needs of the procuring entity if this is permitted in the text of the bidding documents.

Action by the procurement committee:

- ☐ Check the accuracy of the evaluation and recommendations as submitted.
- ☐ If the lowest evaluated responsive bid is higher than the original estimated cost, decide whether the price increase is justified. If the price is not acceptable, the procurement committee may consider that the bid should be re-advertised, cancelled, or the quantities reduced.
- ☐ If the price is acceptable, but exceeds the financial authority of the procurement committee, forward the evaluation report and the committee's recommendations to the next higher authority for approval.
- ☐ If the evaluation report recommends negotiation with a bidder to remove any reservations in the best-evaluated bid, the committee shall arrange for such formal negotiations to be held. Negotiations may not be held with the object of reducing prices on any competitive bidding process as a reduction in prices may not necessarily result in the achievement of value for money objectives. If negotiations with the lowest evaluated responsive bidder fail to get a withdrawal of the reservations in his bid, the second-ranked bidder may be invited to sign the contract or invited for negotiations. Following any negotiation process the result of negotiations and any recommendations must be reported back to the procurement committee for approval before further action is taken.
- ☐ Reject any evaluation report which contains serious inaccuracies or flaws and return to the evaluation committee for correction and re-submission.
- ☐ Issue a full or a qualified approval to the award of contract or the recommended action. A qualified approval may be issued subject to clearly explained corrections that must be made to the evaluation report, or to the contract documents before issue.
- ☐ Ensure that all discussions and decisions of the committee are reported in the minutes of the meeting.

6.11.10 Review by a donor (if applicable)

All procurement that is subject to the donor's prior review procedures will require submission to the donor of:

- a copy of the evaluation report in the prescribed format;

- copies of all supporting documentation;
 - any additional information and justifications for the recommendations.
- ☐ All internal Government approvals for bidding documents, contract awards etc., must be completed before submission to the donor.
 - ☐ The donor will not usually contact bidders but will request the borrower to do so for any necessary clarifications.
 - ☐ When the donor is satisfied with the evaluation of bids and recommendations of award, a “no-objection” or “approval”, in the form of a written communication will be issued by the donor.
 - ☐ Only when the donor’s unconditional “no-objection” or “approval” is received should the contract award procedure be commenced.

Donor financed procurements which are not subject to prior review must still follow the donor’s relevant rules and/or guidelines. Any doubts about the justification for the recommended contract award should be raised with the donor prior to contract signature as the donor will not normally finance contracts that have not been procured in accordance with the loan/credit agreement or donor rules.

6.11.11 Rejection of all bids

If the evaluation committee recommends the rejection of all bids, the procurement committee may consider:

- ☐ wider advertising or sourcing of bidders if the rejection of all bids is due to lack of competition;
- ☐ invitation of new bids from the initially pre-qualified bidders if the rejection is due to most or all of the bids being non-responsive;
- ☐ if the lowest evaluated responsive bid exceeds the pre-bid cost estimates by a substantial margin, investigate the causes of the excessive cost and request new bids with amendments to the specifications or bidding document.
- ☐ conduct negotiations with the lowest evaluated responsive bidder with the objective of agreeing a satisfactory contract through a reduction in the quantities and/or a reallocation of risk and responsibility. However, any substantial reduction in the scope, or modification to the contract documents may require re-bidding to ensure transparency.
- ☐ instructing the evaluation committee to review the causes of the rejection and to recommend revisions to the:
 - conditions of contract;
 - specifications;
 - scope of the contract;
 - or any other relevant provision, before inviting new bids.

In the case of donor-financed procurement, the donor’s prior approval is required before rejecting all bids, soliciting new bids, or entering into any negotiations with the lowest evaluated responsive bidder.

Bids should not be rejected, and new bids invited on the same bidding and contract

documents solely for the purpose of obtaining lower prices.

In accordance with paragraph (p) of sub section (2) of section 14 of the Act, the procuring entity shall inform the NPPA in writing of its decision to reject all bids and the reasons for rejection the bids.

6.11.12 Negotiations

A procuring entity shall not negotiate on price with the lowest evaluated responsive bidder, with respect to a bid submitted in accordance with section 55 of the Act. If the lowest evaluated bid exceeds the budget for the contract by a substantial margin:

- ☐ the procuring entity shall investigate the causes for the excessive cost and may;
- ☐ consider requesting new bids.

6.11.13 The Contract document

Subject to Regulations 132 and 133, three types of contract formats are applicable for use in the procurement of goods. They include:

- ☐ Lump sum
- ☐ Framework
- ☐ Purchase order

6.11.13.1 Lump sum Contracts

Lump sum otherwise known as fixed sum contracts refer to contracts where the price is determined at the onset and remains unchanged during implementation.

When to use:

- ☐ Well defined specifications and requirements.

Advantages:

- ☐ Easy to administer and maintain cost controls.
- ☐ Less documentation required.

Disadvantages:

- ☐ Inflexible to changes.
- ☐ High risk to suppliers as there is little or no room for varying prices or quantities, often leading to high bid prices.

6.11.13.2 Framework contracts

Framework contracts are discussed in detail in Chapter 12 of Part IV of this Manual.

There are three main types of framework contracts, namely:

- ☐ Definite-quantity framework contracts: provides for delivery of specific goods for a fixed period, with delivery to be scheduled at designated locations upon order. This may be used when specific goods will be required during the contract period.
- ☐ Indefinite-quantity framework contracts: provides an indefinite quantity, within stated limits, goods to be delivered during a fixed period. It is used when the procuring entity cannot predetermine, above a specified minimum, the precise description or specifications that will be required during the contract period, and it is inadvisable for the procuring entity to commit itself when detailed

specifications or precise quantities can be worked up at an appropriate time within the project.

- ☐ Requirements framework contracts: makes provision for fulfilling all actual procurement requirements for the delivery of goods during a specified contract period, with delivery to be scheduled by placing orders with the supplier. It is used to procure recurring requirements as may be needed but the precise specifications of the goods during a definite period cannot be predetermined.

When to use:

The appropriate type of framework contract may be used to:

- ☐ Acquire goods when the exact times and/or exact quantities of future deliveries are not known at the time of contract award;
- ☐ Permit stocks to be maintained at minimum levels; and
- ☐ Acquires goods on a “when-required” basis.

6.11.13.3 Local purchase order

Local purchase order is a commercial document issued by the procuring entity to a supplier for the purchase of goods based on a quotation issued by the supplier. The local purchase order is a legal offer to purchase and when accepted by the supplier becomes binding.

When to use:

- ☐ If RFQ is used to procure goods, the purchase order shall serve as a contract.
- ☐ Less complex requirements.

Advantages:

- ☐ Easy to administer and maintain cost controls.
- ☐ Less documentation required.

Disadvantages:

- ☐ Can present a risk to the procuring entity since it is usually based on quotes provided by suppliers which if not verified can be significantly higher than the market rate.

6.11.14 Preparation of contract

If the procurement is funded by a donor and is subject to prior review procedures, submit the evaluation report and all required supporting documents to the donor for “no objection”. No further action should be taken until donor “no objection” to the evaluation report and recommendation for award of contract is received.

Following notification of approval of the evaluation report and contract award by the procurement committee (and donor if appropriate), the procurement unit will complete the contract document. The contract document should clearly define:

- ☐ the goods to be supplied;
- ☐ the rights and obligations of the procuring entity and of the bidder;

- ☐ a clear statement on when the contract becomes binding is important because certain contract clauses could be connected with this date, e.g. delivery time, warranty, validity of performance guarantee, etc. and
- ☐ the contract form in the bid document should be regarded as a checklist, for the preparation of a final contract.

Action by the Procurement Unit:

- ☐ Amend the bid evaluation report as required and approved by the procurement committee.
- ☐ Complete the form of contract entering details of the selected bidder and all agreed terms and conditions. Assemble the contract including all attachments forming part of the contract. The following documents shall be deemed to form part of the contract:
 - the bid form and price schedule submitted by the bidder
 - the schedule of requirements
 - the technical specification
 - the general conditions of contract
 - the special conditions of contract and
 - the notification of award.
- ☐ Prepare Form SPF 2 section 'C' - Request for approval of contract document and contract signature and submit to the procurement committee with the draft contract and all attachments for approval.
- ☐ Following approval of the procurement committee, obtain all other necessary approvals in compliance with all requirements as may be specified by the NPPA and the Law Officers Department.

6.11.15 Procurement committee approval of contract document

The procurement committee will review the contract document with particular regard to compliance with any modifications requested by the committee in issuing its approval to the evaluation report.

Action:

- ☐ Examine the form of contract to ensure that all required information, conditions and attachments are completed, and all modifications or negotiations are incorporated.
- ☐ Approve the contract and give authority to proceed to the award of contract stage, or reject the contract pending further amendments or clarifications.
- ☐ Ensure that all discussions and decisions of the committee are reported in the minutes of the meeting.

6.11.16 Addressing complaints by bidders

Complaints by bidders to the bid opening procedures or the evaluation and award of contract must be investigated, and all findings reported to the head of the procuring entity and copies to the NPPA. The head of the procuring entity shall ensure that the bidder has an opportunity to present his case and to receive an explanation of the decisions made within 5 days of receipt of his complaint.

Where investigations indicate that the bidder has a valid complaint that may have affected the award of contract, no award of contract shall be made pending resolution of the

dispute.

If the matter cannot be resolved at the procuring entity level, it will be forwarded to the Independent Procurement Review Panel for examination and decision and copied to the NPPA.

Note that where the complaint is in respect of a contract already signed between the procuring entity and the bidder, this procedure does not preclude a complainant from exercising contractual rights in a court of law or going to arbitration where such a provision exists in the contract.

See Chapter 14 for the detailed complaints procedure.

6.11.17 Contract Award and Contract Signature

Following notification of approval of the contract by the procurement committee and before the expiry of the validity period of the bid, the procuring entity must notify the bidder who submitted the successful bid that it has been accepted.

The procurement unit will:

- ☐ Publish the notice of intent to award a contract, allowing a maximum of 14 full days between notification to award the contract to the recommended bidder and the award of contract. This is a mandatory standstill period as per sub section (3) of section 56 of the Act to allow unsuccessful bidders who may have grievances on the procurement process to seek an administrative review. Note that the 14 days does not include the day of notification or the day of making the contract.
- ☐ Following all approvals, finalise the contract and prepare in four complete copies ready for signature by each party to the contract.
- ☐ If the form of contract does not precisely follow an approved standard format issued by the NPPA, obtain prior approval of the contract by the legal officer within the procuring entity and from the NPPA or Law Officers' Department.
- ☐ Ensure that the commitment is recorded in the commitment register.
- ☐ After the expiry of any notice of intent to award period and providing no application for review has been submitted by other bidders, send a formal notice of award through the letter of acceptance to the winning bidder by hand or by registered letter, requesting submission of any required performance security, an acknowledgement of the bidders' receipt of the letter of acceptance and the bidder's attendance within one week to sign the contract. The letter of acceptance shall state the following:
 - the name and address of the procuring entity;
 - the name and address of the bidder;
 - the date and procurement identification reference number of the bid being accepted;
 - any modifications to the bid, resulting from clarifications, corrections or negotiations;
 - any items excluded from the contract or variations in quantity or any other detail;
 - the total contract price; and
 - that the letter of acceptance constitutes a contract between the procuring entity and the bidder, until such time as a formal contract is signed.

- ☐ The value of any performance security for goods shall be as stated in the bidding documents. Performance securities are not normally required where the request for quotations procedure is used, and the contract value is less than the thresholds contained in the First Schedule of the Act or Regulations; or where the sole source procedure is used, and the contract value is less than these thresholds.
- ☐ The bidder shall be invited to attend for contract signature at the procuring entity, or where this is not practical, provided with all four copies of the Contract for signature and return of three signed copies of the contract to the procuring entity.
- ☐ If the bidder fails to provide the performance security or refuses to attend for signature of the contract as requested, refer to the procurement committee for a decision on the confiscation of the bidder's bid security, annulment of the award and award to the next ranked lowest evaluated bidder; whose offer is substantially responsive and is determined to be qualified to be qualified to perform the contract satisfactorily.
- ☐ Receive, check and register the performance security before passing to the accounts department for safekeeping during the validity of the security.
- ☐ Check that the contract is correctly signed by both the bidder and the authorised signatory for the procuring entity, on all four copies and distribute as follows:
 - Original – procurement unit;
 - 1st Duplicate – supplier;
 - 2nd Duplicate – the technical department concerned; and
 - 3rd Duplicate – legal officer/Ministry of Justice.
- ☐ Ensure that the contract is duly recorded in the contracts register maintained by the procurement unit.
- ☐ Arrange the immediate return of bid securities to all bidders and the successful supplier as soon as the contract becomes effective.

Procuring entities are required as good practice to submit notice of all contract awards for publication on the NPPA's website as it serves as an effective mechanism for promoting transparency. The First Schedule of the Act and Regulations also provides guidance on the publication of contract awards. The information on contracts awarded that is submitted to the NPPA should include the:

- ☐ name of the procuring entity
- ☐ name of the bidder;
- ☐ procurement identification number
- ☐ description of the goods;
- ☐ contract sum;
- ☐ duration of the contract;
- ☐ method of procurement used and
- ☐ the source of funding.

6.11.18 Notification to unsuccessful bidders

All unsuccessful bidders should be notified of the contract award at the same time the successful bidder is notified immediately once the contract has been awarded as per sub section (3) of section 56 of the Act. The notification should specify the name and address of the proposed successful bidder and the price of the contract.

6.11.19 Return of Bid Securities

All bid securities must be returned immediately to the bidder, as soon as they are no longer required, i.e. once the relevant contract is signed and all conditions for contract effectiveness have been met.

6.12 CONTRACT MANAGEMENT

Effective management of contracts is essential to ensure that the objectives of the procurement process are achieved and that all contractual obligations and activities are completed efficiently by both parties to the contract. The procurement unit must ensure that routine monitoring of all current contracts is maintained so that swift remedial measures can be taken when problems arise, or preventative action taken when problems are foreseen.

There are many post-contract issues that need to be dealt with, monitored and resolved before the contract reaches its conclusion including:

- ☐ Contract effectiveness;
- ☐ Delivery and inspections of goods;
- ☐ Insurance claims;
- ☐ Payments to the supplier;
- ☐ Contractual disputes;
- ☐ Delays in performance;
- ☐ Claims for damages;
- ☐ Installation and commissioning of equipment;
- ☐ Release of performance securities and retentions;
- ☐ Contract closure.

A flowchart showing a summary of the main post-contract activities for the procurement of goods is provided in the Annex section of this Manual.

6.12.1 Contract effectiveness

Although the contract form may have been signed by both parties, the legal effectiveness of the contract may be dependent on one or more of the following conditions:

- ☐ Receipt by the procuring entity of the performance security;
- ☐ Receipt by the procuring entity of an advance payment security;
- ☐ Receipt by the supplier of the advance payment; or
- ☐ Receipt by the supplier of an acceptable letter of credit.

Action by the procurement unit:

- ☐ If the bidder fails to provide the performance security, and fails to respond to a written reminder, seek the advice of the procurement committee for a decision as to whether the contract may be cancelled and awarded to another bidder;
- ☐ Ensure that any advance payment specified in the contract is paid immediately when the advance payment security is received from the bidder;
- ☐ Ensure that any letter of credit required is issued promptly.

6.12.2 *Contract supervision and administration*

Contract supervision and administration for goods will be the primary responsibility of the procurement unit.

Supervision and administration is straightforward in most procurement of goods but monitoring delivery schedules, processing of documents and the inspection of goods are essential to ensure that the correct goods are delivered on time.

Action: The procurement unit:

- ☐ Monitor the delivery schedules of all purchases to ensure that they are dispatched, delivered or collected on time.
- ☐ Receive reports on pre-shipment inspection of goods and contact the bidder in writing requesting rectification of any discrepancies or deficiencies.
- ☐ Contact the bidder or shipper to identify the causes of any delay in delivery;
- ☐ Initiate and supervise any process for claims against insurance or the bidder.
- ☐ Report to the procurement committee any failure by the bidder in his contractual obligations.

Action: The stores department will:

- ☐ Co-ordinate the receipt and inspection of goods;
- ☐ Issue the goods after delivery and formal acceptance to the user department.

6.13 RECEIPT AND INSPECTION OF GOODS

6.13.1 *Pre-Shipment inspection of goods*

Pre-shipment inspection of goods is required for imports into Sierra Leone. It is also essential for expensive imported goods and items likely to suffer damage or deterioration during transit if not packed in accordance with the specifications in the contract. When pre-shipment inspection of goods is specified in the contract, this will normally be undertaken by a nominated international third-party agent for imported goods or by a nominated inspector for local goods.

The inspector (who must be experienced and appropriately skilled) will carry out the following tests – on a random sampling basis where appropriate - to ensure that the goods and packing are in strict conformity with the requirements.

PSI Action:

- ☐ Obtain and verify bidders' certificates of analysis or compliance to verify physical characteristics and chemical details, type, batch numbers and shelf life as appropriate.
- ☐ Where appropriate, check that the consignment has a shelf life not less than that specified in the contract from arrival in Sierra Leone, and that all necessary instructions and manuals are enclosed and are printed in the required language.
- ☐ Check that all packages are serially numbered and complete and that labelling, and marking is exactly as specified in the contract.
- ☐ Check that dimensions of the packing are as specified in the contract and that pallet markings and handling descriptions are clearly displayed to ensure proper handling in transit and at the delivery destination.
- ☐ Check that all individual items, internal packing and external packages are exactly as specified in the contract.

- ☐ Check that the primary packing is not damaged, opened or tampered with and that the shipping mark requirements are correct.
- ☐ Check the packing against appropriate transportation and commodity regulations and ensure that it is adequate for the safe shipment of goods by the contracted mode of transport.
- ☐ Check the stability of cartons/pallets and that all waterproofing of the packing is sufficient if the consignment is to be transported by open truck or left exposed during transit.
- ☐ Prepare a detailed report against each of the above items and arrange for those present at the inspection to sign the report in agreement of the findings.
- ☐ Take photographs wherever possible and relevant and attach these to the report.
- ☐ Submit the report immediately to the procuring entity.

Any discrepancies found in the course of the inspection must be reported immediately.

6.13.2 Collecting Goods from the Port of Entry

Port and customs clearance of goods and physical collection at the port of entry may be necessary in some circumstances depending on the INCOTERMS used.

Before accepting the consignment, the procuring entity should:

- ☐ Carefully examine the packages to check they are all present according to the shipping documents or airway bill and to look for signs of any physical damage.
- ☐ Look also for signs of tampering with any of the packages e.g. cases with broken seals, loose or open tops.
- ☐ Have the packages re-weighed if there is any suspicion that items have been removed and compare the result with the shipping documents.
- ☐ Note any deficiency either in quantity or in condition on the receipt given in exchange for the goods (a claused receipt).
- ☐ If there are shortages, in addition to a claused receipt, a short-landed or discrepancy certificate should also be obtained to assist claims against the supplier or insurance companies.

6.13.3 Delivery of goods

The stores department is normally responsible for the receipt of goods except under works contracts where construction materials are delivered direct to the site.

On delivery by a bidder or carrier, the storekeeper will:

- ☐ Receive the goods into temporary storage.
- ☐ Examine the apparent condition of the goods and packing.
- ☐ Issue an interim receipt, noting the apparent condition, pending the meeting of an inspection and receipt committee.
- ☐ Receive and register the invoices pending processing (through the procurement unit) to the accounts department for payment following the report of the inspection and receipt committee.
- ☐ Arrange notification to the inspection and receipt committee and to the supplier of the date and time of the formal inspection of the delivery.

6.13.4 Inspection of goods

The inspection and receipt committee shall meet within two days following the arrival of the goods, and in the presence of the supplier's representative if he chooses, will:

- ☐ Examine the documentation and packaging for compliance with the contract.
- ☐ Ask the bidder to open the packages (or arrange opening of the packages at the supplier's expense).
- ☐ Examine and analyse the goods for conformity with the contract specifications and/or the samples provided.
- ☐ Co-ordinate any required laboratory analysis of goods;
- ☐ Reject all goods that are damaged or do not conform with the required specifications or samples.
- ☐ Prepare an inspection report with an original and three copies, recording the delivery, and descriptions, specifications and quantities of the goods examined, and the reasons for accepting or rejecting the goods.
- ☐ Release accepted goods to the stores which will take the items on charge by issue of a goods received note and entry into the stores ledger

Any rejected goods should be removed by the bidder within one week. If the goods are not removed, and it is specified in the contract, the bidder may be charged a penalty for delay. If the rejected goods are not removed after a reasonable period, the procuring entity may apply to a court of law for authority to sell the rejected goods.

The inspection and receipt committee will follow similar procedures to examine equipment that is delivered to a site and already installed by the bidder.

6.13.5 Issue to the user department by stores

The stores department is responsible for maintenance of records of all goods and movable assets held under the custody of individuals, units, departments and entities.

Assets will be taken on charge in the records of the concerned Stores and subject to regular review and audit.

The storekeeper will:

- ☐ Issue or release items to the user department which initiated the procurement using a stores issue voucher for the dispensation of goods from the Stores.
- ☐ Record the issue from the stores ledger and the receipt in the custody ledger for the individual, unit, department or programme of the procuring entity.

6.14 PAYMENT FOR GOODS

For simple payments against invoices, the procurement unit will:

- ☐ Complete a payment voucher ensuring the deduction of any advance payments already made and any contractual penalties incurred by the supplier.
- ☐ Attach the:
 - original invoice from the supplier;
 - the shipping documents or airway bill or bill of lading or packing lists, or a delivery note or certificates of origin;
 - insurance policy
 - original of the inspection report;

- original goods receipt note;
- results of any laboratory analysis;
- calculation of any penalties for rejected goods not removed by the supplier and liquidated damages if allowable under the contract;
- copies of relevant information from the contract document, records of approval and financial authorisations.
- ☐ Record the payment in the contract register.
- ☐ Forward the payment voucher to the accounts department for processing.
- ☐ On expiry of any guarantee period release the retention balance to the Supplier.

6.14.1 Payments by letter of credit (LC)

Letters of credit are documentary credits which represent commitment of a bank to pay the bidder a certain amount provided the bidder presents stipulated documents evidencing the shipment of the goods within a prescribed period of time.

Note that:

- ☐ documentary credit transaction always involves three parties, the issuing bank, (which is normally the buyers or procuring entity's bank) the applicant for the credit (usually the buyer or procuring entity) and the beneficiary of the credit (usually the seller or the bidder);
- ☐ A fourth party may be a second bank, the corresponding (and, sometimes confirmer) of the issuing or originating bank corresponding and confirming banks are usually situated in the seller's country;
- ☐ payments by letter of credit will depend on the contract agreement between the bidder and the procuring entity for the terms and wording of the LC.

The procurement unit will provide the accounts department with all supporting information and documents as specified in chapter 6.14 above.

Action: The accounts/finance department will:

- ☐ ensure that the procuring entity has sufficient funds at the bank, for the establishment of the letters of credit, for all contracts requiring payment by letters of credit;
- ☐ completes letters of credit forms and ensure that the forms are signed by the authorised signatories to the account. (The forms should be collected from the issuing bank);
- ☐ write a cover letter instructing issuing bank to credit the bidder with the required amounts, upon receipt of the bidder the documents specified above in chapter 6.14;
- ☐ collects documents from issuing bank when delivered by the bidder.

6.14.2 Prompt Payment

The procuring entity has a responsibility to make payments promptly in accordance with the contract. Payment delays not only create a bad impression of the procuring entity and of Government but are also ultimately passed on to Government in higher prices as suppliers build in the cost of payment delays in their prices.

The periods in which payments have to be made, and the penalties for delayed payment will be those specified in the signed contract.

The procurement unit or project manager must ensure that:

- ☐ the payment terms and penalties specified in the contract are known to all managers and staff involved in the processing of payments;
- ☐ all invoices and certificates which are not in dispute are paid within the agreed payment period.

6.15 MONITORING CONTRACT OBLIGATIONS

6.15.1 *Monitoring the suppliers obligations*

The supplier's performance against the contract must be monitored on a routine basis.

The Procurement unit or project manager will:

- ☐ notify the supplier immediately in writing of any failings in performance and seek an agreed solution;
- ☐ update the contract file and contract register regularly to reflect the monitoring of performance;
- ☐ ensure that the head of the procuring entity is informed of any serious failings in performance.

6.15.2 *Monitoring and performing the procuring entity's obligations*

The contract may impose certain conditions on the procuring entity which, if not complied with, may affect the supplier's performance including:

- ☐ Payment of stage payments within the contracted time limits;
- ☐ Assistance with import licenses, duty waivers etc.;
- ☐ Approval of drawings within the set time periods;

Ensure that all such obligations of the procuring entity are planned and performed without undue delay.

6.16 DELAYS IN PERFORMANCE

Delivery of goods should be completed by the bidder in accordance with the time schedule prescribed in the schedule of requirements.

Where this is not the case:

- ☐ In accordance with the contract conditions, the bidder, or its subcontractor, must notify the procuring entity in writing of the conditions delaying performance, including full details of the delay, the likely duration and the cause(s).
- ☐ The procuring entity will immediately assess the situation and may at its discretion extend the suppliers time for performance, with or without liquidated damages as specified in the contract.
- ☐ If the time for performance is extended, both parties shall ratify such extension by a formal addendum to the contract subject to approval by the procurement committee.
- ☐ A delay by the supplier in the performance of his obligations may render him liable to liquidated damages if specified in the contract document, except where:

- the delay is as a result of Force Majeure;
- there is no provision for liquidated damages in the contract;
- an extension of time is agreed between the two parties without the application of liquidated damages.

The procurement unit will in case of such delays:

- ☐ Refer to the relevant clauses in the general or special conditions of contract for the procedure to be followed to apply, calculate and claim liquidated damages.
- ☐ Update the procurement dossier and contract register to reflect any delays in the bidder's performance.
- ☐ Notify the end-user department immediately of all such delays.

6.17 RESOLUTION OF CONTRACTUAL DISPUTES

A 'dispute' is formed under a contract when a disagreement persists usually in relation to interpretation of the contract and its conditions, money due to the other party and the time of delivery.

Most minor disputes may be resolved by sensible discussion and agreement between the responsible officer and the bidder to rectify the cause of complaint. It is advisable to avoid disputes as much as possible since they affect the proper contractual relationship between the bidder and the procuring entity.

Any formal written complaints received from a bidder should be fully investigated and referred to the head of the procuring entity to authorise correspondence or formal negotiations with the supplier.

Action by the procurement unit in cases of dispute:

- ☐ Examine the contract carefully to be aware of all contract conditions relating to the resolution of disputes.
- ☐ Determine if the procuring entity is at fault or partly at fault, and if so, take appropriate action to rectify the problem.
- ☐ Invite the bidder to a formal meeting, within 7 days of the complaint, to discuss the issues and try to agree a compromise acceptable to both parties. Ensure that accurate written minutes are kept of any such meeting.
- ☐ If an agreement is reached which changes any of the conditions of the contract, approval of the procurement committee or the head of the procuring entity is required before the agreement can be implemented.
- ☐ If no initial agreement is reached and negotiations conducted by the head of the procuring entity also fail, consider the use of conciliation or arbitration services as specified in the contract.
- ☐ Prepare any necessary addendum to the contract for signature.
- ☐ On contracts funded by a donor, ensure that the donor is kept informed of disputes and seek advice, and a formal "no objection" where required, before any contract addendum is signed.

6.18 TERMINATION OF THE CONTRACT

The parties to the contract normally have the right to terminate the contract and this is usually specified in the contract agreement. To protect the procuring entity, advice of the Law Officers' Department and the NPPA should always be sought if the procuring entity

is considering such action. For donor funded procurements, donor “no objection” must be sought before any action to terminate a contract is initiated.

Contracts should not normally be terminated without examining all possible alternatives, unless the termination is agreed by all parties to the contract.

The contract document will normally specify the grounds on which the contract may be terminated including the procedures applicable to any termination. The contract agreement must be carefully examined to be aware of all contract conditions and penalties relating to the termination of contract.

The procurement unit must seek the approval of the awarding authority that authorised the original contract prior to any contract termination. In seeking approval for contract termination, the procurement unit shall provide the following details:

- ☐ the reasons for termination;
- ☐ the contractual grounds for termination;
- ☐ any actions taken to avoid termination and
- ☐ the cost of terminating the contract for which the procuring entity will be liable.

Advice of the legal officer/Ministry of Justice and the NPPA must be followed in the preparation of any correspondence and settlement of any contractual penalties.

6.19 CONTRACT AMENDMENT

To allow for a smooth administration of the contract, it is reasonable that suppliers be allowed to vary the delivery of the goods as provided for in the contract document. Contract amendment may become necessary as a result of the application of price variations specified in the contract, the resolution of disputes, additional or reduced requirements by the procuring entity, agreements to extend the time schedule, or from accepted increases or decreases in prices.

The contract may allow the procuring entity to modify contract values by a pre-determined percentage when this is in the public interest and essential for the work of the procuring entity.

All other amendments to costs, quantities, time-periods and other terms and conditions of the contract must be approved by the procurement committee and confirmed in a formal contract amendment or addendum.

The procurement unit/project manager will:

- ☐ identify and agree with the supplier the specific clauses in the contract which need to be changed, and the new values or terms and conditions which are to apply;
- ☐ prepare a draft contract amendment document for approval by the procurement committee together with a report justifying the reasons for the amendment, and Form SPF 2 Section ‘D’;
- ☐ following approval by the procurement committee:
 - record any change in contract value in the commitment register and in the contract register;

- record any other contractual changes such as time extensions with regards to delivery in the contract register;
 - obtain from the bidder any necessary addition to the performance security;
 - arrange for signature of the contract amendment in four copies;
 - distribute copies in the same way as the original contract.
- ☐ Following the written and signed approval of the procurement committee where contract variations or accumulated variations are up to 25% of the original contract value, the procuring entity shall submit a request to the NPPA for review and endorsement of all contract variations providing all details associated with the variation.

Note that:

- ☐ Contract modifications where the value of the contract exceeds 25% of the original contract value shall be treated as a new procurement requirement.
- ☐ When additional requirements arising from the initial request for contract variation can be obtained from alternative bidders, new procurement proceedings shall be initiated by the end user.
- ☐ If the additional requirements can be obtained from the existing bidder, it is allowed for the end user to use the sole source method to procure the additional procurements provided adequate justification is made to do so and provided the required approval is received from the procurement committee and endorsed by the NPPA.

CHAPTER 7: PROCUREMENT OF WORKS

7.1 DEFINITION OF WORKS

Works means all works associated with the construction, reconstruction, demolition, repair or renovation of a building, structure or works, such as site preparation, excavation, erection, building, installation of equipment or materials, decoration and finishing, as well as services incidental to construction such as drilling, mapping, satellite photography, seismic investigations and any incidental activity under a procurement contract, if the value of those activities does not exceed that of the construction itself.

7.2 PROCUREMENT METHODS

Procurement methods that can be used for the procurement of works are:

- ☐ Open Competitive Bidding (National or International)
- ☐ Restricted bidding (national or international)
- ☐ Request for quotations (RFQ)
- ☐ Sole source
- ☐ Two-stage bidding (national or international)

The selection of procurement method chart given at Annex 2 provides an indicative summary of the various factors to be considered in deciding the procurement method to be used. Procuring entities should always choose the procurement method that ensures the maximum level of competition. The costs of the procurement proceedings should also be kept in balance with the estimated value of the procurement requirement.

Requirements must not be split into two or more procurements to avoid using the correct procurement method or to avoid approval of the procurement committee, or endorsement by the NPPA.

7.2.1 *Open competitive bidding*

Open competitive bidding both national and international by public advertisement is the preferred method for Government procurement as it has the most potential for ensuring the achievement of key procurement principles of transparency, competitiveness and value for money. The use of alternative procurement methods is strictly limited to the provisions of Part V of the Public Procurement Act, the implementing Regulations and chapters 7.2.3 to 7.2.6 below.

Alternatives to the use of open competitive bidding are:

- ☐ Restricted bidding
- ☐ Requests for quotations (RFQ)
- ☐ Sole source

There are no procedural differences between international competitive bidding and national competitive bidding apart from the need to advertise international bids in the international media and to allow a longer time before bid closing to reflect the slower communications involved.

7.2.1.1 National competitive bidding (NCB)

National competitive bidding is appropriate for less complex works procurements where international competitive bidding is not cost-effective, where the works by their nature or scope are unlikely to attract foreign competition, or where there are justifiable reasons for the procuring entity to restrict bidding to domestic contractors. These reasons could include the availability of enough qualified local contractors to execute a contract and locally competitive prices for the completion of the required works in comparison to the international market. The Act permits the use of NCB for procurement of works valued at the thresholds stated in the First Schedule of the Regulations.

7.2.1.2 International Competitive Bidding (ICB)

International competitive bidding is appropriate for high value or complex procurements, or where the works by their nature or scope, is unlikely to attract adequate local competition or where the prices for works requirements are not competitive in the local market. The Act requires the use of ICB for the procurement of works above the threshold stated in the First Schedule of the Regulations.

7.2.2 Two Stage Bidding

Two-stage bidding is an appropriate method of procurement when it is not feasible for the procuring entity to formulate detailed specifications, scope of work, drawings or plans for the works, to identify their characteristics in a defined manner, or the nature of the works is subject to rapid technological advances.

It is an infrequently used procurement process in which a procuring entity invites bidders in the initial stage to contribute to the detailed specification of the works through the submission of only technical bids. Following initial evaluation and consultations, new detailed specifications are prepared and a restricted bid requesting both technical and financial information is issued in the second stage to all participants who were not rejected in the first stage.

Procedure for two-stage bidding for works:

- ☐ prepare bid documents, with evaluation criteria, detailing out the scope, general requirements and features of proposed works;
- ☐ obtain all required approvals from the procurement committee and endorsements from the NPPA;
- ☐ identify list of pre-qualified contractors;
- ☐ invite contractors to submit the first stage proposals, without bid prices, that meet the requirements of the bidding documents;
- ☐ evaluate the proposals and select the most feasible and responsive bids to be considered during the second stage of the process and reject non-responsive bids at this stage;
- ☐ finalise requirements with respect to scope, features and specifications using the selected proposals as a guide. This might require the deletion and modification of specific aspects of technical or quality characteristics of the selected proposals;
- ☐ develop bid documents and detailed evaluation criteria;
- ☐ invite only the responsive bidders to submit technical and financial proposals;
- ☐ evaluate and select the best evaluated offer.

Although the two-stage procurement process can extend the procurement lead -time, it allows prospective contractors to have a good understanding of the requirements and

reduces risks at the contract implementation stage.

7.2.3 *Restricted Bidding*

Restricted bidding is a process of direct invitation to a shortlist of pre-qualified, pre-registered or known contractors and is subject to a specific endorsement being granted by the NPPA. This may directly follow a formal pre-qualification of contractors for the specific requirement (See Chapter 7.4 for detailed guidelines on pre-qualification).

It is an appropriate method of procurement where:

- ☐ the estimated cost of the works is less than the threshold established in the Regulations ;
- ☐ OR subject to a specific waiver being granted by the NPPA under one or more of the following conditions:
 - the requirement is of a specialised nature or has requirements of public safety, or public security which make an open competitive bid impossible;
 - due to the urgent nature of the requirement, an open competitive bid is not practical;
 - the number of potential contractors is limited; or
 - an open competitive bid has failed to bring an award of contract.

Under restricted bidding, the procuring entity will invite bids from a list of pre-qualified contractors broad enough to assure competitive prices and including all contractors when there are six or less.

7.2.4 *Request for Quotation (RFQ)*

This method is also known as “shopping” and is based on comparing price quotations obtained from several contractors, usually at least three, to ensure competitiveness. It is an appropriate method of procuring readily available standard specification works that are small in value. It is sometimes referred to as the local purchase system.

Requests for quotations should indicate the description and scope of the works, as well as desired completion, time and place. Quotations may be submitted by telex or facsimile.

Request for Quotations may be used when:

- ☐ The estimated value is less than the thresholds in the First Schedule of the Regulations ; or
- ☐ Subject to a specific waiver being granted by the NPPA under the conditions wherein:
 - no bids were received, or only one bid was presented in response to two consecutive open competitive bids or restricted bids;
 - the estimated value is less than the threshold specified in First Schedule of the Regulations

- the requirement is for widely available works activities such as minor alterations and repairs which do not require detailed specifications and may be readily estimated by a contractor from a simple site visit.

Note that for higher value or more complex requirements, a more appropriate standard bidding document and contract format should be used to protect the procuring entity.

7.2.5 *Sole source*

Sole source procurement from a contractor without competition (direct procurement) may be appropriate upon securing a specific waiver from the NPPA usually when:

- ☐ the works can only be provided by one source for physical, technical or policy reasons; (e.g. works requiring the use of proprietary technical knowledge obtainable from only one source) and no suitable alternative is available;
- ☐ when additional works which were not included in the initial contract have, through unforeseeable circumstances, become necessary and the separation of the additional works from the initial contract would be difficult for technical or economic reasons;
- ☐ the procurement is for urgently needed remedial works provided the circumstances which gave rise to the urgency were neither foreseeable by the procuring entity nor the result of dilatory conduct on its part and provided this is restricted to the minimum works required to meet the urgent need until a procurement by other methods can be fulfilled.

In the use of the sole source method, a written description of the needs and any special requirements as to the quality, quantity, terms and time of completion shall be prepared by the procuring entity. The submission of a bid by the sole bidder is required as well as publication in the Gazette, a newspaper of national circulation, on the NPPA's website and when feasible on the website of the procuring entity; of the notice of the holding of sole-source procurement processes when the estimated value of the procurement exceeds the threshold set in First Schedule of the Regulations

Use of the sole source procurement method requires the approval of the procurement committee and following such approval, an endorsement must be sought from the NPPA.

7.3 IDENTIFICATION AND SPECIFICATION OF REQUIREMENT

A flowchart showing a summary of pre-contract activities required and who is responsible for them is provided in the Annex section of the Manual.

7.3.1 *Identification of Requirement*

A requirement may originate from any department, subunit or project of a procuring entity for works.

The estimated cost of the requirement must already be included in the approved annual procurement plan and budget.

Actions by the procurement unit:

- ☐ Estimate the cost based on previous procurements and market rates;
- ☐ Identify the source of funding;
- ☐ Check if this requirement can be consolidated with similar known requirements within the procuring entity to make a more attractive package for bidders.

7.3.2 Specification of requirement

The requirement for works needs to be fully identified with detailed technical specifications or scope of work, drawings, plans, objectives as well as bill of quantities or activity schedule as appropriate.

If detailed specifications or scope of work cannot be prepared by the originating department/unit, the advice of the procurement unit, relevant technical ministries or agencies as required may be sought for assistance.

Alternatively, this can be outsourced to a specialist technical advisor or Procurement Agent or a Consultant selected under the procedures for selection of consultants in Chapter 8 of this Manual. For the prevention of a conflict of interest, the same technical advisor, procurement agent or consultant should not be selected by a procuring entity to carry out the execution of the works in relation to the same procurement contract.

Actions by the originating department or technical department:

- ☐ Prepare plans, drawings, detailed specifications and a bill of quantities or activity schedule with the assistance of the Ministry of Works (MOW) if the procuring entity does not have an approved technical department for this purpose.

Specifications for the procurement of works shall include:

- ☐ a description of the full scope of the works, which may include the design, construction or installation of equipment;
- ☐ the purpose and objectives of the works;
- ☐ the duration or completion schedule for the works;
- ☐ details of the supervision requirements, working relationships and other arrangements for the administration of the contract;
- ☐ soil investigations, preliminary surveys, drawings and design requirements;
- ☐ national or international specifications and standards required;
- ☐ bill of quantities or activity schedule; and
- ☐ inspection and testing requirements.

Note that requirements must not be split into more than one requisition for the purpose of reducing the estimated value in order to be within approval thresholds or to avoid a method of procurement.

7.3.3 Procurement requisition and budget confirmation

To assist in the identification and management of procurement, a procurement requisition (Form SPF 1) is prepared by the originator to include the detailed specification of the requirement and an estimated cost, prior to approval by the Head of the department/unit.

A procurement requisition and prior budgetary approval is not required for urgent small value procurements which are paid for out of advance imprest funds.

The Procurement unit will co-ordinate with accounting staff of the procuring entity to verify the provisional availability of budgeted funds for the procurement of the works.

7.3.4 Preparation of the procurement requisition

Complete the procurement requisition (Form SPF 1) in three copies as follows:

Actions by originator:

- ☐ Subject of procurement - enter a brief title for the requirement e.g. "Construction of Office Block".
- ☐ Location/site - e.g. "Ministry of Transport, Headquarters - Freetown".
- ☐ Item - the sequential number of each separate requirement - e.g. "1", "2" "3" etc.
- ☐ Description - provide a general description of the requirement. Wherever appropriate, attach detailed specifications, plans and bill of quantities to provide full information.
- ☐ Quantity - the number of items required.
- ☐ Unit of measure - e.g. "each", "1 Kg box" as appropriate.
- ☐ Estimated unit cost - enter the estimated cost of 1 unit.
- ☐ Estimated total cost - enter the estimated cost of 1 unit multiplied by the Quantity.
- ☐ Funds availability: enter the detailed vote code which will be used to fund the expenditure, or if funding is provided directly by a donor, enter the donor's name and project number.
- ☐ Sign and enter details of name, job title and date.
- ☐ Attach all necessary supporting documents including detailed specifications, plans, drawings and bill of quantities as appropriate.
- ☐ Forward the original of Form SPF 1 and two copies to the head of department/unit for approval.

Actions by head of department/unit:

- ☐ Check the details entered on the SPF 1 form, and the attachments for accuracy and completeness and refer back to the originator if there are any queries.
- ☐ Allocate the procurement number using the next available sequence number and record the procurement in the register of procurement requisitions.
- ☐ Sign and enter details of name, job title and date.
- ☐ Forward the original and one copy to the procurement unit for processing and confirmation of the availability of funds. Retain one copy for departmental/unit records and progress chasing of the procurement.

Actions by procurement unit:

- ☐ Receive the procurement requisition form SPF1 and supporting documents from the stores department or the originating department.
- ☐ Verify the current availability of sufficient funds in the budget heading and that the requirement is defined in the annual procurement plan.
- ☐ Check that documents are complete, that any plans and designs for works are properly prepared and approved by the competent authority, that all essential site tests and inspections have been carried out, and that due consideration for safety, economic and environmental factors is included.

- ☐ Ensure that the specifications or scope of work for the works are suitable for the need and are of an appropriate quality.
- ☐ Review the detailed specifications, designs, plans and BOQ for construction works which must be prepared by the Ministry of Works (MoW) unless the procuring entity has an approved technical department to undertake the preparation. In other cases, the procurement unit may need to seek assistance of external technical experts to prepare the detailed specifications;
- ☐ Classify the requirements into Lots or groupings of similar items if necessary, to maximise competition by bidders.
- ☐ Review the price estimate for the procurement.
- ☐ Determine the procurement method to be used. If an alternative method to that which would normally be used is recommended, prepare a full justification.
- ☐ Prepare the draft bidding and contract documents to ensure that all necessary conditions are incorporated in accordance with the format of the standard bidding documents or the documentary formats of the donor as appropriate.
- ☐ Prepare a draft advertisement or invitation to bidders and make arrangements for the sale of the bidding documents in accordance with paragraph.
- ☐ If the procurement is within the financial authority level delegated to the procurement unit, issue the advertisement or invitation to proceed. If not, process for approval by the procurement committee:
 - Prepare Form SPF 2 Section 'A' – Request for approval of specifications, procurement method and documents in three copies. Retain one copy for progress chasing of the procurement.
 - Process the original of Form SPF 2 Section 'A' with all required attachments to the procurement committee for approval of the procurement, the procurement methodology, the draft bidding documents and the draft advertisement or invitation to bidders.
 - Retain one copy of the SPF 2 Form Section 'A' for filing in the procurement dossier.

7.4 PRE-QUALIFICATION OF BIDS FOR WORKS

Pre-qualification of contractors for works contracts should be done in accordance with Regulation 23. It is used to identify bidders who are qualified prior to the submission of bids, and:

- ☐ is appropriate for large or complex works, or in other circumstances when the high costs of preparing detailed bids could discourage competition;
- ☐ is often used for contracts to be let under turnkey, design and build, or management contracting;
- ☐ ensures that invitations to bid are extended only to those contractors who have adequate capabilities and resources;
- ☐ helps to ensure that only bids from competent contractors are considered and eliminates disputes that may arise from rejection of lowest bidders because the bids are not considered qualified;
- ☐ may be required of donor funded procurements.

7.4.1 Pre-qualification criteria

Pre-qualification is based upon the capability and resources of prospective bidders to perform the particular contract satisfactorily, taking into account their:

- ☐ experience and past performance on similar contracts;
- ☐ capabilities with respect to personnel, equipment, and construction facilities;
- ☐ required licensing and professional registrations; and
- ☐ commercial and financial resources

7.4.2 Advertisement for Pre-qualification

The invitation to pre-qualify for bidding on specific contracts or groups of similar contracts shall be advertised in a similar way to an open competitive bidding under the following circumstances but not limited to:

- ☐ Large and complex projects
- ☐ Complex industrial installation and
- ☐ Specialised technical solutions.

The scope of the contract and a detailed statement of the requirements for qualification must be provided in the advertisement.

7.4.3 Pre-qualification document

A procuring entity shall supply a set of prequalification documents as outlined under Regulation 49 to each contractor that requests them. The pre-qualification documents shall include:

- ☐ instructions to prepare and submit prequalification applications;
- ☐ a summary of the main terms, qualifications and conditions required for the procurement contract to be entered into as a result of the procurement proceedings;
- ☐ any documentary evidence or other information that must be submitted by contractors to demonstrate their qualifications;
- ☐ the manner and place for the submission, sealing and labelling of applications to pre-qualify and the deadline for the submission, expressed as a specific date and time which allows sufficient time for contractors to prepare and submit their applications, taking into account the reasonable needs of the procuring entity;
- ☐ the evaluation criteria; and
- ☐ any other requirement that may be established by the procuring entity in conformity with the Act and Regulations in relation to the preparation and submission of applications to pre-qualify and to the prequalification proceedings.

Note that:

- ☐ Requests for clarification of the pre-qualifications documents from an applicant shall be responded to by the procuring entity if the request is made prior to the deadline for the submission of applications to pre-qualify in accordance with sub regulation (4) of Regulation 58.
- ☐ Applicants shall be given reasonable time by the procuring entity so as to enable the contractor to make a timely submission of its application to prequalify.

7.4.4 Pre-Qualification evaluation

No formal opening of submissions is required but a formal evaluation of the capabilities of each bidder is required by the evaluation committee against the criteria as stated in the advertisement.

- ☐ Applicants that meet all the specified criteria are pre-qualified and approval of the procurement committee may be sought to add these applicants to the general Register of pre-qualified contractors held by the procuring entity.
- ☐ Where a large number of contractors pass the stated qualification criteria, it may not be realistic to invite more than six to participate in the specific bid. If so, only the best qualified contractors should be selected and invited to bid.
- ☐ All applicants should be informed of the results of pre-qualification and acceptance to the register of pre-qualified contractors. Applicants who fail to meet the pre-qualification criteria should be briefly advised of the reasons. No further correspondence will be entered into regarding applications.
- ☐ When pre-qualification is completed, the bidding documents should be issued to all qualified bidders, or to an appropriate shortlist of the qualified bidders.

7.5 CLASSIFICATION AND REGISTRATION OF CONTRACTORS

7.5.1 *Purpose of classification and registration*

The classification process aims at the proper grading of contractors into categories based on their capabilities and performance. It should be noted that only contractors who are thus classified would be eligible to undertake building and civil engineering contracts awarded by procuring entities.

Classification of contractors is conducted by:

- ☐ the Ministry of Works (MoW) who maintain a classification register solely for use by procuring entities and other institutions which may require the services of building and civil contractors for the execution of projects; and by
- ☐ the Institute of Engineers who maintain a central register of qualified engineers classified into categories according to their capability, performance and speciality.

Classification registers should be maintained and updated on a regular basis by the relevant technical entities.

7.5.2 *Classification process of MoW*

Classification into the appropriate categories and classes can be considered as a basic minimum requirement for prequalification and qualification criteria that will be required for a contractor to be eligible for participation in the procurement process.

The guidelines for classification would normally provide details of the registration process that may include the following:

- ☐ Purchase of application form from the procuring entity of interest;
- ☐ Completion of the application form and return of the form to the MoW with the full set of specified supporting documents;
- ☐ Vetting and processing of the application by a technical sub-committee followed by submission of findings to contractors classification committee for consideration;
- ☐ Review of the report of the technical sub-committee by the contractor's classification committee followed by forwarding of the committee's recommendations to the accounting officer for further consideration and approval.
- ☐ Payment of prescribed license fees by successful applicants.

- ☐ Applicants shall be deemed qualified for classification if the applicant satisfies the prescribed minimum requirements. These may include:
 - Property: movable or immovable
 - Experience
 - Award letters for jobs executed of similar nature
 - Corresponding payment certificates
 - Personnel
 - Key technical staff
 - Supporting staff
 - Finance
 - Fixed assets
 - Liquid assets
- ☐ Signing of the classification certificate of the contractor within the appropriate category and class by the accounting officer.

The MoW categorises contractors into several classes according to the value of work and further according to the various classes:

- ☐ Premier class
- ☐ Class I
- ☐ Class II

Detailed information on this classification can be acquired from the MOW.

7.5.3 *Renewal of classification certificates*

Contractors are required to resubmit all application information at the end of the validity period of their classification for a reassessment of their current status. However, Contractors may re-apply for a review and upgrade of their classification status before the expiry of the certificate when there has been a marked change in the firm's personnel and/or equipment holding which will substantially modify the status of the contractor.

The re-assessment of contractors' application information takes into account the following considerations:

- ☐ Timeliness of project completion;
- ☐ Quality of construction;
- ☐ Working within budget;
- ☐ Site safety records; and
- ☐ Environmental impact and assessment records.

Contractors found to have rendered unsatisfactory services could have their classification certificates withdrawn.

7.6 STANDARD BIDDING DOCUMENTS FOR WORKS

The Second Schedule of the Act specifies the various standard bidding documents (SBDs). SBDs are a set of documents issued by the NPPA which establishes the works required (through technical specifications, drawings, plans, bill of quantities or activity schedule), the procurement procedures to be followed, and specifies the proposed contract conditions. The detail and complexity of the bidding documents may vary depending on the size and nature of the proposed bid package and contract, but in general should

contain all information necessary to allow the contractor to prepare a responsive bid or quotation.

The bidding document must contain information to:

- ☐ instruct bidders on the procedure for submission of bids;
- ☐ describe the works to be procured;
- ☐ inform bidders of the criteria for evaluation of bids; and
- ☐ define the conditions of any resulting contract.

Use of a standard bidding document (SBD) format, as defined in the Second Schedule of the Act, is mandatory for all procurement of works, unless an alternative format has been specifically approved by the NPPA in writing.

If a fee is charged for the bidding documents, it shall be reasonable and reflect only the cost of their printing and delivery and shall not be so high as to discourage prospective qualified bidders.

Note that procurement of works using funds of donor partners may be subject to the required use of the standard formats of the donor.

The updated versions of each approved SBD, together with an individual user guide to assist in preparation of the bidding document, may be obtained from the NPPA, or directly downloaded from the Authority's website.

7.6.1 Preparation of the bid document

The preparation of the bidding document is coordinated by the procurement unit and is a teamwork. The preparation of the document commences upon receipt of a purchase requisition and notification of availability of funds.

The bid document must be prepared by modifying the appropriate standard bidding document issued by the NPPA and as specified in Second Schedule of the Act.

In preparing the bidding document, the instructions to bidders and the general documents can only be made through the bid data sheet and the special conditions of contract respectively. The main sections in the bidding document that need completion and modifications are:

- ☐ The invitation to bid;
- ☐ The bid data sheet;
- ☐ Bill of quantities
- ☐ Detailed technical specification;
- ☐ The schedule of requirements,
- ☐ The special conditions of contract and
- ☐ Sample forms to be completed by the bidder

Actions by procurement unit:

- ☐ Select the appropriate standard bidding document depending on the type of procurement.
- ☐ Complete the invitation to bid section with the relevant information which is self-explanatory.
- ☐ Consult with the originating department or end-user, regarding finalisation of the description of requirements for inclusion in the document.
- ☐ Complete the bid data sheet with details of the bidding process e.g. the bid closing date, the address for submission, the evaluation criteria to be applied, any

qualification criteria to be applied etc. Note that the text of the instructions to bidders should not be modified.

- ☐ Complete the special conditions of contract with the specific conditions which will apply to the contract e.g. payment terms, delivery/completion period, warranty, liquidated damages. Note that the special conditions of contract modify the general conditions of contract – the text in the general conditions of contract must not be modified.
- ☐ Complete the schedule of requirement section by describing the required items, quantities etc.
- ☐ The sample forms provide text and format samples for the various forms which are to be completed by the bidder.

7.7 APPROVAL OF THE SPECIFICATIONS, PROCUREMENT METHOD AND BIDDING DOCUMENT

7.7.1 *Main procurement committees*

A main procurement committee will consider all formal requests for approval of specifications and bidding documents which are above the financial threshold delegated to its procurement unit. This includes requests processed through any subsidiary procurement committee that exceed the subsidiary committee's level of financial authority.

Actions by the procurement committee:

- ☐ Receive Form SPF 2 Part 'A' from the procurement unit together with all draft documents for review. If necessary, a presentation from the relevant head of department/unit may be required in respect of the specific procurement and to seek clarification of any issues.
- ☐ Review and approve or reject the works to be contracted out. This shall include the detailed specifications, bill of quantities, activity schedule as well as any classification into Lots to enhance competition from bidders.
- ☐ Review and approve or reject the bidding documents and the advertisement or invitation to bidders and shortlist, including the bidding period and cost of the bidding documents.
- ☐ Return any rejected procurements to the procurement unit giving detailed reasons for the rejection.
- ☐ Issue a full or a qualified approval for the procurement to proceed. A qualified approval may be issued subject to clearly explained minor corrections which must be made to the documents or specifications before issue.
- ☐ Nominate the bid opening committee and the evaluation committee as appropriate for each approval granted.
- ☐ Maintain full minutes of meetings and record all decisions and recommendations using form SPF3. Ensure that copies of all documents reviewed by the committee are retained by the procurement unit for ease of reference, and that the decisions of the committee are promptly communicated to the originator.

7.7.2 *Subsidiary procurement committees*

A subsidiary procurement committee will consider all formal requests for approval of specifications, procurement method and bidding documents which are above the financial threshold delegated to its procurement unit.

Actions by the subsidiary procurement committee:

- ☐ Receive Form SPF 2 Part 'A' from the procurement unit together with all draft documents for review. If necessary, a presentation from the relevant head of department/unit may be required in respect of the specific procurement and to seek clarification of any issues.
- ☐ Review and approve or reject the works to be contracted out. This shall include the detailed specifications, bill of quantities, schedule of activities as well as any classification into lots to enhance competition from bidders.
- ☐ Review and approve or reject the bidding documents and the advertisement or invitation to bidders and shortlist, including the bidding period and cost of the bidding documents.
- ☐ Return any rejected procurements to the procurement unit giving detailed reasons for the rejection.
- ☐ Issue a full or a qualified approval for the procurement to proceed. A qualified approval may be issued subject to clearly explained minor corrections which must be made to the documents or specifications before issue.
- ☐ If the estimated value of the procurement exceeds the level of financial authority delegated to the committee, no further action should be taken. In these cases, arrange for copies of all documentation and the recommendations of the subsidiary committee to be forwarded to the main procurement committee for further processing.
- ☐ Nominate the bid opening committee and the evaluation committee as appropriate for each approval granted within the authority threshold of the subsidiary procurement committee.
- ☐ Maintain full minutes of meetings and record all decisions and recommendations using form SPF3. Ensure that copies of all documents considered by the committee are retained by the procurement unit for ease of reference, and that the decisions of the committee are promptly communicated to the originator.

7.8 ANNOUNCEMENT AND ISSUE OF BIDDING DOCUMENTS

Once the requisite approval of the specifications, method selection and bidding documents have been obtained from the procurement committee or the respective donor as may be appropriate, the procurement should be announced through advertisements in the case of open competitive bids or invitations in the case of restricted bids and quotations.

7.8.1 *Donor funded procurements*

If the procurement is funded by a donor and is subject to the donor's prior review procedures, the procurement unit will forward all required documents to the donor for a "no objection". No further action may be taken until a formal response is received from the donor.

If the procurement is rejected by the donor, or substantial modifications to the bidding documents are required for a conditional no objection, refer back to the procurement committee for information and a decision on the action to be taken.

7.8.2 *Announcement following approval by the procurement committee*

Following approval of the procurement method and the draft bidding documents by the procurement committee (and the donor where appropriate), the draft advertisement and the technical and administrative arrangements for the announcement of the bid, or issue of

the RFQ must be completed.

Action by procurement unit:

Examine the decision of the procurement committee (and the donor if appropriate) and ensure that full approval has been granted or that any modifications required or approved by the committee are accurately corrected in the documents.

- ☐ Complete the documents as necessary, rechecking to see that the bidding document and the announcement are clear and complete, and fully in accordance with the appropriate standards.
- ☐ Confirm to the chairman of the bid opening committee, the date and time of the bid opening. Ensure that the room where the bid opening will be held, is available and booked.
- ☐ Arrange for publication of the advertisement, or issue of the invitation to short-listed bidders.
- ☐ Prepare sufficient copies of the bidding documents ready for sale by the first day of publication for an open bid.
- ☐ Ensure that full records are maintained and updated and that copies of all relevant documents are retained in the procurement dossier for reference.

7.8.3 Issue of invitations for restricted bids

The bidding documents for restricted bidding must be issued to all shortlisted bidders simultaneously, either by registered post, or by hand in return for a written receipt.

Action by the procurement unit:

- ☐ Prepare the envelopes for distribution containing a personalised letter of invitation and the complete set of bidding documents, together with the declaration of ethical conduct.
- ☐ Send the invitation by registered post to all short-listed bidders or deliver by hand and obtain a written receipt.
- ☐ If the bid is subject to conformity with a sample or samples, obtain written acknowledgement from the bidder that the sample or samples have been inspected.

7.8.4 Issue of requests for quotations

The procedure for issue of requests for quotations to short-listed bidders follows the same principles as for restricted bidding above.

The standard bidding document formats for request for quotations will be used for simple requirements wherever practical. For complex requirements where the normal RFQ documents are not appropriate, or the purchase order is not a suitable form of contract, the procuring entity is recommended to select appropriate formats from the other standard bidding documents.

7.9 ADVERTISEMENTS FOR OPEN COMPETITIVE BIDS (NCB and ICB)

7.9.1 The Advertising process

Any procurement using open competitive bidding methods should be advertised.

Publication of the advertisement should allow sufficient time before the deadline to enable prospective bidders to obtain the bidding documents and to prepare and submit their bids. The period allowed should be a minimum of one month following the date of the first advertisement, but longer periods may be necessary for more complex

requirements. Procuring entities should be careful to also allow for the time between submission of the advertisement to the press and the time the advertisements are actually published.

Where the circumstances so require, (refer to paragraph (j) of sub section (2) of section 32 of the Act), particularly in respect to urgent items; the procurement unit can make a recommendation to the procurement committee for a reduction in the advertising period.

Approval by the procurement committee for a reduction of the bidding period should not be lower than half of the minimum required bidding period for open competitive bidding. The procurement committee shall seek NPPA's endorsement for a reduction of the bidding period.

7.9.2 Contents of the advertisement

The advertisement must clearly explain how bidders may submit a bid and provide sufficient information to enable potential bidders to decide whether to participate.

The information contained in the advertisement must correspond with the information in the bidding document and in particular, the relevant information in the bid data sheet. Sample advertisement are provided in the standard bidding documents.

The advertisement should include as a minimum, brief information on:

- ☐ the source of funding;
- ☐ the works to be procured;
- ☐ any qualification requirements for bidders (e.g. a requirement for a minimum level of experience and or turn over in the subject of the procurement);
- ☐ the procedure for obtaining a set of the bidding documents;
- ☐ the place, deadline for submission of bids;
- ☐ the fee charged for bidding documents. This must reflect only the cost of printing and delivery to prospective bidders;
- ☐ the value of any bid security required.

7.9.3 Publication of advertisement for national competitive bids

The advertisement shall be published as follows:

- ☐ on the NPPA website,
- ☐ on the procuring entity's website if such exists;
- ☐ in the Sierra Leone Government Gazette,
- ☐ in at least two national print media of wide circulation in Sierra Leone weekly for at least the first two weeks of the bidding period;
- ☐ optionally, broadcast over the radio or television, on the stations and programmes and at a time most likely to target the widest spectrum of potential bidder; and

For highly specialised procurement, an optional advertisement in well-known technical magazines and/or trade publications of wide circulation is recommended.

7.9.4 Publication of advertisement for international competitive bids

The advertisement shall be published as follows:

- ☐ on the NPPA website,
- ☐ on the procuring entity's website if such exists;
- ☐ in the Sierra Leone Government Gazette,

- ☐ in at least two national print media of wide circulation in Sierra Leone weekly for at least the first two weeks of the bidding period; and
- ☐ in at least one on-line international electronic media such as Development Business, dgMarket, United Nations Development Business (UNDB) or a similar widely known website of procurement opportunities.

For highly specialised procurement, an optional advertisement in well-known technical magazines and/or trade publications of wide international circulation is recommended.

7.9.5 Sale of bid documents for open competitive bids

The sale of bidding documents for open competitive bidding will be coordinated by the procurement unit. The price charged for the documents must only reflect the actual cost of production of the bidding document.

Actions by the procurement unit:

- ☐ Prospective bidders should be allowed to briefly inspect the bidding documents, if requested, before committing to purchase the documents.
- ☐ Obtain the bidder's signature on the declaration of ethical conduct.
- ☐ Record the name and address of each bidder purchasing the bidding documents in a register.
- ☐ All fees received from the sale of bidding documents must be recorded and the income deposited in the Consolidated Revenue Fund. A formal treasury receipt must be issued to the bidder.

Procuring entities must ensure that bid documents are available for sale before publication of the invitation. Denying a prospective bidder, the opportunity to purchase a bid document, and failing to provide a bid document for inspection by a potential bidder may constitute grounds for complaint under Part VII of the Act.

7.10 BID CLARIFICATION, EXTENSIONS AND CANCELLATIONS

The objective at this stage is to clarify aspects of the bid which might appear ambiguous or inconsistent to bidders. Bidders have the right to request for clarifications and the procuring entity should clarify and resolve any technical or financial aspects of the bid arising from a bidder's request for clarification and deemed to be a serious flaw. Resolving such clarifications might result in either a need for extending the bidding period or cancelling the bidding process altogether.

7.10.1 Bid clarification

The period during which bid clarifications may be requested will be defined in the bidding documents. Requests for clarifications received after this period may be ignored unless they draw attention to a serious flaw in the bidding documents. In all cases, any response to a bidder must be communicated to all bidders who received the bidding documents, but without identifying the bidder who requested the clarification.

Action by the Procuring Entity:

- ☐ Each request for clarification must be recorded and referred immediately to the procurement unit to develop a response in consultation with the concerned technical department.
- ☐ The procurement unit should also consider if the proposed response to a request for clarification will require bidders to undertake additional work, or make

substantial modifications to their bids, which cannot reasonably be completed by the stated date for submission of bids. In this case, the procurement committee should be consulted for approval to extend the date for submission of bids.

- ☐ Provide a written response to the bidder and notify details of the query and the response (but without identifying the source of the query) to all other bidders simultaneously.
- ☐ Place copies of all correspondence on bid clarification in the procurement dossier.

The recommended period for receiving bid clarification is up to 7 days prior to the deadline for bid submission in the case of NCB; and up to 14 days prior to the deadline for bid submission in the case of ICB.

7.10.2 Pre-bid conference and site visits

Pre-bid conferences and site visits are usually held, if previously mentioned in the bidding documents or invitation to bid. They are particularly useful in the procurement of complex works.

Pre-bid conferences are used by the procuring entity to clarify any concerns bidders may have with the bidding documents, the scope of work and other details of the requirement. A visit to the works project site provides the opportunity for bidders to view the works or project site and become familiar with the existing conditions.

Actions by the procurement unit if a pre-bid conference and site visit is deemed necessary for a particular works procurement:

- ☐ Ensure that the bidding document or invitation to bid clearly states that a pre-bid conference or site visit will be held.
- ☐ Ensure the bidding document and where possible the invitation to bid provides the date, time and location of the pre-bid conference and site visit including contact information should a bidder wish to confirm any details.
- ☐ Any pre-bid conference and site visit should be held sufficiently early (but not so early as to make attendance difficult for any potential bidder) in the bidding period to enable prospective bidders to take into account the information gathered in preparing their bids.
- ☐ Ensure the attendance and participation of the relevant originating or technical department, external technical expert or representatives from other technical ministries as may be appropriate at the pre-bid conference and site visit.

Procedure for Pre-Bid Conference and Site Visits:

- ☐ The procurement unit is responsible for coordinating the pre-bid conference and site visit and the technical department, experts or representatives of the procuring entity should take the lead in clarifying technical issues.
- ☐ It is recommended that the meeting is chaired by a member of the procurement committee.
- ☐ An agenda for the meeting could include but not be limited to:
 - Introduction of representatives of the procuring entity
 - Overview of the works project
 - Discussion of bidding requirements
 - Environmental regulations and any impact assessment as they pertain to the particular works project
 - Questions from prospective bidders in attendance

- Tour of the site
- ☐ Issues that can be discussed at the pre-bid conference and site visit may include: bid security; taxes; permits; date, time and location for receipt of bids; forms to be included as part of the bid; specific requirements in the documents including questions raised by prospective bidders.
- ☐ Questions on the specifications and drawings should only be answered if they refer to specific sections in the drawing plans and specifications in the bidding document.
- ☐ Conflicting and unclear items raised by prospective bidders should be noted down and resolved by a formal addendum made to the bidding documents. It should be noted and made clear to prospective bidders that verbal answers provided by the procuring entity should only be considered factual following the issuance of an addendum in writing.
- ☐ The procurement unit should prepare minutes of any pre-bid conference and site visit and should promptly send them to all bidders to whom the bidding documents have been issued. The minutes should include:
 - all information provided as part of any briefing;
 - details of any clarifications requested, but without identifying the source of the inquiry; and
 - the details of responses provided to clarifications.
- ☐ Following any pre-bid conference or site visit, the procurement unit should, where required, issue clarifications or issue addenda to the bidding document.
- ☐ To give prospective bidders reasonable time in which to take an addendum into account in preparing their bids, the procurement unit may, at its discretion and with the approval of the procurement committee, extend the deadline for the submission of bids.

Note that mandatory attendance of prospective bidders at pre-bid meetings and site visits is not usually required to bid for works project. Notwithstanding this, there may be occasions when attendance at pre-bid site visits should be made mandatory; for instance, on occasions wherein the procuring entity cannot readily describe specific requirements through drawings and specifications in the bid document.

7.10.3 Extension of Bid Closing Date

The closing date for submission of bids may be extended at the discretion of the procurement committee for any practical or justifiable reason. Such reasons could include: modification to the bidding documents after issue, requiring additional research or effort by bidders to submit a responsive bid; request for a time extension by two or more bidders; and unforeseen administrative issues which force a postponement of the proposed bid opening.

Action by the procurement committee:

- ☐ Ensure that an adequate and practical justification exists for extending the bid closing date. Extensions should not be granted, for instance, where a bidder has by his or her own inactivity failed to purchase the bidding document early enough to permit submission of a responsive bid.
- ☐ Following approval by the procurement committee of an extension of time, confirm a revised closing date with the procurement unit and the bid opening committee.
- ☐ Notify all bidders in writing of the revised date for submission of bids.
- ☐ Place copies of all correspondence in the procurement dossier.

7.10.4 *Cancellation of bidding process before bids opening*

A bidding process may be cancelled at any time before the deadline for receipt of bids with the approval of the procurement committee. Note that for donor funded procurements, the donor must be consulted before any cancellation of the bidding process.

Justifications for cancellation are:

- ☐ the need for the works has ceased to exist or changed significantly;
- ☐ insufficient funding is available for the works;
- ☐ there is a significant change in the required technical details, bidding conditions, conditions of contract or other details, such that the recommencement of proceedings is necessary;
- ☐ insufficient, or no responsive bids are received;
- ☐ there is evidence of collusion among bidders; or
- ☐ cancellation is deemed to be in the interest of national security.

Action by the procurement committee:

- ☐ Notify all bidders who have purchased or received the bidding documents, of the cancellation and refund any fees paid for the purchase of bidding documents.
- ☐ If the bidder has already submitted his or her bid, this must be returned unopened.
- ☐ Notify all departments, units and sub-committees involved in the procurement, the donor if appropriate, and the NPPA of the cancellation.

7.11 RECEIPT OF BIDS AND BID OPENINGS

After bids are solicited through the invitation to bid and bidding document, they are received and opened by the procuring entity. The procedure for the receipt and opening of open competitive and restricted bids is the same whilst the procedure for the receipt and opening of quotations differs in some respect. Note that bids and quotations may also be cancelled under certain conditions after their receipt and opening. There may also be a need for an extension of the period in which the bid remains valid.

7.11.1 *Receipt of open and restricted bids*

All bids shall be received by the procurement unit and deposited in the designated locked bid box until the bid opening. The procurement unit will co-ordinate the organisation of bid opening proceedings.

The bidding documents will have provided clear instructions to bidders on the marking and sealing of their bids and the procedures to be followed for submission.

The closing time for submission of bids on the date set shall be determined in advance by the procurement committee. Bid opening shall commence immediately after this time and all work should be completed within the same session.

Actions by the procurement unit:

- ☐ Arrange placement of the bid box in a prominent place and ensure that all reception office staff and staff responsible for the receipt of post are fully aware of the bid and their responsibilities for bids received.
- ☐ Ensure that the bid box is kept locked until the bid opening and that neither the bidders nor staff have an opportunity to tamper with the box.

- ☐ Register all bids received by post or by courier service on receipt, stamp with the date and time of receipt, and deposit the envelope unopened in the correct bid box.
- ☐ Direct all bidders' representatives delivering bids by hand to the bid box so that they may place their envelopes directly in the bid box.
- ☐ Ensure that a receipt showing the date and time of delivery of the bid is issued to the representative of the bidder at the point of delivery.
- ☐ Bids or samples received which are too large to fit in the bid box shall be registered and securely retained in a locked and secure room under the control of the procurement unit until the bid opening.
- ☐ Close and seal the bid box immediately following the deadline for submission of bids and transport the bid box to the room where the bid opening will take place.
- ☐ Alternatively, if a single bid box is used for multiple bidding procedures, or the bid box is a fixture, open the bid box immediately following the deadline for submission of bids and remove all bids required for that bid to be opened, and transport these to the room where the bid opening will be held.
- ☐ Ensure that bids which were too large to fit in the bid box are also transported to the room where the bid opening will be held immediately following the deadline for submission of bids.

7.11.2 Opening of open and restricted bids

The procurement unit will co-ordinate the administration of the bid opening to assist the bid opening committee, ensure smooth operation of the proceedings, take minutes of the meeting, and advise the chairman on procedural issues if requested.

A bid opening committee shall comprise of at least 3 persons, including the chairperson. They shall ensure that minutes of the bid opening proceedings are duly written.

The chairman of the bid opening committee will control and direct the bid opening and shall not allow bidder's representatives to interfere with the work of the committee. Any objections by a bidder to the procedures or decisions of the bid opening should be made in writing to the chairman of the relevant procurement committee.

All work in respect of the opening of bids received against a particular piece of procurement must be done in the same session. For purposes of transparency it is not permitted for a bid opening to be halted or postponed once a bid has been opened.

Actions by the bid opening committee:

The chairperson shall:

- ☐ Open the meeting and outline the procedures to be used for the bids opening.
- ☐ Ensure that bidders' representatives are seated separately from the bid opening committee and officials of the procuring entity, and that the name, institution represented and contact details of all attendees are recorded in an attendance register.
- ☐ Ensure the security of documents and bids at all times during the bid opening procedure to prevent any unauthorised interference with the documents and process.
- ☐ Bring in the unopened bid box and/or all bids and samples received which have been removed from the bid box or could not be accommodated in the bid box.
- ☐ Open the bid box, check that the writing on each envelope or sample inside confirms that it is for the correct bid and complies with the wording and sealing required in the bidding documents. Stack all envelopes in clear view of the

bidders ready for opening. Samples supplied by bidders shall be stacked separately after checking that the bidder's name is clearly identified on each sample provided.

- ☐ Any bids not received by the deadline for the opening of bids must be rejected and returned unopened to the bidder. Bidders are not permitted to amend their bid in any way during the bid opening or to submit any additional documents during the process.
- ☐ Check for any withdrawals or modifications and match with the original bid before proceeding. Withdrawn bids shall not be opened once the authenticity of the withdrawal notice has been confirmed.
- ☐ Open the first bid after confirming that all conditions regarding marking and sealing of the envelope have been met and the envelope has not been tampered with. Stamp each copy of the bid and annotate each bid with a sequential serial number as it is opened (e.g. "1 of 7" where the total number of bids is 7).
- ☐ Examine the contents of the envelope and identify, stamp and number all originals and copies, and any separate sections and attachments.
- ☐ Read out the following details of each bid from the original copy:
 - any bid modifications or withdrawals;
 - the number allocated to the bid by the bid opening committee;
 - the name and country of the bidder;
 - a brief description of the works offered if the bid is for more than one Lot;
 - the currency of the bid;
 - the total bid price;
 - any discounts offered;
 - the presence or absence of any required bid security;
 - confirmation that the bidder has completed the declaration of ethical conduct, and
 - any other appropriate information at the discretion of the chairman.
- ☐ Pass all bid securities to the representative of the procurement unit for review, registration and safekeeping.
- ☐ Any obvious failure to provide a responsive bid, such as no bid security or inadequate bid security, shall be reported to the meeting and recorded in the minutes. These bids shall be rejected at the preliminary evaluation stage.
- ☐ The chairman and two members of the committee shall initial the original of each bid and all attachments thereto including any samples provided by the bidder. Any corrections to prices or obvious errors and omissions shall be circled in red ink and also initialed.
- ☐ Record the details read out of each bid in the register of bid opening ensuring that amounts are recorded in words as well as figures and record all corrections and errors or omissions which are noted during the bid opening in the minutes of the meeting.
- ☐ Any envelopes containing substitutions, or modifications, must be subject to the same level of scrutiny, including the reading out of critical details, such as price changes.
- ☐ Minutes of the Bid opening shall be prepared by the procurement unit, signed by the chairman of the committee and made available to any bidder involved in the bid who requests a copy in writing.

7.11.3 *Opening for Requests for Quotations*

No public opening of the quotations submitted is required, but all quotations must be opened on a predetermined date and time by the procurement unit to avoid the opportunity for any bidder to become aware of the prices quoted by other bidders.

The recording of quotations and the bid evaluation procedures followed are similar to those for open competitive bidding and restricted bidding except for the following:

- ☐ Quotations will normally be submitted using sections 'B' and 'C' of the appropriate standard request for quotations document;
- ☐ Sealed quotations and any samples will be received directly by the procurement unit rather than being placed in the bid box;
- ☐ The procurement unit will register the receipt of each quotation and keep the envelopes secure and unopened until the date of the bid opening;
- ☐ The procurement unit will provide bidders with a receipt showing the date and time of their submission.
- ☐ Bidders will not normally be invited to attend the opening of quotations, but the basic procedures and formality of the meeting must be maintained.

Actions by the procurement unit:

- ☐ Ensure that the name, organisation represented, and contact details of all attendees are recorded in an attendance register.
- ☐ Ensure the security of documents at all times during the procedure to prevent any unauthorised interference with the documents.
- ☐ Bring in the unopened quotations and any samples received and check that the writing on each envelope or sample confirms that it is for the correct RFQ.
- ☐ Open the first quotation after confirming that all conditions regarding marking and sealing of the envelope have been met and the envelope has not been tampered with. Note each quotation with a serial number in sequence as it is opened (e.g. "1 of 4" where the total number of bids is 4).
- ☐ Examine the contents of the envelope and identify, stamp and number all originals and copies, and any separate sections and attachments.
- ☐ Read out the following details of each bid from the original quotation:
 - the number allocated to the quotation by the bid opening committee;
 - name of the bidder;
 - brief description of the works offered if the RFQ is for more than one Lot;
 - any bid modifications or withdrawals;
 - the currency of the bid;
 - the total bid price;
 - any discounts offered;
 - the presence or absence of the bid security if required
 - confirmation that the bidder has completed the declaration of ethical conduct; and
 - any other appropriate information at the discretion of the chairman.
 - obvious failure to provide a responsive quotation such as no bid security or inadequate bid security (if required in the RFQ) shall be noted in the minutes. These bids shall normally be rejected.
- ☐ The chairman and two members of the committee shall initial the original of each bid and all attachments thereto. Any corrections to prices or obvious errors and omissions shall be circled in red ink and also initialled.
- ☐ Record the details read out of each quotation in the register of bid opening ensuring that amounts are recorded in words as well as figures and record all

corrections and errors or omissions which are noted during the bid opening in the minutes of the meeting.

- ☐ Minutes of the bid opening shall be prepared by the procurement unit.

7.11.4 Cancellation of bids and RFQs after the bid opening

Bids and RFQs may be cancelled by recommendation of the head of the originating department responsible, and following approval of the procurement committee, if:

- ☐ only one bid was presented or after rejection of all other bids only one bid remains for consideration;
- ☐ most of the bids were presented with unacceptable reservations and conditions; or
- ☐ the procurement committee confirms that the lowest priced bid is higher than the budgetary provision.

Actions by procurement unit:

- ☐ Obtain approval of the head of department responsible and the procurement committee for cancellation of the Bid/RFQ;
- ☐ Notify all bidders that the bid/RFQ process has been cancelled and return any bid securities.
- ☐ Decide whether the procurement is to be cancelled, or to proceed, and by what method.
- ☐ If the procurement is to proceed, re-submit all documents to the originating officer for preparation of revised specifications, or prepare bidding documents appropriate to any different procurement method proposed.

7.11.5 Extension of Bid Validity

Bid validity is the period within which a bidder's offer is considered legally binding. After this period, the bidder is at liberty to change their bid if a contract has not been signed. Ordinarily, the procuring entity is under obligation to receive, open and evaluate bids submitted within the stipulated bid validity period. The duration of bid validity is specified in the bidding documents and should be confirmed in the signed Bid Form submitted by each bidder. Under exceptional circumstances, this period might need to be extended.

- ☐ If circumstances occur in which award cannot be made within the original bid validity period, extensions in writing should be requested from bidders, in accordance with the bidding documents.
- ☐ The evaluation and award of contract should be completed within the period set for the validity of bids. The date for expiry of bid validity must be monitored and attention drawn to this deadline not less than two weeks before the expiry date. Note that requesting or negotiating for the bid validity period to be extended after the expiry of the period lacks transparency and competitiveness and can be considered unlawful.
- ☐ If, due to unforeseen circumstances, the procurement process cannot be completed within the set period, the procurement unit may contact bidders to seek their agreement to an extension of the bid validity.
- ☐ Bidders who refuse this request may withdraw from the bid without incurring any penalty, but bidders who agree to a bid extension will also be required to extend their bid securities for an appropriate period.
- ☐ When an extension of the bid validity period is requested, bidders shall not normally be requested or be permitted to change the quoted price or other conditions of their bid. However, the bidding documents may provide for an appropriate price adjustment mechanism when requests for second or subsequent

extensions are made, to reflect changes in the cost of inputs for the contract over the period of extension.

Following approval of bid extension by the procurement committee, the following actions should be taken by the procurement unit:

- ☐ Maintain a diary reminder of all bid validity dates and advise the responsible officer not less than two weeks before the expiry date so that appropriate action can be taken in time.
- ☐ Determine the additional time required to complete the evaluation and award of the specific contract. Any extension of bid validity should be for the minimum period required to complete the evaluation, to obtain the necessary approvals and to award the contract.
- ☐ Prepare an individual letter to each bidder requesting their formal approval to an extension of the validity of bids and an extension of their bid securities (where necessary) for the required period. Set a date for written responses to be received by the procuring entity stressing that bidders who do not respond in time will be considered to have withdrawn their bids.
- ☐ Send the letter by registered post or deliver by hand to each bidder and obtain a receipt.

Bidders have the right to refuse to grant an extension of bid validity without forfeiting their bid security or incurring any penalties as would normally be the case if the bidder makes a request for bid withdrawal during the bid validity period refer to sub sections (4) and (5) of Section 50 of the Act. If a bidder refuses to extend the validity of his or her bid then, upon expiry of the original bid validity period, the bid security shall be returned, and the bid not considered further.

Only bidders who respond confirming their unconditional acceptance and enclosing any required extension to their bid security may be considered for further evaluation and award of contract.

7.12 BID EVALUATION AND CONTRACT AWARD

7.12.1 *Evaluation of RFQs*

Evaluation of quotations shall be undertaken by an evaluation committee or by person or persons appointed by the procurement committee.

Action by the valuation committee:

The evaluation committee should:

- ☐ Rank all quotations that are responsive to the request for quotations according to price and select the lowest evaluated priced RFQ that is substantially responsive to the requirements of the procuring entity for contract award.
- ☐ Prepare a brief report of the evaluation for the procurement record.

7.12.1.1 *Award of contract for RFQs*

Following evaluation and receipt of the evaluation report, the head of the procurement unit should:

- ☐ Ensure availability of funds.
- ☐ After the expiry of any notice of intent to award period, prepare a purchase order for signature by the authorised signatory of the procuring entity.

- ☐ Issue the purchase order to the selected contractor.

Note that performance securities are not normally required where the request for quotations procedure is used, and the contract value is less than the thresholds contained in the First Schedule of the Regulations .

7.12.2 Evaluation of bids by the evaluation committee

The purpose of bid evaluation is to determine the cost of each bid in a manner that allows for comparison of bids on the basis of their evaluated cost. The bid with the lowest evaluated price, but not necessarily the lowest submitted price, should be selected for award. Note that price is not the only criteria that has to be considered during evaluations. The procuring entity therefore decides the factors in addition to price that will be considered during evaluation and these factors through the development of specifications must have been described to the bidder in clear terms within the bidding documents.

The procurement committee will nominate an evaluation committee to undertake the evaluation of bids received and to make recommendations for the award of contract. The work of the evaluation committee must be commenced and completed as soon as possible after the bid opening to ensure that a contract is formed with the winning bidder within the period of bid validity.

Under the single envelope bidding system used for the procurement of works, the evaluation committee will conduct the technical evaluation followed immediately by the financial evaluation in one stage.

Form SPF 4 is the standard format for the evaluation report and recommendation for contract award. It should be used for evaluation of all goods and works procurements which are not donor funded.

7.12.3 Evaluation and Comparison of Bids – General Principles

Procuring entities should evaluate bids solely on the basis of the information provided by bidders in their respective bids. It should be noted that bidders frequently attempt to contact the procuring entity during bid evaluation, directly or indirectly, to ascertain progress of evaluation, to offer unsolicited clarifications, or to provide criticisms of their competitors.

In general, bid evaluation must be governed by the following principles:

- ☐ After the public opening of bids, no information relating to the examination, clarification and evaluation of bids shall be disclosed to bidders or to other persons not officially concerned with the process.
- ☐ Bids received after the deadline for submission of bids, bids withdrawn by the bidder, or bids not opened and read out at the bid opening, shall not be considered.
- ☐ Bids are evaluated initially by reviewing responsiveness against the requirements stated in the bidding documents, and bids that are determined not to be substantially responsive will be rejected.
- ☐ The lowest evaluated responsive bid will be recommended for contract award except where:
 - a merit points weighting system is stated as the evaluation method in the bidding documents. In this case the bid achieving the highest total points score will be recommended for contract award;

- non-price evaluation criteria are assigned a monetary value for bid comparison purposes causing the lowest priced bid not to be the best evaluated bid;
- post-qualification reveals that the bidder of the lowest priced bid is not qualified to perform the contract;
- the procuring entity exercises its right to reject all bids.
- ☐ If the evaluation committee requires clarifications on ambiguities or inconsistencies in a bid, a formal request must be made to the bidder in writing. No changes in the price or the originally offered works may be sought or accepted except for the correction of arithmetical error.
- ☐ Responses from bidders to clarifications will only be considered if in writing. No meetings or conversations between the evaluation committee and bidders are permitted during the bid evaluation process.
- ☐ A detailed report shall be prepared on the evaluation and comparison of bids giving specific reasons for rejection of any bids and for the recommended award of contract.

7.12.4 Technical evaluation

7.12.4.1 Preliminary examination of bids

The purpose of preliminary examination is to identify and reject bids that are incomplete, invalid or substantially non-responsive, i.e. do not comply with the basic instructions and requirements to the bidding documents and are therefore not to be considered further. To pass preliminary examination, bids must:

- ☐ be correctly submitted and completed in all general respects;
- ☐ be properly signed;
- ☐ meet the eligibility requirements specified in the bidding document;
- ☐ be accompanied by the required bid security; and
- ☐ be substantially responsive to the bidding documents.

If a bid contains major deviations from, or reservations to, the terms, conditions and specifications in the bidding documents, it is not substantially responsive. The bidder is not permitted to correct or withdraw any material deviations or reservations once the bids have been opened.

Action by the evaluation committee:

- ☐ Examine the content of each bid to ensure that all required commercial and technical data is submitted in the format and detail required by the bidding documents. This will include:
 - All specified documentation such as valid business registration certificate, tax clearance certificate, annual accounts, evidence of previous experience, powers of attorney, manufacturer's authorisations, or joint venture agreements;
 - The correct number of copies of the bid documents have been submitted;
 - The bid is valid for the period required;
 - Use the checklist table in Forms SPF 4 to verify that all criteria specified in the bidding documents are met.
- ☐ Establish that the bid is a complete bid in accordance with the requirements of the bidding document. This will include:
 - the completeness of the bid form and response to the specifications;

- offering all of the required works, unless the bidding documents specifically allow partial bids permitting bidders to quote for only some lots;
 - all erasures, interlineations, additions or other changes made have been initialled by the bidder before bid submission;
 - no missing pages in the original copy of the bid or contradictions in model numbers or other designations of critical items exist.
- ☐ Confirm the eligibility of the bidder to bid and the eligibility of the works offered, based on the requirements specified in the bidding documents. This will require that:
- the bidder and all partners to a joint venture are nationals or juridical entities from an eligible source country;
 - the bidder is not disqualified due to conflict of interest through affiliation with a firm that has provided related works on the project by which the procurement is financed;
 - if the bidder is an agent, an authorisation from the manufacturer should be provided;
- ☐ Confirm the presence and acceptability of the bid security (where required by the bidding documents). If a bid security was requested but not submitted, the bid will be rejected. Determine the compliance of the bid security as follows:
- The security must conform to the requirements of the bidding documents, and accompany the bid;
 - If the security is in the form of a bank guarantee, it should follow the wording of the bid security form provided in the bidding document;
 - The security for a bid submitted by a joint venture should be in the name of all of the partners of the joint venture;
 - Submission of a copy bid security is not acceptable unless expressly permitted in advance;
 - Securities for an amount smaller, or for a period shorter, than that specified in the bidding documents are not acceptable.
- ☐ Check if the bidder has placed any unacceptable reservations on delivery, performance or the conditions of contract.
- ☐ If a prequalification procedure was applied, reject and exclude any bid received from other than the prequalified bidders.
- ☐ Check for major deviations to the commercial requirements. Major deviations are those that, if accepted, would not fulfil the purposes for which the bid is requested, or would prevent a fair comparison with bids that are fully compliant with the bidding documents. Examples of major deviations include:
- refusal to bear important responsibilities and liabilities specified in the bidding documents, such as performance guarantees and insurance coverage;
 - disagreement with critical provisions such as the applicable law, taxes and duties, and dispute resolution procedures; and
 - any other conditions that are specified in the bidding document which may require rejection of the bid.

Note: Bids that offer deviations may be considered as substantially responsive if the deviations can be assigned a monetary value to be added as a penalty for comparison of bids, and if such deviations would be acceptable in the eventual contract.

- ☐ Recommend rejection of any bid which is not responsive to the bidding document. Minor deviations should be mentioned in the evaluation report but may usually be considered as immaterial. If the evaluation committee considers

that more serious reservations in a bid could be removed by subsequent negotiation with the bidder, this shall be fully explained in the evaluation report.

7.12.4.2 *Responsiveness of Bids*

Following the preliminary examination of bids, the bid evaluation committee should examine the bids to determine whether any issues arising from the preliminary examination affect the responsiveness of an individual bid, and whether each bid is substantially responsive to the technical specification and contract conditions stated in the bid document.

- ☐ The determination of a bid's responsiveness is based on the contents of the bid itself, subject to any clarifications received in the preliminary examination of bids.
- ☐ A substantially responsive bid is one that conforms to all the instructions, requirements, terms and conditions of the bidding documents, without material deviation, reservation or omission. A material deviation, reservation, or omission is one that:
 - affects in any substantial way the scope, quality, or performance of the works specified in the bid documents; or
 - would limit in any substantial way, inconsistent with the bid documents, the rights of the procuring entity or the bidder's obligations under any resulting contract; or
 - if corrected would unfairly affect the competitive position of other bidders presenting substantially responsive and compliant bids.
- ☐ A bid shall be rejected and considered not substantially responsive when it contains a material deviation, reservation or omission; and may not subsequently be made responsive by the bidder or the procuring entity.
- ☐ In classifying a deviation, reservation or omission as material or non-material, the objectives and requirements of the individual procurement requirement as stated in the bid document shall be used to determine such and the impact of other key factors such as cost, risk, time and quality shall be taken into account.
- ☐ Material deviations, reservations or omissions may typically include:
 - unacceptable alternative technical details, such as different or inferior design, materials, workmanship, specifications, standards or methodologies; that do not offer substantial equivalence in critical performance parameters;
 - unacceptable counterproposals with respect to key contract terms and conditions such as changes in the payment terms and price adjustments; subcontracting; refusal to accept responsibility allocated in the bidding document for important liabilities such as performance guarantees and insurance coverage; liquidated damages or warranty, or
 - Unacceptable response and exception to critical provisions such as applicable law, taxes and duties, and dispute resolution procedures.
- ☐ Non-material deviations may include:
 - longer delivery schedules unless this takes delivery past a clearly defined cut-off date stated in the bid document;
 - minor deviations in the payment terms required;
 - bids offering the specified works but failing to price specific items within the bill of quantities or activity schedule.
- ☐ The classification of deviations, reservations and omissions as material or non-material must be consistently applied to all bids;

- ☐ Where a bid is determined to be substantially responsive, the Evaluation Committee may waive, clarify or correct any non-conformity, error or omission, which does not constitute a material deviation.

In determining whether a deviation, reservation or error is material or non-material, note that non-material deviations which can be classified as minor and trivial do not generally incur penalties while those that are material in nature must be quantified in monetary terms prior to comparison of bids and the detailed technical and financial evaluation process so as to equalise the bids. Pricing of features or components which are omitted in a bid shall be based on the prices for corresponding components, items, in other responsive bids and if not available, from external sources such as price lists.

Actions:

The evaluation committee may:

- ☐ Reject and exclude from further evaluation any bid that is incomplete, unsigned, not accompanied by a bid security, not accompanied by essential supporting documents, or not substantially responsive to the technical specifications, contract conditions or other critical requirements stated in the bid document.
- ☐ Reject and exclude from further evaluation any bid which contains material deviations, reservations or omissions, and is therefore not substantially responsive.

The reasons for declaring a bid as non-responsive must be clearly documented.

7.12.4.3 Technical Evaluation

Only bids that have passed the preliminary examination and are considered to be substantially responsive to the bidding documents shall be considered for further evaluation.

Mandatory criteria as specified in the bidding document are assessed on a simple pass/fail basis. Bids that fail to meet any of the mandatory criteria will be considered non-responsive. The reasons for declaring a bid non-responsive must be clearly documented by the procurement officer in the procurement file.

Action:

- ☐ Check for compliance with the technical specifications. As a general rule, unacceptable deviations are those that, if accepted, would not fulfil the purposes for which the bid is requested, or would prevent a fair comparison with bids that are fully compliant with the specifications. Examples may include:
 - failure to respond to the specifications by offering a different design that is inferior in performance or in other requirements;
 - phasing of contract start-up, delivery, installation or construction does not conform to the required critical dates or progress markers;
 - Sub-contracting in a substantially different amount or manner than that specified.
- ☐ Record the results of any inspection of samples.
- ☐ Complete Table 2 of Form SPF 4 to confirm compliance or to record reasons for non-compliance with the specifications. All bids passing the technical evaluation will proceed directly to the financial evaluation stage.
- ☐ Recommend rejection of any bid which is not technically responsive to the bidding document, where the sample provided does not conform to the required

specifications, or where the required technical score is not reached under a merit point system.

7.12.5 *Financial Evaluation*

Only bids determined to be substantially responsive to the requirements of the bid documents and passing the technical examination shall be considered for financial examination. Bids failing the technical examination are to be rejected.

The purpose of financial evaluation is to determine the evaluated price of each bid and the lowest evaluated bid.

Bids offering a choice of different product models are normally evaluated on the basis of the lowest price offer by the bidder from among the models meeting the requirements of the bidding document.

Action by the Evaluation Committee:

- ☐ Only evaluate bids that have passed the technical evaluation stage.
- ☐ Use the bid price as read out in the bid opening.
- ☐ Financial bids that are based solely on a discount to the lowest other bid presented shall be rejected as non-responsive. Similarly, bids stipulating a price adjustment when fixed price bids were requested may be rejected as non-responsive.
- ☐ If permitted in the bidding document, prior to bid opening bidders may have submitted modifications to their original bid. The effect of any such modifications must be fully reflected in the examination and evaluation of the bids.
- ☐ Check the bids for arithmetic errors:
 - where there is a discrepancy between the amounts in figures and in words, the amount in words will govern;
 - where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity (i.e. errors in extension), the unit rate as quoted will govern, unless in the opinion of the evaluation committee there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern and the unit rate will be corrected and
 - make all corrections in accordance with the methodology specified in the bidding document, and which are considered binding on the bidder.
- ☐ **Pricing of missing items:** Where items missing in some bids are present in others, the highest price quoted by the other bidders is added to the incomplete bids for evaluation purposes. If these are not available, pricing from external sources such as printed price lists etc. should be used. Note also that by convention, unpriced sub-items in a bill of quantities are normally assumed to be covered in the price of the main item and no adjustment to the evaluated bid price should be made in such cases. Where bids offer features that exceed the required standards or specification in the bidding document, no additional credits should be given unless there is a specific provision for this in the bid document.
- ☐ **Acceptable deviations:** Adjust the bid price for any factors such as delayed delivery or different payment schedules in accordance with the rules specified in the bidding document. The adjusted total bid price will be used only for the

purposes of evaluation and ranking of bids. Any such deviations must be acceptable to the procuring entity in the eventual contract.

- ☐ **Provisional sums:** If the bids contain provisional sums set for contingencies, since these sums are the same for all bids, they should be deducted from the prices read out at the bid opening to allow a proper comparison of the competitive elements of bid prices.
- ☐ **Modifications and discounts:** Discounts offered in accordance with the bidding document that are conditional on the simultaneous award of other contracts or lots in the bidding documents (“cross-discounts”) shall not be evaluated until the completion of all other evaluation steps. Non-conditional discounts shall be taken into account at the financial evaluation and bid comparison stage. Prompt payment discounts should not be considered at the financial evaluation and bid comparison stage. If included in a bid, prompt payments shall become part of the contract terms should the bid be accepted, and should payment be made in accordance with the terms of discount. Any discount offered after the deadline for bid submission shall not be considered.
- ☐ **Currency conversions:** If bids in different currencies are permitted in the bidding documents, convert the bid prices to the single currency (normally Leones) as stated in the bidding documents:
 - The selected source and date for currency exchange rates must be as specified in the bidding documents.
 - The source of exchange rates will normally be the selling rate quoted by the Bank of Sierra Leone on the selected date.
 - The selected date should not be earlier than four weeks prior to the deadline for the receipt of bids, nor later than the original date for the closing of bids.
 - Obtain written evidence of the conversion rates to be used confirming the required date and source.
 - Apply the appropriate conversion rate to each corrected bid price to arrive at the evaluation price in the common currency.
- ☐ Complete Table 3 of Form SPF 4.

7.12.6 *Comparison and Ranking of Bids*

Following the completion of financial evaluation, the corrected bid prices, adjusted for omissions, deviations and specified evaluation factors, and converted to a common currency are ranked to determine the lowest evaluated responsive bid in Table 3 of Form SPF 4.

Note that the ranking of bidders is subject to:

- ☐ the application of any margin of preference as allowed for in the bidding documents;
- ☐ the application of any cross-discounts, dependent on the simultaneous award of multiple contracts or lots; and
- ☐ post-qualification evaluation, or, if pre-qualification has occurred, reconfirmation of pre-qualification information.

7.12.6.1 *Cross Discounts*

Cross-discounts are conditional discounts offered if more than one contract or lot is awarded to the same bidder. Bid evaluation in such cases can be complicated where:

- ☐ the value of cross-discounts offered vary with the number of contracts awarded; or

- ☐ the bidding documents limit the number or total value of awards to a bidder based on financial and technical requirements. Thus, a bidder offering the best-evaluated bid on a particular contract may be denied award because of such a restriction.

Where cross-discounts are offered for works procurements, the evaluation committee should select the optimum combination of awards on the basis of the least overall cost of the total contract package, consistent with the evaluation criteria.

Any calculations of cross-discounts must be detailed on an attachment to the evaluation report, which should also include the bid evaluation(s) for the other contracts, if they have been evaluated separately.

7.12.6.2 Application of Margin of Preference-Support for Domestic Contractors

Where it is indicated in the bidding document, and in accordance with any rules or schemes for domestic preference issued by the NPPA, the evaluation committee may apply a margin of preference to eligible bids as provided for in Section 36 of the Act.

The application of margin of preference during bid evaluation is a way of supporting domestic contractors with preferential margin of points in consideration of economic and social development factors.

In applying any margin of preference and subject to any policies and schemes issued by the NPPA, the bidding document shall clearly state:

- ☐ Eligibility criteria for the margin of preference, in terms of ownership, location of contractor or production facilities, origin of labour, raw material or components, extent of sub-contracting or association with local partners or any other relevant factor;
- ☐ The documentation required as evidence of eligibility for the margin of preference; and
- ☐ The percentage of the margin of preference and the manner in which it will be applied during the evaluation.

It should however be pointed out that the domestic preference price is used solely for comparison and ranking of bids. The applicable price for the purpose of contract award is the corrected bid price rather than the domestic preference price.

7.12.7 Post-Qualification of Contractor

Post-qualification is usually applied following bid evaluation when procurement requirements involve large sums of money or are of a complex nature. It is used to review and verify whether the lowest evaluated responsive bidder is qualified to perform the contract effectively and whether the information the bidder has provided is accurate. It affords the procuring entity some measure of protection against potential risks, frauds and liabilities prior to entering into a contract with a bidder. The bidding documents should clearly specify the need for post qualification.

Note that:

- ☐ If pre-qualification was conducted, the lowest evaluated responsive bid should be recommended for the award of contract, unless the bidder's qualifications have since materially deteriorated, or if the bidder has since received additional work that reduces the available capacity.

- ☐ Where pre-qualification has not taken place, only the lowest evaluated responsive bid should be subjected to post-qualification, according to the procedures described in the bidding documents.

Post qualification process:

Using the criteria specified in the bidding documents, this review should include an assessment of the bidder's technical, financial and physical requirements and resources available to undertake the contract, including his current workload with reference to Section 21 of the Act:

- ☐ One way of verifying whether the information provided by the bidder matches the requirements of the bid is to visit the bidder's establishment. As an initial step, it helps the procuring entity to confirm, verify and ascertain the accuracy of all the statements made and documents submitted by the bidder.
- ☐ **Technical requirements** may involve verifying and ascertaining the correctness of the documents submitted by the bidder to prove the quality of the works to be carried out. This may involve:
 - ☐ verifying the contractor's stated competence and general experience; on similar works
 - ☐ verifying and or conducting physical inspection of equipment's, factories, plants, sites or places of business may be conducted;
 - ☐ verifying the qualifications of key personnel; and
 - ☐ ascertaining of the authenticity of the bid security and the bid validity period.
- ☐ **Financial requirements** may involve verifying and ascertaining the bid price of the contractor; annual volume of work; the required bank commitment to provide a credit line to the bidder in order to ensure the bidder can sustain the operating cash flow of the transaction or liquid assets as well as the the credibility of rates offered by the contractor. Note that an assessment of the credibility of the contractor's rates should make reference to the indicative estimate of the procuring entity's engineer. However, it is worth keeping in mind also that the engineer's estimate is a tool for planning and budgeting.
- ☐ The evaluation committee should use a post-qualification checklist which must be signed by all committee members in the presence of the bidder or representatives. The checklist should be attached to the evaluation report submitted to the procurement committee for approval.

It is recommended that the concerned contractor is formally informed that verification of all the information provided in the bidding documents is to be done through post-qualification prior to the entering of a contract with the procuring entity.

Following post-qualification:

- ☐ If the lowest evaluated responsive bidder fails post-qualification, his bid should be rejected and the next ranked bidder should then be subject to post-qualification examination. If successful, this bidder should receive the award. If not, the process continues for the other bidders.
- ☐ The rejection of a bid for reasons of qualification requires substantial justification, which should be clearly documented in the text of, or in attachments to, the evaluation report.
- ☐ A history of poor performance may be considered a justification for failing post-qualification if the bidder is unable to demonstrate that steps have been taken to resolve previous problems.

7.12.8 *Evaluation Reports and Recommendations*

The evaluation report should be completed using the standard format (Form SPF 4-for works procurement) to include all supporting documents and tables. The evaluation report is an essential document to demonstrate a record of transparency in the procurement process and must be compiled with care and attention to detail.

The evaluation committee may recommend that all of the bids be rejected if:

- ☐ none of the bids are found to be responsive;
- ☐ all of the bids are unreasonably high in price compared to the cost estimate;
- ☐ none of the bidders are qualified;
- ☐ there is deemed to be an absence of competition, (however lack of competition is not usually decided solely on the basis of the number of bidders that responded to the invitation to bid).

The amount of the recommended contract award is the bid price as submitted by the best-evaluated bidder and adjusted as described in the bidding documents for corrections, any discounts (including cross-discounts) and acceptance of alternative offers from the lowest evaluated responsive bidder. Adjustments for evaluation purposes only (e.g. for deviations or margins of domestic preference) used to determine the lowest evaluated responsive bid, will not be included in the contract price.

Further adjustments to the final price and scope of the contract to correct for acceptable omissions and quantity variations in the bid may still need to be agreed with the best-evaluated bidder. If the procurement is donor financed, prior agreement of the donor to the proposed award of contract is normally required before any such negotiations are commenced.

Action by the procurement officer:

- ☐ Check that the total price quoted by the lowest evaluated responsive bid is acceptable compared with the original estimated cost through an assessment of market price.
- ☐ Complete the narrative sections of the evaluation report with particular attention to:
 - the recommendations;
 - a summary of the bids received and opened
 - details on the lowest evaluated substantially responsive bid, for each lot where applicable, clearly establishing the actual amount of the contract award.
 - justification of any decisions reached by the evaluation committee on rejection of bidders and the recommendation for award of contract, or for essential negotiations with the best-evaluated bidder or rejection of all bids;
- ☐ Explain any inconsistencies between prices and modifications to prices read out at bid opening.
- ☐ Detail bids rejected during the examination. Copy selected pages from bids, if necessary, to show examples of objectionable features.
- ☐ Explain reasons if provisional sums vary among bidders.
- ☐ Explain any substantial corrections for arithmetic errors which may affect the ranking of bidders; particularly non-material deviations which were accepted and the way in which they were quantified and taken into account in the financial evaluation.
- ☐ Explain any additions, adjustments, and priced deviations that may affect the ranking of bidders.

- ☐ Provide verification evidence of eligibility for domestic preference if the ranking of bids is affected.
- ☐ Explain any cross-discounts not read out and recorded at the bid opening.
- ☐ Attach copies of any evaluation reports for other related contracts awarded to the same bidder.
- ☐ Give detailed justification of any reasons for not recommending award of contract to the best-evaluated bidder.
- ☐ If an alternative bid is recommended for acceptance, a detailed explanation addressing issues of time delays, performance factors and cost implications, and justification of any changes to the original scope and contract conditions.
- ☐ Explain all adjustments to the evaluated price or to the contract award price.
- ☐ Provide details of any post-qualification review.
- ☐ Attach the following to the evaluation report:
 - Attach copies of any correspondence from bidders who raised objections to the bidding or evaluation process, together with detailed responses.
 - Attach copies of any letters from bidders requesting clarifications, and responses by the procuring entity, and bid clarifications requested by the procuring entity and bidder responses.
 - Attach any separate evaluation report from an external consultant, if one was engaged for this purpose.
 - Attach all required tables and supporting documents.
- ☐ Ensure that the bid evaluation report is double-checked, signed and completed by members of the evaluation committee before submitting for approval by the procurement committee.
- ☐ Forward the completed evaluation report to the procurement committee with section B of Form SPF 2 (request for approval of evaluation report and award of contract) for approval.

The evaluation report forms a part of the record of procurement proceedings required under Section 28 of the Act and must be submitted to the NPPA for information purposes.

7.12.9 Procurement Committee approval of Recommendation for Contract Award

The relevant procurement committee will review the evaluation report and recommendations presented by the evaluation committee.

Before giving approval, the committee will ensure that any written complaints made by bidders concerning the bid opening procedures have been reviewed and responded to. A copy of the complaint and the response shall be sent to the head of the procuring entity and to the NPPA for information. If the complaint reveals a serious breach of procedures or ethics, or if directed by NPPA or the Independent Procurement Review Panel, the committee shall reject the evaluation report, cancel the procurement proceedings and call for re-bidding.

The procurement committee will award the contract to the bidder who has submitted the lowest-evaluated responsive bid and has been determined to be qualified to be able to perform the contract.

A bidder shall not be required, as a condition of contract award, to undertake responsibilities for work not stipulated in the bidding documents or otherwise to modify the bid as originally submitted.

Action by the Procurement Committee:

- ☐ Check the accuracy of the evaluation and recommendations as submitted.
- ☐ If the lowest evaluated responsive bid is higher than the original estimated cost, decide whether the price increase is justified. If the price is not acceptable, the procurement committee may consider that the bid should be re-advertised, cancelled, or the quantities reduced.
- ☐ If the price is acceptable, but exceeds the financial authority of the procurement committee, forward the evaluation report and the committee's recommendations to the next higher authority for approval.
- ☐ If the evaluation report recommends negotiation with a bidder to remove any reservations in the best-evaluated bid, the committee shall arrange for such formal negotiations to be held. Negotiations may not be held with the object of reducing prices on any competitive bidding process as a reduction in prices may not necessarily result in the achievement of value for money objectives. If negotiations with the lowest evaluated responsive bidder fail to get a withdrawal of the reservations in his bid, the second-ranked bidder may be invited to sign the contract or invited for negotiations. Following any negotiation process the result of negotiations and any recommendations must be reported back to the procurement committee for approval before further action is taken.
- ☐ Reject any evaluation report which contains serious inaccuracies or flaws and return to the evaluation committee for correction and re-submission.
- ☐ Issue a full or a qualified approval to the award of contract or the recommended action. A qualified approval may be issued subject to clearly explained corrections that must be made to the evaluation report, or to the contract documents before issue.
- ☐ Ensure that all discussions and decisions of the committee are reported in the minutes of the meeting.

7.12.10 Review by a donor (if applicable)

All procurement that is subject to the donor's prior review procedures will require submission to the donor of:

- a copy of the evaluation report in the prescribed format;
- copies of all supporting documentation;
- any additional information and justifications for the recommendations.
- ☐ All internal Government approvals for bidding documents, contract awards etc., must be completed before submission to the donor.
- ☐ The donor will not usually contact bidders but will request the borrower to do so for any necessary clarifications.
- ☐ When the donor is satisfied with the evaluation of bids and recommendations of award, a "no-objection" or "approval", in the form of a written communication will be issued by the donor.
- ☐ Only when the donor's unconditional "no-objection" or "approval" is received should the contract award procedure be commenced.

Donor financed procurements which are not subject to prior review must still follow the Donor's relevant rules and/or guidelines. Any doubts about the justification for the recommended contract award should be raised with the donor prior to contract signature as the donor will not normally finance contracts that have not been procured in accordance with the loan/credit agreement or donor rules.

7.12.11 Rejection of all Bids

If the evaluation committee recommends the rejection of all bids, the procurement committee may consider:

- ☐ wider advertising or sourcing of bidders if the rejection of all bids is due to lack of competition;
- ☐ invitation of new bids from the initially pre-qualified bidders if the rejection is due to most or all of the bids being non-responsive;
- ☐ if the lowest evaluated responsive bid exceeds the pre-bid cost estimates by a substantial margin, investigate the causes of the excessive cost and request new bids with amendments to the specifications or bidding document.
- ☐ conduct negotiations with the lowest evaluated responsive bidder with the objective of agreeing a satisfactory contract through a reduction in the scope and/or a reallocation of risk and responsibility. However, any substantial reduction in the scope, or modification to the contract documents may require re-bidding to ensure transparency.
- ☐ instructing the evaluation committee to review the causes of the rejection and to recommend revisions to the:
 - conditions of contract;
 - specifications;
 - scope of the contract;
 - or any other relevant provision, before inviting new bids.

In the case of donor-financed procurement, the donor's prior approval is required before rejecting all bids, soliciting new bids, or entering into any negotiations with the lowest evaluated responsive bidder.

Bids should not be rejected, and new bids invited on the same bidding and contract documents solely for the purpose of obtaining lower prices.

In accordance with paragraph (p) sub section (2) of section 14 of the Act, the procuring entity shall inform the NPPA in writing of its decision to reject all bids and the reasons for rejection the bids.

7.12.12 Negotiations

A procuring entity shall not negotiate on price with the lowest evaluated responsive bidder, with respect to a bid submitted in accordance with Section 55 of the Act. If the lowest evaluated bid exceeds the budget for the contract by a substantial margin,

- ☐ the procuring entity shall investigate the causes for the excessive cost and may
- ☐ consider requesting new bids.

7.12.13 The Contract Document

Subject to Regulations 132-137, only five contract formats are applicable for use in the procurement of requirements. They include:

- ☐ Lump sum
- ☐ Unit price
- ☐ Cost-reimbursable and target price
- ☐ Framework
- ☐ Percentage based

7.12.13.1 Lump Sum Contracts

Lump sum otherwise known as fixed sum contracts refer to contracts where the price is determined at the onset and remains unchanged during implementation. It is suitable if the scope and schedule of the project are sufficiently defined to allow the estimating of project costs to a high degree of accuracy.

When to Use:

- ☐ Small well-defined works or buildings with short duration;
- ☐ Large industrial process plant (turnkey);
- ☐ Target bonus cost (+ incentive fee or bonus).

Advantages:

- ☐ Easy to administer and maintain cost controls
- ☐ Little or no re-measurement needed
- ☐ Less documentation required

Disadvantages:

- ☐ Inflexible to changes
- ☐ High risk to contractors as there is little or no room for varying prices or quantities, often leading to high bid prices.

7.12.13.2 Unit Price Contracts

Unit priced contracts are based on estimated quantities of work items and agreed unit prices included in the contract document as a priced bill of quantities. Payment is based on measurements of work quantities executed by applying the agreed unit rates. The final contract price is therefore dependent on the total quantities of work carried out at completion.

When to Use:

- ☐ Most common to construction with short or long duration where the design has not been finalised at the bidding stage.
- ☐ Quantity of items is likely to change.
- ☐ Difficult or unforeseen site conditions are likely.

Advantages:

- ☐ Equitable basis for bidding.
- ☐ Facilitates bid comparison and evaluation.
- ☐ Adaptable to changes.
- ☐ Periodic payments follow contracts cash flow.
- ☐ Normally little difference between bid price and final contract cost.

Disadvantages:

- ☐ Problems with unbalanced bids/unit rates.
- ☐ More work is involved in preparing and monitoring a detailed BOQ contract.

7.12.13.3 Cost Reimbursable and Target Price Contract

A cost reimbursable contract (sometimes called a cost-plus contract) is one in which the contractor is reimbursed by the procuring entity for the actual costs (cost of labour and materials), they incur in carrying out the works plus an additional fee or profit as may be specified in the contract.

Note that:

- ☐ The fee could be a fixed percentage of the cost of labour and materials (variable fee) or an agreed fixed amount (fixed fee), irrespective of the final cost of labour and materials.
- ☐ With variable fee, the incentive paid to the contractor increases with the cost of labour and materials.
- ☐ It however remains unaltered at a predetermined amount for a fixed fee contract.
- ☐ Under this type of contract, detailed and complete records, materials and equipment used by the contractor on the works must be kept at all times.

The contractor can be incentivised to operate efficiently by the introduction of a 'target cost' which is specified within the contract. At the end of the project the actual cost is compared to the target cost (taking into account any changes that have been agreed). If the actual cost is lower than the target cost, the savings are shared between the procuring entity and the contractor on a pre-agreed basis. If the actual cost is higher than the target cost, the cost overruns may also be shared.

Note that:

- ☐ Costs are calculated based on the contractor's accounts and other records, which should be made available to the procuring entity on an 'open book' basis.
- ☐ The procuring entity may also monitor activities on site to verify that costs are legitimate.

When to Use:

- ☐ Open-ended emergency situations (e.g. earthquakes and flood disasters) - with fixed fee.
- ☐ High and unquantifiable risk and uncertainty works (e.g. tunnelling) - with variable fee (%).

Advantages:

- ☐ Early mobilisation and rapid start.
- ☐ Savings or cost overruns are shared according to final target cost.
- ☐ The incorporation of a target cost into the cost reimbursable contract means that risks can be shared by both the procuring entity and the contractor.

Disadvantages:

- ☐ Inappropriate for competitive bidding.
- ☐ With fixed fee, no incentive for quality or timely work can be given.
- ☐ With a percentage fee, there can be no incentive to limit costs.
- ☐ Possibility of scope creep as the contractor will in most cases try to increase costs since it will be tied to some a fee or reimbursement.
- ☐ Additional staff may be needed by the procuring entity to monitor costs.

7.12.13.4 Percentage Based Contracts

Percentage based contracts directly relate to the fees paid to the contractor on the estimated or actual project construction cost such as the contract value. Note that:

- ☐ The contract shall clearly define the total cost from which the percentage is to be calculated and the percentage to be paid. It may include:
 - A fixed target cost or amount; or minimum or maximum fees.
 - A sliding scale of fees; and/or
 - Incentive fees, related to any savings made through economic design, discounts obtained, cost reductions or similar.

When to use:

- ☐ For contracts that provide design, engineering, architectural services construction management and (or) construction consulting services. The service providers that typically enter into this type of contract include architects, engineers and (or) construction consultants.
- ☐ The project scope and construction or installation budgets are well defined.

Advantages:

- ☐ With a fixed fee or target cost, there is incentive to ensure quality and timely work is performed.

Disadvantages:

- ☐ With only a percentage fee, there can be no incentive to limit costs.

7.12.13.5 Framework Contracts

Framework contracts are discussed in detail in Chapter 12 of Part IV of this Manual. There are three main types of framework contracts, namely:

- ☐ **Definite-Quantity Framework Contracts:** provides for performance of a specific works for a fixed period, with performance to be scheduled at designated locations upon order. This may be used when a definite or specific work programme will be required during the contract period.
- ☐ **Indefinite-Quantity Framework Contracts:** provides an indefinite quantity, within stated limits, of works to be performed during a fixed period, and may be a service order framework. It is used when the procuring entity cannot predetermine, above a specified minimum, the precise description or specifications or scope of works that will be required during the contract period, and it is inadvisable for the procuring entity to commit itself when detailed specifications or scope of work can be determined at an appropriate time within the project.
- ☐ **Requirements Framework Contracts:** makes provision for fulfilling all actual procurement requirements for works or works related services during a specified contract period, with performance to be scheduled by placing orders with the contractor. It is used to procure recurring requirements which may be needed but the precise specifications or works to be performed during a definite period cannot be predetermined.

When to use:

The appropriate type of indefinite-delivery framework contract may be used to:

- ☐ Acquire works when the exact times and/or exact quantities of future deliveries are not known at the time of contract award; and
- ☐ Acquire works on a “when-required” basis.

7.12.13.6 Preparation of Contract

If the procurement is funded by a donor and is subject to prior review procedures, submit the evaluation report and all required supporting documents to the donor for “no objection”. No further action should be taken until donor “no objection” to the evaluation report and recommendation for award of contract is received.

Following notification of approval of the evaluation report and contract award by the

procurement committee (and donor if appropriate), the procurement unit will complete the contract document. The contract document should clearly define:

- ☐ the works to be provided;
- ☐ the rights and obligations of the procuring entity and of the bidder;
- ☐ a clear statement on when the contract becomes binding is important because certain contract clauses could be connected with this date, e.g. activity schedule, validity of performance guarantee, etc. and
- ☐ the contract form in the bid document should be regarded as a checklist, for the preparation of a final contract.

Action by the Procurement Unit:

- ☐ Amend the bid evaluation report as required and approved by the procurement committee.
- ☐ Complete the form of contract entering details of the selected bidder and all agreed terms and conditions. Assemble the contract including all attachments forming part of the contract. The following documents should be deemed to form part of the contract:
 - the bid form and price schedule submitted by the bidder
 - the schedule of requirements
 - the technical specification
 - the drawings
 - the contractor's offer and priced bill of quantities
 - the general conditions of contract
 - the special conditions of contract and
 - the notification of award.
- ☐ Prepare Form SPF 2 Section C - Request for approval of contract document and contract signature and submit to the procurement committee with the draft contract and all attachments for approval.
- ☐ Following approval of the procurement committee, obtain all other necessary approvals in compliance with all requirements as may be specified by the NPPA, the Law Officers' Department and MoF.

7.12.14 Procurement Committee Approval of Contract Document

The procurement committee will review the contract document with particular regard to compliance with any modifications requested by the committee in issuing its approval to the evaluation report.

Action:

- ☐ Examine the form of contract to ensure that all required information, conditions and attachments are completed, and all modifications or negotiations are incorporated.
- ☐ Approve the contract and give authority to proceed to the award of contract stage, or reject the contract pending further amendments or clarifications.
- ☐ Ensure that all discussions and decisions of the committee are reported in the minutes of the meeting.

7.12.15 Addressing Complaints by Bidders

Complaints by bidders to the bid opening procedures or the evaluation and award of contract must be investigated, and all findings reported to the head of the procuring entity and to the IPRP. The head of the procuring entity shall ensure that the bidder has an opportunity to present his case in person and to receive an explanation of the decisions

made within 5 days of receipt of his complaint.

Where investigations indicate that the bidder has a valid complaint that may have affected the award of contract, no award of contract shall be made pending resolution of the dispute. In such cases it may be preferable to cancel and restart the bid process.

If the matter cannot be resolved at the procuring entity level, it will be forwarded to the Independent Procurement Review Panel for examination and decision and copied to the NPPA.

Note that where the complaint is in respect of a contract already signed between the procuring entity and the bidder, this procedure does not preclude a complainant from exercising contractual rights in a court of law or going to arbitration where such a provision exists in the contract.

See Chapter 14 of this Manual for the detailed complaints procedure.

7.12.16 Contract Award and Contract Signature

Following notification of approval of the contract by the procurement committee and before the expiry of the validity period of the bid, the procuring entity must notify the bidder who submitted the successful bid that it has been accepted.

The procurement unit will:

- ☐ Publish the notice of intent to award a contract, allowing a maximum of 14 full days between notification to award the contract to the recommended bidder and the award of contract. This is a mandatory standstill period as per sub section 56 (3) of the Act to allow unsuccessful bidders who may have grievances on the procurement process to seek an administrative review. Note that the 14 days does not include the day of notification or the day of making the contract.
- ☐ Following all approvals, finalise the contract and prepare in four complete copies ready for signature by each party to the contract.
- ☐ If the form of contract does not precisely follow an approved standard format issued by the NPPA, obtain prior approval of the contract by the legal officer within the procuring entity and from the NPPA or Law Officers' Department.
- ☐ Ensure that the commitment is recorded in the commitment register.
- ☐ After the expiry of any notice of intent to award period and providing no application for review has been submitted by other bidders, send a formal notice of award through the letter of acceptance to the winning bidder by hand or by registered letter, requesting submission of any required performance security, an acknowledgement of the bidders' receipt of the letter of acceptance and the bidder's attendance within one week to sign the contract. The letter of acceptance shall state the following:
 - the name and address of the procuring entity;
 - the name and address of the bidder;
 - the date and procurement identification reference number of the bid being accepted;
 - any modifications to the bid, resulting from clarifications, corrections or negotiations;
 - any items excluded from the contract or variations in quantity or any other detail;
 - the total contract price; and

- that the letter of acceptance constitutes a contract between the procuring entity and the bidder, until such time as a formal contract is signed.
- ☐ The value of any performance security for the works shall be as stated in the bidding documents. Performance securities are not normally required where the request for quotations procedure is used, and the contract value is less than the thresholds contained in the First Schedule of the Regulations.
- ☐ The bidder shall be invited to attend for contract signature at the procuring entity, or where this is not practical, provided with all four copies of the contract for signature and return of three signed copies of the contract to the procuring entity.
- ☐ If the bidder fails to provide the performance security or refuses to attend for signature of the contract as requested, refer to the procurement committee for a decision on the confiscation of the bidder's bid security, annulment of the award and award to the next ranked lowest evaluated bidder; whose offer is substantially responsive and is determined to be qualified to perform the contract satisfactorily.
- ☐ Receive, check and register the performance security before passing to the accounts department for safekeeping during the validity of the security.
- ☐ Check that the contract is correctly signed by both the bidder and the authorized signatory for the procuring entity, on all four copies and distribute as follows:
 - Original – Procurement Unit;
 - 1st Duplicate – contractor;
 - 2nd Duplicate – the technical department concerned; and
 - 3rd Duplicate – law officers department /Ministry of Justice.
- ☐ Ensure that the contract is duly recorded in the contracts register maintained by the procurement unit.
- ☐ Arrange the immediate return of bid securities to all bidders and the successful contractor as soon as the contract becomes effective.

Procuring entities are required as good practice to submit notice of contract awards for publication on the NPPA's website as it serves as an effective mechanism for promoting transparency. The First Schedule of the Act also provides guidance on the publication of contract awards. The information on contracts awarded that is submitted to the NPPA should include the:

- ☐ name of the procuring entity
- ☐ name of the bidder;
- ☐ procurement identification number
- ☐ description of the works;
- ☐ contract sum;
- ☐ duration of the contract;
- ☐ method of procurement used and
- ☐ the source of funding.

7.12.17 Notification to Unsuccessful Contractors

All unsuccessful bidders should be notified of the contract award at the same time the successful bidder is notified immediately once the contract has been awarded as per sub section (3) of section 56 of the Act. The notification should specify the name and address of the proposed successful bidder and the price of the contract.

7.12.18 Return of Bid Securities

All bid securities must be returned immediately to the contractor, as soon as they are no longer required, i.e. once the relevant contract is signed and all conditions for contract effectiveness have been met.

Detailed guidelines on ‘securities’ are provided in Chapter 10.

7.13 CONTRACT MANAGEMENT

Effective management of contracts is essential to ensure that the objectives of the procurement process are achieved and that all contractual obligations and activities are completed efficiently by both parties to the contract. The procurement unit must ensure that routine monitoring of all current contracts is maintained so that swift remedial measures can be taken when problems arise, or preventative action taken when problems are foreseen.

There are many post-contract issues that need to be dealt with, monitored and resolved before the contract reaches its conclusion including:

- ☐ Contract effectiveness;
- ☐ Appointment of a project manager;
- ☐ Insurance claims;
- ☐ Interim and final payment certificates to the contractor;
- ☐ Performance monitoring for works;
- ☐ Contractual disputes;
- ☐ Delays in performance;
- ☐ Claims for damages;
- ☐ Valuation of work done;
- ☐ Initial and final takeover of construction works;
- ☐ Installation and commissioning of equipment;
- ☐ Release of performance securities and retentions;
- ☐ Contract closure.

A flowchart showing a summary of the main post-contract activities for the procurement of works is provided in the Annex section of this Manual.

7.13.1 *Contract Effectiveness*

Although the contract form may have been signed by both parties, the legal effectiveness of the Contract may be dependent on one or more of the following conditions:

- ☐ Receipt by the procuring entity of the performance security;
- ☐ Receipt by the procuring entity of an advance payment security;
- ☐ Receipt by the contractor of the advance payment; or
- ☐ Receipt by the contractor of an acceptable letter of credit.

Action by the Procurement Unit:

- ☐ If the bidder fails to provide the performance security, and fails to respond to a written reminder, seek the advice of the procurement committee for a decision as to whether the contract may be cancelled and awarded to another bidder;
- ☐ Ensure that any advance payment specified in the contract is paid immediately when the advance payment security is received from the bidder;
- ☐ Ensure that any letter of credit required is issued promptly.
- ☐ Ensure that the contractor meets the agreed dates for mobilisation and possession of the site.

7.13.2 *Contract Supervision and Administration*

Contract supervision and administration of works contracts is often complex due to factors which could not be foreseen at the start of the work. The use of supervising

engineers or project managers also means that daily control and supervision of the contract is not practical for the procuring entity. Procuring entities must therefore ensure that they are kept informed of progress and problems which arise through routine reports.

Contract management and supervision of works is usually a collaborative effort between the procuring entity and the contractor involving 3 main activities:

- ☐ **Time control:** involves close monitoring and management of the implementation and completion of the works within the agreed works programme or activity schedule. This would require effective management of delays and any subsequent extensions granted; taking note of early warnings from reports and meetings with the contractor.
- ☐ **Quality control:** involves monitoring the execution of the works project to ensure that it is in conformance with the technical specifications. This would involve for example, identifying defects and ensuring their correction during the period of construction and conducting any required interim or completion tests to ensure that any works carried out are substantially complete.
- ☐ **Cost control:** is concerned with ensuring that the implementation and completion of the works project is done within the contract price primarily through close monitoring of changes in quantities and variations, price adjustments, penalties and compensations and through the timely processing, approval and payments of certificates. It is also recommended that to control costs, physical variations should be kept to the barest minimum as they have a tendency to increase the contract price and extend the contract period.

Note that:

- ☐ No procuring entity may contract consulting or supervising engineers without the approval of the Ministry of Works (MoW).
- ☐ In the same vein, no procuring entity may hire the services of works contractors that do not possess certification from the Ministry of Works (MoW).

7.13.2.1 Contract Supervision

Day to day supervision of a works contract is carried out by the supervising engineer or project manager who acts for the procuring entity to supervise and administer the contract in consultation with the procurement unit and the technical department. For large contracts this may involve a team of engineers, inspectors, quantity surveyors etc.

Actions by the Project Manager/Supervising Team:

- ☐ Maintain close supervision of the contractor's performance, work done, materials used, equipment and labour force at site to ensure that potential problems are identified as early as possible;
- ☐ Notify the contractor in writing requesting rectification of any deficiencies in workmanship, materials used, safety or environmental standards, or other required performance standards;
- ☐ Hold regular site meetings with the contractor to identify the causes of any slippage in the schedule of works;
- ☐ Receive regular progress reports from the contractor and ensure that written records of any disputes or contract variation orders issued are maintained;
- ☐ Ensure that any significant problems, variation orders, day work claims, compensation events, cost overruns, or slippage in the timetable are brought to the attention of the procuring entity;

- ☐ Initiate and supervise any process for claims against insurance or the contractor;
- ☐ Conduct detailed checks on the contractor's valuation of work performed, re-measure as appropriate, and prepare interim payment certificates, deducting any retention percentage specified in the contract.
- ☐ Participate in inspections for interim and final handover of the works and prepare the final payment certificate releasing retention money to the contractor.

Note that:

- ☐ The supervising engineer/project manager usually acts as the first level in settlement of disputes and he should ensure that the procuring entity and the Ministry of Works (MoW) are informed of any disputes and their resolution. Any serious disputes which may require an amendment or addendum to the original contract must be reported immediately to the procuring entity and the Ministry of Works (MoW).
- ☐ Claims by contractors for additional work or costs which are not covered under the terms of the existing contract and total contract value, must be referred to the procurement committee for approval.
- ☐ Claims for extension of time, with or without additional costs, or for additional payment to the contractor must be resolved quickly, subject to the approval of the procurement committee.

7.14 INITIAL AND FINAL TAKEOVER OF WORKS

Initial and final takeover of works shall be certified by an inspection and acceptance team comprised of the project manager, and a representative each from the Procurement unit and the technical department.

- ☐ On issue of an initial takeover certificate by the inspection and acceptance committee, part of any retention monies held may be paid to the contractor if specified in the contract.
- ☐ Following the end of the defects liability period and subject to all defects being rectified, the inspection and acceptance team will certify the final takeover of the works and sign the certificate of completion.
- ☐ On issue of the final takeover certificate by the inspection and acceptance team, a final certificate shall be raised to authorise payment of the balance of any retention monies due to the contractor.

7.15 DEFECTS LIABILITY PERIOD

A defect is generally any part of the works not completed in accordance with the contract. The defect liability period is the period specified in the contract data that is usually calculated from the completion date of the contract. It is usually based on a minimum period of 12 months.

It is a form of warranty that is guaranteed by the retention of the contractor's performance security and corresponding bank guarantee, at the end of the period of performance of the contract. The defects liability security is kept covering any repairs or defects found in the infrastructure built by the contractor.

During the defect liability period, the contractor is obliged to repair/replace any defects at his/her own cost. However, if the defect is proven to be as a result of a design problem, whereby the contractor was not involved in the design, then the procurement entity will bear the costs of rectification.

Once the defects liability period passes, if no defects were discovered or those discovered were satisfactorily repaired by the contractor, the retention money is returned to the contractor or the defects liability guarantee is released as stipulated in the contract.

7.16 PAYMENT FOR WORKS

Payment for works contracts will normally be made against payment certificates approved by the supervising engineer and completion reports of the inspection and acceptance committee.

For all works contracts, materials delivered to the site but not yet used will be excluded from the measurement approved and the value of payment certificates.

Supervision and approval of the takeover of buildings and construction works is the responsibility of the Ministry of Works (MoW) whose issuance of a certificate of completion is required before payments due to the contractor may be made by the procuring entity.

The supervising engineer will ensure that:

- ☐ the Ministry of Works (MoW) is represented on the inspection and acceptance committee for final takeover of the works and that the MoW representative signs the certificate of completion;
- ☐ any required retention specified under the contract is deducted from the value of the certificate before payment;
- ☐ agreed deductions in respect of the repayment schedule for any advance payment are deducted from the value of the certificate before payment;
- ☐ on issue of an interim takeover certificate by the inspection and acceptance committee, part of any retention monies held may be paid to the contractor if specified in the contract;
- ☐ on issue of a final takeover certificate by the inspection and acceptance committee issues, the balance of any retention monies is paid to the contractor.

Action by the Supervising Technical Department:

- ☐ Complete a payment voucher ensuring the deduction of repayments for any advance payment, retention sums and penalties incurred by the contractor.
- ☐ Attach:
 - the original valuation from the contractor and the payment certificate;
 - the report of the inspection and acceptance committee for interim or final takeover (if appropriate);
 - results of any analytical surveys;
 - calculations of any retentions, liquidated damages or other penalties applicable under the contract;
 - copies of relevant information from the contract document, records of approval and financial authorisations.
- ☐ Forward the payment voucher and supporting documents to the procurement unit.

Action by the Procurement Unit:

- ☐ Record the payment in the contracts register.
- ☐ Forward the payment voucher and supporting documents to the accounts department for payment processing.

7.16.1 *Payments by Letter of Credit (LC)*

Letters of credit are documentary credits which represent commitment of a bank to pay the contractor a certain amount provided the contractor presents stipulated documents with any required evidence of for example initial works carried out.

Note that:

- ☐ documentary credit transaction always involves three parties, the issuing bank, (which is normally the buyer's or procuring entity's bank) the applicant for the credit (usually the buyer or procuring entity) and the beneficiary of the credit (usually the seller or the contractor);
- ☐ A fourth party may be a second bank, the corresponding (and, sometimes confirmer) of the issuing or originating bank corresponding and confirming banks are usually situated in the seller's country;
- ☐ payments by letter of credit will depend on the contract agreement between the contractor and the procuring entity for the terms and wording of the LC.

The procurement unit will provide the accounts department with all supporting information and documents as specified in Chapter 7.14 above.

Action: The Accounts Department will:

- ☐ ensure that the procuring entity has sufficient funds at the bank, for the establishment of the letters of credit, for all contracts requiring payment by letters of credit;
- ☐ completes letters of credit forms and ensure that the forms are signed by the authorised signatories to the account. (The forms should be collected from the issuing bank);
- ☐ write a cover letter instructing issuing bank to credit the bidder with the required amounts, upon receipt of the bidder the documents specified above in paragraph 7.14;
- ☐ collects documents from issuing bank when delivered by the contractor.

7.16.2 *Prompt Payment*

The procuring entity has a responsibility to make payments promptly in accordance with the contract. Payment delays not only create a bad impression of the procuring entity and of Government but are also ultimately passed on to Government in higher prices as contractors build in the cost of payment delays in their prices.

The periods in which payments have to be made, and the penalties for delayed payment will be those specified in the signed contract.

The procurement unit or project manager must ensure that:

- ☐ the payment terms and penalties specified in the contract are known to all managers and staff involved in the processing of payments;
- ☐ all invoices and certificates which are not in dispute are paid within the agreed payment period.

7.17 MONITORING CONTRACT OBLIGATIONS

7.17.1 *Monitoring the contractor's obligations*

The contractor's performance against the contract must be monitored on a routine basis.

The procurement unit or project manager will:

- ☐ notify the Contractor immediately in writing of any failings in performance and seek an agreed solution;
- ☐ update the contract file and contract register regularly to reflect the monitoring of performance;
- ☐ ensure that the head of the procuring entity is informed of any serious failings in performance.

7.17.2 *Monitoring and Performing the Procuring Entity's Obligations*

The contract may impose certain conditions on the procuring entity which, if not complied with, may affect the contractor's performance including:

- ☐ Payment of stage payments within the contracted time limits;
- ☐ Assistance with import licences, duty waivers etc.;
- ☐ Approval of drawings within the set time periods;

Ensure that all such obligations of the procuring entity are planned and performed without undue delay.

7.18 Delays in performance

Performance of the works should be completed by the contractor in accordance with the time schedule prescribed in the schedule of requirements. Where this is not the case:

- ☐ In accordance with the contract conditions, the contractor, or its subcontractor, must notify the procuring entity in writing of the conditions delaying performance, including full details of the delay, the likely duration and the cause(s).
- ☐ The procuring entity will immediately assess the situation and may at its discretion extend the contractor's time for performance, with or without liquidated damages as specified in the contract.
- ☐ If the time for performance is extended, both parties shall ratify such extension by a formal addendum to the contract subject to approval by the procurement committee.
- ☐ A delay by the contractor in the performance of his obligations may render him liable to liquidated damages if specified in the contract document, except where:
 - the delay is as a result of force majeure;
 - there is no provision for liquidated damages in the contract;
 - an extension of time is agreed between the two parties without the application of liquidated damages.

The procurement unit will in case of such delays:

- ☐ Refer to the relevant clauses in the general or special conditions of contract for the procedure to be followed, calculate and claim liquidated damages.
- ☐ Update the procurement dossier and contract register to reflect any delays in the bidder's performance.
- ☐ Notify the end-user department immediately of all such delays.

7.19 RESOLUTION OF CONTRACTUAL DISPUTES

A 'dispute' occurs under a contract when a disagreement persists usually in relation to the interpretation of the contract and its conditions, money due to the other party and delays in delivery of the works.

Most minor disputes may be resolved by sensible discussion and agreement between the responsible officer and the bidder to rectify the cause of complaint. It is advisable to avoid disputes as much as possible since they affect the proper contractual relationship between the bidder and the procuring entity.

Any formal written complaints received from a contractor should be fully investigated and referred to the head of the procuring entity to authorise correspondence or formal negotiations with the contractor.

Action by the Procurement Unit in cases of dispute:

- ☐ Examine the contract carefully to be aware of all contract conditions relating to the resolution of disputes.
- ☐ Determine if the procuring entity is at fault or partly at fault, and if so, take appropriate action to rectify the problem.
- ☐ Invite the contractor to a formal meeting, within 7 days of the complaint, to discuss the issues and try to agree a compromise acceptable to both parties. Ensure that accurate written minutes are kept of any such meeting.
- ☐ If an agreement is reached which changes any of the conditions of the contract, approval of the procurement committee or the head of the procuring entity is required before the agreement can be implemented.
- ☐ If no initial agreement is reached and negotiations conducted by the head of the procuring entity also fail, consider the use of conciliation or arbitration services as specified in the contract.
- ☐ Prepare any necessary addendum to the contract for signature.
- ☐ On contracts funded by a donor, ensure that the donor is kept informed of disputes and seek advice, and a formal "no objection" where required, before any contract addendum is signed.

7.20 TERMINATION OF THE CONTRACT

The parties to the contract normally have the right to terminate the contract and this is usually specified in the contract agreement. To protect the procuring entity, advice of the Law Officers' Department and the NPPA should always be sought if the procuring entity is considering such action. For donor funded procurements, donor "no objection" must be sought before any action to terminate a contract is initiated.

Contracts should not normally be terminated without examining all possible alternatives, unless the termination is agreed by all parties to the contract.

The contract document will normally specify the grounds on which the contract may be terminated including the procedures applicable to any termination. The contract agreement must be carefully examined to be aware of all contract conditions and penalties relating to the termination of contract.

The procurement unit must seek the approval of the awarding authority that authorised the original contract prior to any contract termination. In seeking approval for contract termination, the procurement unit shall provide the following details:

- ☐ the reasons for termination;

- ☐ the contractual grounds for termination;
- ☐ any actions taken to avoid termination and
- ☐ the cost of terminating the contract for which the procuring entity will be liable.

Advice of the legal officer/Ministry of Justice and the NPPA must be followed in the preparation of any correspondence and settlement of any contractual penalties.

7.21 CONTRACT AMENDMENT

To allow for a smooth administration of the contract, it is reasonable that contractors be allowed to vary the works as provided for in the contract document. Contract amendment may become necessary as a result of the application of price variations specified in the contract, the resolution of disputes, additional or reduced requirements by the procuring entity, agreements to extend the time schedule, or from accepted increases or decreases in prices.

The contract may allow the procuring entity to modify contract values by a pre-determined percentage when this is in the public interest and essential for the work of the procuring entity.

All other amendments to costs, quantities, time-periods and other terms and conditions of the contract must be approved by the procurement committee and confirmed in a formal contract amendment or addendum.

The Procurement Unit/Project Manager will:

- ☐ identify and agree with the contractor the specific clauses in the contract which need to be changed, and the new values or terms and conditions which are to apply;
- ☐ prepare a draft contract amendment document for approval by the procurement committee together with a report justifying the reasons for the amendment, and Form SPF 2 Section D;
- ☐ following approval by the procurement committee:
 - record any change in contract value in the commitment register and in the contract register;
 - record any other contractual changes such as time extensions with regards to delivery in the contract register;
 - obtain from the contractor any necessary addition to the performance security;
 - arrange for signature of the contract amendment in four copies;
 - distribute copies in the same way as the original contract.
- ☐ Following the written and signed approval of the procurement committee where contract variations or accumulated variations are up to 25% of the original contract value, the procuring entity shall submit a request to the NPPA for review and endorsement to all contract variations providing all details associated with the variation.

Note that:

- ☐ Contract modifications where the value of the contract exceeds 25% of the original contract value shall be treated as a new procurement requirement.
- ☐ When additional requirements arising from the initial request for contract variation can be obtained from alternative contractors, new procurement proceedings shall be initiated by the end user.

- ☐ If the additional requirements can be obtained from the existing contractor, it is allowed for the end user to use the sole source method to procure the additional procurements provided adequate justification is made to do so and provided the required approval is received from the procurement committee and endorsed by the NPPA.

CHAPTER 8: THE SELECTION AND EMPLOYMENT OF CONSULTANTS

8.1 DEFINITION OF CONSULTANCY SERVICE

Procurement of consultant services is the request for services which are of an intellectual and non-material or advisory nature that is provided by firms or individuals and that does not lead to physical measurable outputs.

The procurement of consultant services is a specialised form of procurement requiring bidding procedures and documents which are very different to those for standard goods and works. Types of such services may include the following:

- ☐ Preparation of bidding documents
- ☐ Feasibility studies
- ☐ Training and knowledge transfer
- ☐ Capacity building needs assessment
- ☐ Institutional building
- ☐ Project management
- ☐ Management advice
- ☐ Construction supervision
- ☐ Auditing

Most larger contracts for consultant services are funded by a donor and the principles and procedures which follow should be read in conjunction with the guidelines of the donor (where applicable).

Note that for the purposes of this Manual, the term consulting services is different from other types of services which are characterised by having greater physical components. Services of a non-consultancy nature often involve equipment-intensive assignments using established methodologies that have measurable physical outputs. Examples of non-consultant services are:

- ☐ Installation of information systems
- ☐ Plant operation and maintenance
- ☐ Computer services

Non-consultant services can be procured using the procedures for procurement of goods and works. In some cases, where the line between non-consultant services and consultancy services are unclear, such as utility management or cleaning services; it may be necessary to determine the predominant features of the assignment to decide whether to award the contract following methods of selection and employment of consultants or in accordance with the procedure for goods and works procurement. In cases of doubt, the procuring entity should seek the advice of the NPPA.

8.2 SPECIAL FEATURES OF CONSULTANCY SERVICE

The use of merit-point evaluation systems and two-envelope bidding procedures are routine features in the procurement and selection of consultants.

Selecting consultants for long or complex assignments on the basis of cost alone, is unlikely to achieve the required quality of services.

8.2.1 *Merit-Point Systems*

A merit point system uses a point-scoring basis to determine the winning bidder. Points are awarded for technical capability and usually for the financial cost, according to criteria specified in the request for proposals. The bidder scoring the highest number of points is usually recommended for the award of contract.

Where cost is a factor in selection, technical quality for consultancy assignments is normally awarded 80% of the total points and cost 20%. However, this is only a guideline and the appropriateness of the weighting of the technical and financial scores should be assessed for each assignment and properly allocated to prevent the evaluation outcome from being distorted.

Merit point systems can also be used to evaluate whether bids pass a minimum technical score to proceed to a final financial evaluation (least cost selection method). The financial envelopes of all bidders whose bids pass the minimum technical score are then opened, and the bid with the lowest price recommended for award of contract.

In some situations where evaluation and selection merely on initial purchase price is inadequate, evaluation of the full life cycle cost may be either too time-consuming or unwarranted compared for the cost of the procurement itself. In these cases, the evaluation can be carried out by assigning merit points or weightages for prices and other relevant aspects. The advantage of such a system is its simplicity and ease of application.

8.2.2 *Two-Envelope Bidding*

To avoid any chance of the bidder's price influencing the technical evaluation under a merit point system, financial bids are submitted in a separate sealed envelope. Both the technical and financial proposals can be submitted at the same time but in separate envelopes with both sealed in an outer envelope. The financial envelope must only be opened after the technical evaluation is completed and approved by the procurement committee.

In the interests of transparency, a second public opening of the financial bids of those bidders who have passed the technical evaluation stage is held.

8.3 METHODS OF SELECTING CONSULTANTS

The methods of selection are as follows:

- ☐ Quality and cost based selection (QCBS)
- ☐ Quality based selection (QBS)
- ☐ Least cost selection (LCS)
- ☐ Selection under fixed budget (SFB)
- ☐ Selection based on consultant's qualification (SBCQ) and
- ☐ Sole source selection (SSS).

Note that:

- ☐ QCBS is the standard method of evaluating consultant services.
- ☐ The choice of the appropriate method of selection should be based on the nature, size, complexity and likely impact of the assignment. Therefore, it is crucial that the assignment is carefully defined, particularly with respect to the objective and scope of the services required before deciding on the selection method.

8.3.1 *Open Bidding*

The procuring entity may elect to proceed directly to an open competitive bid and national and international advertisement depending on the value of the assignment and the

skills required.

There are a number of issues to be considered in omitting the expressions of interest stage for larger and more complex services, as follows:

- ☐ Many requests for documents and submissions of proposals will be made by firms who lack the basic skills to undertake the assignment. These will waste considerable time in administration and still have to be formally evaluated and reported on. The apparent time advantage from avoiding the EOI and short-listing process is easily lost if twenty rather than six detailed proposals have to be administered and evaluated;
- ☐ International and major consulting firms are less likely to respond to an open competitive bid rather than an EOI as the cost of preparing a detailed consultancy proposal is high, and open competitive bidding introduces an unknown quantity and quality of competition. Competent firms are far more willing to incur the cost of preparing a proposal when a shortlist of competitors is known.
- ☐ International and major firms are not used to paying a fee to acquire the request for proposals and this factor may discourage such firms from participating.

Following from the above, the effective level of competition may be seriously reduced if a Procuring Entity proceeds directly to open competitive bidding.

For these reasons, donors normally require that all larger or more complex consultancy assignments are conducted through the EOI and short-listing process.

8.3.2 *Quality and Cost Based Selection (QCBS)*

Quality and cost based selection (QCBS) is the standard method of selecting consultants through competition between pre-qualified short-listed firms. Selection is based on the technical quality of the consultants, the quality of the proposal, and on the cost of the services to be provided. The relative weights given to the technical quality and cost of each proposal are determined for each case depending on the nature of the assignment.

Since under QCBS the cost of the proposed services to be provided are taken into account, this method is appropriate when:

- ☐ the scope of work of the assignment can be precisely defined and the TOR are well specified and clear and procuring entity and the consultants can estimate with reasonable precision personnel time inputs and costs required of the consultants.

Therefore, QCBS is appropriate for assignments such as:

- ☐ preparation of bidding documents and detailed designs;
- ☐ supervision of construction of works and installation of equipment;
- ☐ technical assistance service;
- ☐ procurement and inspection services and
- ☐ feasibility studies and designs where the terms of reference are clear and well defined

8.3.3 *Quality-Based Selection (QBS)*

Quality based selection (QBS) may be appropriate for complex or highly specialised assignments, or those which invite innovations. The selection is based solely on the quality of the proposal without consideration of the cost.

- ☐ QBS is suitable for the following types of assignments:

- complex or highly specialised assignments where 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-sector feasibility studies, design of a hazardous waste remediation plant or of an urban master plan, financial sector reforms);
- assignments that have a long term impact and in which the objective is to have the best experts available (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);
- assignments that can be carried out in very different ways, and therefore proposals may not be directly comparable (for example, management advice, or policy studies in which the value of the services depends on the quality of the analysis) and
- The introduction of cost as a selection factor inhibits the competitiveness of the selection process.
- ☐ The request for proposals (RFP) should not indicate the estimated budget but may provide the estimated number of key personnel and time, specifying that this information is given as an indication only, and that consultants are free to propose their own estimates.
- ☐ The RFP may require submission of a technical proposal only (without a financial proposal), or request submission of both technical and financial proposals at the same time, but in separate envelopes (two-envelope system). Only the financial envelope of the highest ranked technical proposal is opened. The rest are returned unopened to the bidders, after the negotiations are successfully concluded.
- ☐ If technical proposals only are invited, after evaluating the technical proposals the consultant with the highest ranked technical proposal will be invited to submit a detailed financial proposal.
- ☐ The procuring entity and the consultant shall then negotiate the financial proposal and the contract.
- ☐ Other aspects of the selection process are identical to those of QCBS.

8.3.4 ***Selection under a fixed Budget (SFB)***

Fixed budget selection (FBS) is where the procuring entity seeks to obtain the best technical proposal from pre-qualified short-listed consultants within a pre-determined budget limit.

- ☐ This method is only appropriate when:
 - the assignment is simple
 - can be precisely defined for example in terms of time and person month efforts required; and
 - when the budget is fixed.
 - when the time
- ☐ Typical assignments awarded under SFB are:
 - sector and market studies;
 - surveys of limited scope;
 - simple prefeasibility studies and
 - review of existing technical designs and bidding documents

- ☐ The RFP will indicate the available budget and request the consultants to provide their best technical and financial proposals in separate sealed envelopes, within the stated budget.
- ☐ The TOR must be carefully prepared to ensure that the budget is sufficient for the consultants to perform all of the expected tasks.
- ☐ Technical proposals will be evaluated and bidders who pass the minimum technical score will be invited to a public opening of their financial envelopes.
- ☐ Bidders whose technical proposals fail to meet the minimum technical score will have their financial envelopes returned unopened.
- ☐ Any financial proposals that exceed the indicated budget shall be rejected.
- ☐ The consultant who has submitted the highest ranked technical proposal within the budget will be selected for award of contract.
- ☐ Since the budget is predetermined, the consultant's TOR cannot change substantially, and technical negotiations should cover only minor aspects. Financial negotiations should not include discussion of remuneration rates and of other unit rates, but only minor rearrangements of activities and staff for compatibility with the work plan and clarification of any liabilities such as tax.

Note that in using the SFB method, care should be taken not to underbudget the TOR as this will discourage qualified consultants from participating in the procurement process and can result in poor performance outcomes from awarded consultants.

8.3.5 *Least-Cost Selection (LCS)*

This method is more appropriate to selection of consultants for assignments of a standard or routine nature (audits, engineering design of noncomplex works, and so forth) where well-established practices and professional standards exist, and when the contract value is small and from which a specific and well-defined outcome is expected, and which can be executed at different costs.

- ☐ Least cost selection method is appropriate for assignments such as audits, engineering design of noncomplex works, routine inspections, simple surveys and maintenance work.
- ☐ A minimum qualifying score for the required quality is established and is stated in the RFP.
- ☐ Technical and financial proposals are required to be submitted in separate envelopes by the short-listed bidders.
- ☐ Technical envelopes are opened first and evaluated. Those bids scoring less than the minimum qualifying score are rejected. The financial envelopes of the remaining bidders are opened in public.
- ☐ The firm with the lowest price is selected for contract award.

Since quality is set as the minimum qualifying mark, it is recommended that the procuring entity should set such a mark higher than is usual to ensure quality and avoid the risk of selecting proposals that are priced low but with poor acceptable quality.

8.3.6 *Selection Based on Consultants' Qualifications (SBCQ)*

This method may be appropriate for very small assignments where the need for submission and evaluation of detailed competitive proposals is not justified nor for which the cost of a complete selection process would be justified. While this method aims at

reducing the time and cost needed in selecting consultants, it does not disregard quality especially given that some small assignments can require highly specialised or technical advisory services.

- ☐ SBCQ may be appropriate for assignments such as short term legal expertise, participation in expert review panels and short evaluation studies.
- ☐ Expressions of interest and information on the consultants' experience and competence relevant to the assignment are requested.
- ☐ The firm with the most appropriate qualifications and references is selected.
- ☐ The selected firm is invited to submit a combined technical and financial proposal, and then invited to negotiate the proposal and the contract.

8.3.7 *Sole-Source Selection*

Sole-source selection of consultants lacks the benefit of competition in regard to quality and cost, is not transparent in selection, and may encourage unacceptable practices. Therefore, sole-source selection should only be used in exceptional circumstances and only on the basis of strong and conclusive justifications where it offers clear advantages over the other selection methods. The justification for sole-source selection must be examined carefully to ensure economy and efficiency.

The conditions for the use of direct procurement should be noted before using this selection method.

Sole-source selection is only appropriate if there is a clear advantage over competitive selection:

- ☐ for tasks that are a natural continuation of previous work carried out by the firm;
- ☐ where rapid selection is essential (for example, in an emergency situations such as natural disasters);
- ☐ for very low value assignments;
- ☐ when only one firm is qualified or has the necessary experience for the assignment.

Note that in the case of continuity of downstream work by retaining an incumbent consultant, it is recommended that:

- ☐ the request for proposal of the original assignment should indicate the likelihood of such a situation occurring, and that
- ☐ satisfactory performance in the first assignment be used as a precondition for continuation of the consultancy assignment.

8.4 USE OF INDIVIDUAL CONSULTANTS

Individual consultants are normally employed on assignments when:

- ☐ teams of personnel are not required;
- ☐ additional outside (home office) professional support is not required;
- ☐ the experience and qualifications of the individual are the major requirement.
- ☐ If co-ordination, administration, or collective responsibility may become difficult because of the number of individuals required, it may be advisable to employ a firm.

8.4.1 *Criteria used to select Individual Consultants*

Individual consultants are selected based on their qualifications for the assignment. They are normally employed on assignments when:

- ☐ teams of personnel are not required;
- ☐ additional outside professional support is not required;
- ☐ the experience and qualifications of the individual are the major requirement.

Note that:

- ☐ Selection may be on the basis of references or through comparison of qualifications among those expressing interest in the assignment following an advertisement or approached directly by the procuring entity on a sole source basis.
- ☐ Employment of an individual consultant on a sole source basis is justified when:
 - the work the consultant is being selected for is a continuation of previous work that the consultant has carried out and for which the consultant was selected on a competitive basis;
 - the need for consultancy services is because of emergency situations resulting for example from natural disasters; and
 - when the individual is the only consultant qualified for the assignment.
- ☐ Individuals employed by procuring entities must meet all relevant qualifications and be fully capable of carrying out the assignment.
- ☐ Capability is judged on academic and professional background, experience, knowledge of local conditions and culture, administrative systems, and government institution, and language skills as appropriate.

8.5 THE STEPS OF THE PROCUREMENT PROCESS

The procurement of consultancy services will normally include the following key steps:

- ☐ Preparation of the terms of reference (TOR).
- ☐ Preparation of a cost estimate and confirmation of available budgeted funds
- ☐ Advertising for expressions of interest (if appropriate) or preparation of the shortlist of consultants from existing pre-qualified firms.
- ☐ Preparation and issue of the request for proposals (RFP), including:
 - Letter of invitation (LOI);
 - Information to consultants (ITC);
 - Draft contract.
- ☐ Receipt of proposals.
- ☐ Evaluation of technical proposal.
- ☐ Evaluation of financial proposals.
- ☐ Final evaluation according to the criteria stated in the RFP.
- ☐ Negotiations and award of the contract to the selected firm.

8.5.1 *The Terms of Reference*

The key document in a request for proposal is the terms of reference (TOR). It specifies the objectives, scope of work, activities and tasks to be performed as part of the consultancy assignment including the responsibilities of the procuring entity and the consultant and the expected deliverables and results of the assignment.

The TOR must define clearly the objectives and scope of the assignment and provide background information (including a list of existing relevant studies and basic data) to enable the consultant to fully understand the services required and prepare an adequate

proposal. This helps to minimise the occurrence of clarification requests from consultants and prevents delays and unnecessary extra work by the procuring entity.

TORs must be prepared by the procurement officer with the assistance of staff or departments with the requisite expertise within the procuring entity. If the requisite expertise needed for preparation of the TOR is lacking in the procuring entity, it is advisable to hire the services of independent consultants or in the case of donor funded procurement, seek assistance from the donor.

The TOR should:

- ☐ Describe the background to the assignment: generally limited to the necessary background and introduction to the assignment including overall details of the assignment or project;
- ☐ state the objectives of the assignment in clear and unambiguous terms including:
 - the scope of the services i.e. the specific services or activities that the consultant is expected to perform during the assignment;
 - the duration of the assignment to indicate the anticipated period of time that the assignment will take to complete;
 - a detailed list of the consultants' duties and responsibilities;
 - where applicable¹, the required inputs in terms of man days, months or years;
- ☐ detail the required outputs, e.g: reports, recommendations, draft laws etc. which the consultants will be required to produce (also referred to as 'deliverables'). Note that for lump-sum contracts key deliverables are often defined for use with a schedule of interim part payments;
- ☐ set the time periods for the deliverables;
- ☐ not be over-detailed or inflexible, so that competing consultants may propose their own methodology and staffing.
- ☐ list any services and surveys necessary to carry out the assignment;
- ☐ include details of the services, facilities and counterpart staff to be provided by the procuring entity e.g. office accommodation, equipment, support, any services such as communication, photocopying, stationery, security, etc. that will be provided, and any other resources or support that procuring entity will make available.
- ☐ specify detailed requirements when transfer of knowledge or training is an objective, to allow bidders to estimate the required resources. This may include on-the-job training of staff of the procuring entity, training seminars and workshops, or the provision of overseas training facilities.
- ☐ specify the management and administrative arrangements (e.g. who they will report to, frequency of meetings, etc.) for the delivery of the assignment as they apply to the consultant.

In developing the TOR, procuring entities should also seek to avoid specifying arrangements and requirements that will distract the consultant from performing their primary tasks and affect their productivity. The level of detail and quality of information that can be contained in the TOR is largely determined by the selection method to be adopted.

¹ For assignments with easily defined deliverables it may be advantageous to leave the consulting firms to propose the level of inputs in their proposals.

The NPPA has issued standard request for proposal for use by procuring entities when procuring consultancy services. The use of these standard documents is mandatory.

The documents are:

- ☐ Standard request for proposals (RFP) (selection of consultants)
- ☐ Standard request for proposals (RFP) (selection of individual)

8.5.2 Estimating Cost and Budget

Following preparation of the TOR, the procuring entity shall prepare cost estimates for the assignment. Cost estimates should be well thought through as they contribute to determining funding availability and the method of selection of the consultant.

The cost estimate should be based on the procurement unit's assessment of the resources needed to carry out the assignment. It is prepared by adding the remuneration of consultant staff and the direct expenses to be incurred by consultants during the execution of their duties. Those figures are based on an estimate of the staff time (expert per unit of time, hour, month) required to carry out the services and an estimate of each of the related cost components or reimbursable expenses. Since the estimate of the needed staff time is derived from the TOR, the more exhaustive and detailed the TOR, the more precise the estimate.

In general, a cost estimate includes expenses relating to:

- ☐ consultant staff remuneration;
- ☐ travel and transport;
- ☐ mobilisation and demobilisation;
- ☐ staff allowances;
- ☐ communications;
- ☐ office rent, supplies, equipment, shipping, and insurance;
- ☐ surveys and training programs;
- ☐ report translation and printing;
- ☐ taxes and duties; and
- ☐ contingencies.

Once the TOR has been prepared and the cost estimates for the required service has been determined, all approvals from the procurement committee should be sought using the required standard procurement forms.

8.5.3 Expressions of Interest (Pre-qualification)

A request for expressions of interest is required by the Act for consultant services for all large value contracts estimated to cost above the threshold stated in Schedule 1 but may be used on lower value contracts to identify consultants who are qualified prior to the issue of an RFP. Pre-qualification of consultants is strongly recommended to ensure the participation of consultants with the necessary technical skills and resources.

8.5.4 EOI Criteria for Shortlisting of Consultants

Pre-qualification of consultants is based upon the capability and resources of prospective consultants to perform the assignment satisfactorily, taking into account their:

- ☐ experience and past performance on similar assignments;
- ☐ capabilities with respect to personnel and facilities;
- ☐ required licensing and professional registrations; and
- ☐ commercial and financial resources.

8.5.5 *Advertising for Expressions of Interest (EOI)*

The request for expressions of interest shall be advertised in the same way as for open competitive bids:

- ☐ The procuring entity may advertise the consulting assignment both nationally and internationally to obtain expressions of interest (EOI).
- ☐ The procuring entity may also post details on an open website, or contact professional organisations and firms that it knows with a copy of the request to submit expressions of interest.
- ☐ The information requested in EOIs should be the minimum required to make a judgment on the firm's suitability but not be so complex as to discourage consultants from responding.
- ☐ The advert should state the intention of procuring entity to procure consultancy services and to invite interested consultants to be considered for short-listing for an intended assignment and should contain the following:
 - name and address of the procuring entity;
 - background for the assignment;
 - the scope of the services required;
 - the location and required timescale for the completion of the services;
 - criteria and procedures to be used to evaluate the qualifications of consultants;
 - place and deadline for the submission of the EOI.
- ☐ Sufficient time (not less than 30 days) should be allowed for responses, before preparation of the short list.

Evaluation of EOI and Shortlisting of Consultants

No formal opening of submissions is required but a formal evaluation of the capabilities of each consultant is required against the criteria as stated in the advertisement.

- ☐ Short-lists should be restricted to those firms expressing interest and who possess the relevant qualifications and experience to undertake the assignment.
- ☐ Short-lists should normally be of three to six firms depending on the value of the assignment.
- ☐ The following details of each firm should be assessed in the selection of the short-list:
 - general background of the firm;
 - eligibility in terms of country of origin, turnover requirements and any other conditions stated in the advertisement;
 - previous experience of similar assignments;
 - competence and sector related experience of the firm;
 - language proficiency in English;
 - relevant experience in Sierra Leone, and other West African states; and
 - quality of performance under previous contracts.
- ☐ As a courtesy, firms who respond to advertisements for EOI but who are not selected for short-listing should be informed by the procuring entity that have been unsuccessful and should be briefly advised of the reasons. No further correspondence should be entered into regarding applications.

- ☐ On completion of the process and approval of the shortlist by the procurement committee, the RFP will be issued to the qualified consultants

Note that:

Where the number of suitable consultants is more than the number of consultants originally intended to be included on the shortlist, it is the consultants who best meet the procuring entity's requirements that should be included on the shortlist. Notwithstanding this, where a large number of consultants pass the stated qualification criteria, it may not be realistic to invite more than six to participate in the specific Request for Proposal.

8.5.6 Preparation and Issue of Request for Proposals (RFPs)

The standard request for proposal document provides detailed guidance on preparation of the request for proposals. It may be adapted for any of the selection methods and includes the following sections:

- ☐ Letter of invitation (LOI);
- ☐ Information to consultants (ITC)
- ☐ Data sheet
- ☐ Technical proposal—standard forms;
- ☐ Financial proposal—standard forms;
- ☐ Terms of reference; and
- ☐ Standard forms of contract

Some sections of the RFP such as the information to consultants cannot be modified while other sections such as the Data Sheet and TOR are assignment specific and can be modified to reflect the details of the particular details of the procuring entity and the assignment.

Specification of the evaluation criteria and number of points to be awarded to each criterion is critical to achieving a satisfactory result in the selection of consultants.

Both technical and financial point scores are assessed initially out of 100 points for the purpose of clarity. During final evaluation, the scores are combined by applying the weighting percentage stated in the RFP for technical and financial scores.

8.5.7 Technical Evaluation Criteria

The criteria specified in the RFP should include:

- ☐ the firm's relevant experience for the assignment;
- ☐ the quality of the methodology proposed;
- ☐ the qualifications and experience of the key staff proposed;
- ☐ provisions for training/capacity building of local staff;
- ☐ the extent of participation by nationals among key staff in the performance of the assignment.

The marks for each criterion are aggregated to give the total technical score.

The following table shows the normal range of points to be specified for each criterion, which may be adjusted for specific circumstances. The proposed points must be declared in the RFP.

Figure 1 - Indicative Weighting of Evaluation Criteria (Consultant Services)

The criteria may be divided into sub-criteria to assist the objectivity of the evaluation. For example, sub-criteria under methodology might be innovation and level of detail. It is usual to use sub-criteria for key staff to evaluate their qualifications, technical experience and language capabilities. The number of sub-criteria should be kept to the essential minimum and must be fully detailed within the RFP.

Firm's Specific Experience

Specific relevant experience:	0 to 10 points
Response to the TOR and methodology proposed:	20 to 50 points
Key personnel:	30 to 60 points
Training: ²	0 to 10 points
Participation by nationals: ³	0 to 10 points
Total:	100 points

The points given to experience can be relatively low if this criterion has already been taken into account when short-listing the bidders.

Methodology

A large number of points should be given to the response and proposed methodology for more complex assignments (for example, multidisciplinary feasibility or management studies).

Key personnel

Only the key personnel should normally be evaluated since they will determine the quality of performance. More points should be assigned if the proposed assignment is complex. When the assignment depends critically on the performance of a project manager or key specialist in a team of individuals, more points should be allocated for this person.

Individuals should be evaluated on the following sub-criteria as relevant to the task:

- ☐ **General qualifications:** General education and training, professional qualifications, length of experience, positions held, time with the consulting firm, experience in similar countries, etc;
- ☐ **Adequacy for the assignment:** Specific experience relevant to the assignment in the sector, field, subject, process or activity; and
- ☐ **Experience in the region:** Knowledge of local culture, administrative systems, government institutions, etc.

8.5.8 Minimum Technical Score

The minimum qualifying technical score to be achieved for a technical proposal to proceed to the financial evaluation must be specified in the RFP. Usually the minimum score required for qualification of the technical proposal is at least 70%.

² Transfer of knowledge may be the main objective of some assignments, in such cases, it should be given a higher weight to reflect its importance.

³ As reflected by Sierra Leone nationals among key staff presented by foreign and national firms.

8.5.9 Financial Evaluation Criteria

In addition to specifying the weighting for technical and financial scores, the RFP must specify the formula for award of points to each bid price. Normally the lowest priced bid receives 100 points and the other bids receive points based on dividing their prices by the lowest priced bid and multiplying by 100.

The standard procedures for correcting arithmetic and other errors in bid prices will apply to adjust the bid price before the points are awarded to each bid.

8.5.10 Weighting of Technical and Financial Scores

The relative weightings for technical and financial scores must be stated in the RFP. This is usually set at 80% for the technical score and 20% for the financial score. In this case the technical score will be multiplied by 80% and the financial score by 20% to give the total score for each bid.

8.5.11 Receipt and Opening of Technical Proposals

Bid opening shall commence immediately after the deadline for submission of proposals (as stated in the RFP):

- ☐ The procurement unit will co-ordinate the opening, ensure smooth operation of the proceedings, take a register of attendance, prepare minutes of the opening, and advise the chairperson of the opening session on procedural issues if requested.
- ☐ The bid opening committee shall comprise at least 3 persons, including a member of the procurement committee. They shall ensure that minutes of the opening proceedings are duly written.
- ☐ The chairperson of the bid opening committee will control and direct the proceedings and not allow consultant's representatives to interfere with the work of the committee.
- ☐ Any objections by a consultant to the procedures or decisions of the opening should be made in writing to the head of the procuring entity. For purposes of transparency, it is not permitted for the opening to be halted or postponed once the process begins.

Actions: The Chairperson should:

- ☐ Ensure that consultants' representatives are seated separately from the bid opening committee and officials of the procuring entity, and that the name, institutions represented and contact details of all attendees are recorded in an attendance register.
- ☐ Shall open the meeting and outline the procedures to be used for the opening of technical proposals.
- ☐ Ensure the security of documents at all times during the opening procedure to prevent any unauthorised interference with the documents and process.
- ☐ Open the bid box, check that the inscription on each envelope confirms that it matches the correct proposal and complies with the wording and sealing required in the RFP. Stack all envelopes in clear view ready for opening.
- ☐ Check for any withdrawals or modifications submitted, and match these with the original proposal before proceeding. Withdrawn proposals shall not be opened once the authenticity of the withdrawal notice has been confirmed.

- ☐ Open the first proposal after confirming that all conditions regarding marking and sealing of the envelope have been met and the envelope has not been tampered with.
- ☐ Examine the technical and financial proposal envelopes inside to confirm that all conditions regarding marking and sealing of both envelopes have been met and the envelopes have not been tampered with.
- ☐ Sign as received and place the financial proposal envelope unopened in a separate pile and secure the proposals back into the bid box. This should open only after the completion of the technical evaluation.
- ☐ Examine the contents of the envelope and identify, stamp and number all originals and copies, and any separate sections and attachments.
- ☐ Read out the following details of each technical proposal from the original copy:
 - any proposal modifications or withdrawals;
 - the number allocated to the proposal by the bid opening committee;
 - the name and country of the consultant; and
 - any other appropriate information at the discretion of the chairman.
- ☐ Any envelopes containing substitutions, or modifications, must be subject to the same level of scrutiny, including the reading out of critical details.
- ☐ Any obvious failure to provide a responsive proposal shall be reported to the meeting and recorded in the minutes.
- ☐ The chairperson and two members of the committee shall initial the original of each technical proposal and all attachments thereto. Any corrections or obvious errors and omissions noted shall be circled in red ink and also initialled.
- ☐ Record the details read out of each proposal in the register of opening and record any corrections and errors or omissions that were noted during the opening and captured in the minutes of the opening. Minutes of the bid opening shall be prepared by the procurement unit, signed by the chairperson of the bid opening committee and made available to any consultant submitting a proposal who requests a copy in writing. The technical proposals should be handed over to the bid evaluation committee for evaluation.

8.5.12 Evaluation of Technical Proposals

The bid evaluation committee should meet shortly before the deadline for submission of the proposals to confirm that there is a common understanding of the evaluation method, the evaluation criteria and sub criteria specified in the data sheet, and the selection procedure. They should also familiarise themselves with the RFP (in particular the TOR). It is important not to wait until after the technical proposals are opened to define the rating system, since these definitions could be biased by the knowledge of the contents of the proposals.

The evaluation committee should confirm that its members:

- ☐ have no conflict of interest by completing the declaration form;
- ☐ understand the rating and scoring system;
- ☐ have been provided with evaluation worksheets; and
- ☐ agree on how to evaluate the proposals.

Note that since a two-envelope bidding system is used with separate technical and financial bids, the evaluation process is split into two separate stages. An initial technical evaluation report is prepared recommending the bids reaching the minimum technical score to proceed to the opening of their financial envelopes. Following approval by the procurement committee and a further public opening of the financial envelopes, the

evaluation committee will combine the technical and financial evaluations and make recommendations for the award of contract. Form SPF 5 is the standard format for the evaluation report and recommendation for contract award.

Each evaluator should conduct his or her detailed technical evaluation independently, and record scores using the format provided in the standard evaluation format provided by the NPPA. Evaluators should also separately note particular strengths and weaknesses of each proposal to assist them in justifying the scores they have awarded.

Following completion of individual evaluations, the evaluation committee should meet again to combine the scoring and to discuss the reasons for any wide variations in the scores awarded by individuals. The evaluation committee will then prepare the technical evaluation report using the Form SPF 5 for approval by the procurement committee.

If a merit point system is specified in the bidding documents, evaluation and scoring of each bid for the technical criteria stated in the bidding documents is undertaken:

- ☐ Each member of the evaluation committee will award technical point scores individually to each bid using Table 2B of Form SPF 5.
- ☐ The scores given by each member for each bid will be discussed and consolidated into a summary on Table 2A of Form SPF 5.
- ☐ Table 2A will be used to determine the averaged technical score totals for each bidder and to indicate which bidders have passed the minimum technical score required.
- ☐ Complete the technical evaluation report section of Form SPF 5 and submit to the procurement committee for approval.
- ☐ Recommend rejection of any bid which is not technically responsive to the bidding document, where the required technical score is not reached under a merit point system.

8.5.13 Evaluation of Financial Proposals

The evaluation committee should examine the financial proposals to confirm substantial responsiveness to the conditions specified and that there are no important omissions or deviations from key requirements of the RFP. The evaluation committee may request clarifications from consultants concerning ambiguities or inconsistencies in the financial proposal. Such requests shall be in writing, and no change in the price or scope of the originally offered services may be sought or accepted, except for the correction of arithmetic errors. The responses from consultants shall also be in writing.

Action: The Evaluation Committee should:

- ☐ Correct any purely arithmetical errors in bids in accordance with the procedure stated in the RFP. Note that:
 - if there is any discrepancy between numbers and written figures, the written figures shall prevail.
 - If both the number and the total price are indicated in the proposal, the arithmetic should be checked and if there is a discrepancy, the unit price shall govern.
 - All errors in extension (multiplying the unit price by the number) and totaling should be corrected and the consultant notified.
 - A consultant cannot be permitted to retain an arithmetical error in extension or totaling and correct the unit price.

- ☐ Notify consultants of any such arithmetic corrections, and request written, agreement of the consultant to the correction. If a consultant does not accept the correction of an arithmetical error, their proposal must be rejected. Any communications between the procuring entity and a consultant during the examination of proposals shall be made in writing.
- ☐ Calculate the financial score of each proposal applying the formula specified in the RFP.
- ☐ Combine the technical and financial scores for each proposal using the methodology stated in the RFP, rank proposals in the order of their total scores and recommend the consultant with the highest score for contract negotiations.
- ☐ Complete the evaluation report using the standard format with recommendations for approval by the procurement committee.

8.5.14 Procurement Committee Approval of Recommendation for Award

The relevant procurement committee will review the evaluation report and recommendations presented by the evaluation committee.

Before giving approval, the committee will ensure that any written complaints made by consultants concerning the bid opening procedures have been reviewed and responded to. A copy of the complaint and the response shall be sent to the head of the procuring entity and to the NPPA for information. If the complaint reveals a serious breach of procedures or ethics, or if directed by the Independent Procurement Review Panel, the committee shall reject the evaluation report and call for re-bidding.

The procurement committee will award the contract to the consultant who has been determined to be qualified to be able to perform the contract.

A consultant shall not be required, as a condition of contract award, to undertake responsibilities for tasks not stipulated in the bidding documents or otherwise to modify his bid as originally submitted.

Action:

- ☐ Check the accuracy of the evaluation and recommendations as submitted.
- ☐ If the lowest evaluated responsive bid is higher than the original estimated cost, decide whether the price increase is justified. If the price is not acceptable, the procurement committee may consider that the bid should be re-advertised, cancelled, or the quantities reduced.
- ☐ If the price is acceptable, but exceeds the financial authority of the procurement committee, forward the evaluation report and the committee's recommendations to the next higher authority for approval.
- ☐ If the evaluation report recommends negotiation with a consultant to remove any reservations in the best-evaluated bid, the committee shall arrange for such formal negotiations to be held. Negotiations may not be held with the object of reducing prices on any competitive bidding process as a reduction in prices may not necessarily result in the achievement of value for money objectives. If negotiations with the best evaluated consultant fails to get a withdrawal of the reservations in his bid, the second-ranked bidder may be invited to sign the contract or invited for negotiations. Following any negotiation process the result of negotiations and any recommendations must be reported back to the procurement committee for approval before further action is taken.
- ☐ Reject any evaluation report which contains serious inaccuracies or flaws and return to the evaluation committee for correction and re-submission.

- ☐ Issue a full or a qualified approval to the award of contract or the recommended action. A qualified approval may be issued subject to clearly explained corrections that must be made to the evaluation report, or to the contract documents before issue.
- ☐ Ensure that all discussions and decisions of the committee are reported in the minutes of the meeting.

8.5.15 *Negotiation of Contract*

Negotiations are conducted to secure agreement on all issues and end in a contract document. Where negotiations are recommended by the evaluation committee or the procurement committee, these shall normally be conducted by the procurement committee subject to the following conditions:

- ☐ Negotiations (including price) may be undertaken in selection of consultant services where price is not an evaluation criteria. This will apply only to the quality-based selection (QBS), selection based on qualifications, or sole-source selection methods.
- ☐ Negotiation may include discussions on the technical proposals, the proposed methodology or work plan, staffing and any suggestions that may have been made by the consultant to improve the TOR. The procuring entity and the consultant shall then establish the final TOR, staffing, scheduling of services and clarify any general financial issues such as taxes payable and mode of payment.
- ☐ 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. Any substitution of key staff by the consultant will require the offering of an equivalent or better candidate.
- ☐ Where the selection process specifies a time based form of contract, the consultant is requested to provide justification of the unit rates quoted for individual staff. Negotiation of staff rates and reimbursable expenses may be discussed in this instance. Financial adjustments to any lump-sum price proposals may only be made through minor modifications to the scope of the proposed services.
- ☐ A detailed record of negotiations shall be maintained and signed by the procuring entity and the consultant.
- ☐ The final TOR, agreed methodology and any financial adjustments shall be incorporated in the draft contract for approval of contract award by the procurement committee
- ☐ In no circumstances shall negotiations be conducted with two bidders simultaneously.

Following approval of the evaluation report and recommendations by the procurement committee, the procuring entity shall invite the recommended consultant for contract negotiations in accordance with the procedure stated in the RFP.

8.6 CONTRACT AGREEMENTS FOR EMPLOYMENT OF CONSULTANTS

The type of contract must be selected when preparing the request for proposals and included as a draft with all contract terms and conditions in the RFP:

- ☐ lump sum;
- ☐ time-based;
- ☐ retainer and/or contingency fee;
- ☐ percentage; and

- ☐ indefinite delivery.

In selecting the contract to be used, two key factors must be considered:

- ☐ the nature and degree of definition of the consultancy assignment and
- ☐ the distribution of risks between the procuring entity and the consultant.

8.6.1 Lump Sum (Fixed Price) Contracts

Lump sum contracts in which a specific amount of money is paid to the consultant are used mainly for assignments in which the following are both clearly defined:

- the content and the duration of the services; and
- the required output of the consultants.
- ☐ Lump sum contracts are widely used for simple planning and feasibility studies, environmental studies, detailed design of standard or common structures, preparation of data processing systems, etc.
- ☐ Lump sum contracts can also be used for sophisticated but clearly defined assignments that are not influenced by external factors such as delays or substantial changes.
- ☐ Payments are linked to defined outputs (deliverables), such as reports, drawings, bills of quantities, bidding documents, and software programs.
- ☐ Lump sum contracts are simple to administer and requires little technical supervision because remuneration is fixed for the lifetime of the contract and payments are made on attainment of clearly specified outputs as provided for in the contract agreement.
- ☐ The allow risks associated with costs to be transferred to the consultants since the costs involved is completely known to the procuring entity.

Note that:

- ☐ In as much as the risk factor in relation to costs is reduced for the procuring entity, the risks regarding the quality of advice to be provided by the consultant can be increased. Procuring entities must be careful to conduct quality assurance on inputs provided by consultants as they can reduce inputs against the levels of service originally planned in order to increase profit margins.

8.6.2 Time Based Contract

This type of contract where the consultant provides services on a timed basis according to quality specifications and the remuneration of the consultant is widely used for complex studies, supervision of construction, technical advisory services, and training assignments.

It may also be appropriate when:

- ☐ it is difficult to define the full scope of services, or the input of the consultants required to attain the objectives of the assignment;
- ☐ the length of services can be precisely defined, and deliverables are only incidental to the main purpose of the assignment;
- ☐ the services are related to activities by others for which the completion period may vary.
- ☐ Payments are based on:
 - Remuneration: Agreed hourly, daily, weekly, or monthly rates for staff;
 - Reimbursable: Reimbursable items using actual expenses and/or agreed unit prices.

- ☐ The rates for staff remuneration include salary, social costs, overhead, fee (or profit), and, where appropriate, special allowances.
- ☐ This type of contract must include a maximum amount of total payments (the contract ceiling) to be made to the consultants.
- ☐ The contract ceiling usually includes a contingency allowance for unforeseen work and duration, and provision for price adjustments, where appropriate.

Note that:

- ☐ Cost risks are transferred to the procuring entity therefore, time-based contracts need to be closely monitored and administered by the procuring entity to ensure that the assignment is progressing satisfactorily, and payments claimed by the consultants are appropriate.
- ☐ To manage these risks, it is recommended that a ceiling (which includes contingency allowance for unforeseen work) on the amount of payment to be made to the consultant be instituted in contracts, an allowance for price escalation particularly in relation to inflation be provided for and that changes to the scope of work should not proceed unless authorised by the procuring entity.

8.6.3 *Retainer and/or Contingency (Success) Fee Contract*

Retainer and contingency fee contracts are frequently used when consultants (banks or financial firms) are undertaking specialist financial activities such as preparing companies for sale, in mergers of firms, or in privatisation operations.

- ☐ The QCBS selection method is recommended for this type of contract.
- ☐ The remuneration of the consultant includes a retainer and a success fee, the latter being normally expressed as a percentage of the sale price of the assets.
- ☐ The proportion of retainer and success fee is often fixed in advance and not subject to negotiation with the winning consultant.
- ☐ If the scope of work and duration of the assignment are clearly defined, then the retainer fee is paid as lump sum otherwise a time based remuneration should be adopted.
- ☐ Success fees are appropriate when success of the assignment is directly related to the efforts of consultant and is relatively easy to quantify.
- ☐ In certain contracts the retainer fee is subtracted from the success fee when this is paid at the end of the transaction. In crafting success fee contracts, emphasis should be given to dealing with termination of the contract before the success fee is earned.

8.6.4 *Percentage Contract*

These contracts are commonly used for architectural services but may be also used in similar circumstances such as for procurement and inspection agents. Percentage contracts directly relate the fees paid to the consultant to the estimated or actual project construction cost, or the cost of the goods procured or inspected.

Contracts are negotiated on the basis of market standards for the services and/or estimated staff-month costs for the services, or competitively bid.

In the case of architectural or engineering services, percentage contracts lack any incentive for economic design or performance. The use of a percentage contract format for architectural services is only recommended if based on a fixed target cost and covers precisely defined services.

8.6.5 *Indefinite Delivery Contract (Price Agreement)*

These contracts are used when there is a need for “on call” specialised services to provide advice or services, the extent and timing of which cannot be defined in advance. These are commonly used to retain “advisers” for implementation of complex projects expert adjudicators for dispute resolution panels, institutional reforms, procurement advice, technical troubleshooting, etc. normally for a period of a year or more.

The procuring entity and the firm agree on the unit rates to be paid, and payments are made on the basis of the time and resources actually used.

8.6.6 *Bid Performance and Securities*

Bid and performance securities for consultants’ services are not recommended for the following reasons:

- ☐ bid securities are not an accepted standard for consultancy services bids and are likely to discourage participation by international consultant firms;
- ☐ enforcement of bid securities may be subject to dispute for example when final negotiations fail to reach a satisfactory conclusion;
- ☐ performance securities can be easily abused by the client as personality clashes or other factors beyond the direct control of the consultant may affect achievement under the contract;
- ☐ there is often a strong element of subjectivity rather than objectivity in determining the success or failure of an assignment;
- ☐ securities increase the costs to the consulting industry without evident benefits, and the costs are inevitably passed on to the client through higher prices.

Note that the procuring entity may resort to the use of professional indemnity policy.

8.7 AWARD OF CONTRACT

Following approval from the relevant review body, the contract will be awarded. Before issue of the contract, a formal commitment of the required funds against the budget of the procurement entity must be approved.

Action: The head of procurement unit should:

- ☐ Ensure that the commitment is recorded in the commitment register.
- ☐ Prepare four copies (minimum) of the contract ready for signature by each party to the contract, and include all specific details relating to the consultant, the conditions of contract, and the consultant’s offer. A clear statement on when the contract becomes effective is also essential since certain contract clauses such as mobilization, and advance payment issues could be connected with this date.
- ☐ Obtain the signature of the head of procuring entity on all copies of the contract.
- ☐ Note that the four copies (minimum) of the contract will be distributed after signature as follows:
 - Original – Procurement unit;
 - 1st Duplicate – Consultant;
 - 2nd Duplicate – the technical department concerned; and
 - 3rd Duplicate – legal officer/Ministry of Justice
- ☐ Ensure that the contract is duly recorded in the contracts register maintained by the procurement unit.

8.7.1 *Award Notification*

A formal notice of contract award shall be issued to the successful consultant, who will be required to confirm in writing acceptance of the contract award.

- ☐ The consultant shall be invited to attend for contract signature, or where this is not practical, provided with the copies of the contract for signature and return of the original and two signed copies of the contract to the procurement entity.
- ☐ Failure of the consultant to confirm acceptance of the award, or to sign the contract will constitute grounds for the annulment of the award. In that event, the procuring entity may cancel the proceedings and invite the consultant who submitted the next ranked proposal for negotiations.
- ☐ Procuring entities are required as good practice to submit notice of contract awards to the NPPA for publication on the NPPA website. It is mechanism for increasing transparency of the procurement process. The First Schedule of the Act also provides guidance on publication requirements for contracts. The information on contracts awarded/signed should include the:
 - name of the procuring entity;
 - name of the consultant;
 - description of the services;
 - contract sum;
 - start and finish dates of the contract;
 - method of procurement used; and
 - source of funding.

8.7.2 *Notification to Unsuccessful Bidders*

All unsuccessful consultants should be notified of the contract award at the same time the successful consultant is notified once the contract has been awarded in accordance with sub section (3) of section 56 of the Act. The notification should specify the name and address of the proposed successful bidder and the price of the contract.

8.8 CONTRACT SUPERVISION AND PERFORMANCE

8.8.1 *Contract Supervision and Administration*

For consultancy services, the contract will usually nominate a project manager with requisite technical qualifications and managerial experience to coordinate supervision and administration.

The contract may specify payments on the basis of inputs (time), deliverables, retainers, unit rates or commission fees, and administrative and supervision activities must therefore be based on the specific terms of each contract.

The procurement unit (or project manager) will:

- ☐ Monitor the activity and performance in accordance with the contract to ensure that levels of service are maintained and that deliverables are submitted or completed on time. The contract may specify key reports to be submitted, or timesheets and routine reports to be submitted on a monthly or quarterly basis.
- ☐ Ensure that all contractual obligations of the procuring entity are performed promptly and efficiently.
- ☐ Ensure that all deliverables (and especially reports) are reviewed immediately and responded to in writing where necessary.

- ☐ Contact the service provider to identify the causes of any failings in performance or failure to meet targets.
- ☐ Issue a formal letter to the service provider detailing the complaint if the explanation given is unsatisfactory or if performance is not improved within a reasonable period of time.
- ☐ Conduct detailed checks on the consultant's claims for payment to ensure that contractual requirements are met and process invoices for payment.
- ☐ Report to the procurement committee any continued breach by the service provider of his contractual obligations.
- ☐ Confirm the provision of all contract deliverables before closing the contract file.

Note that contract supervision and administration for simple routine services such as office cleaning, provision of transport or contract maintenance, will be undertaken by the user department and the procurement unit as appropriate.

8.8.2 *Payment for Consultant Services*

Payment for service contracts will be made according to the specific terms of each contract against invoiced claims by the service provider.

The procurement unit (or project manager) will ensure that:

- ☐ the invoice claim is justified by the evidence of timesheets, submission and acceptance of deliverables, or other criteria as specified in the contract;
- ☐ agreed deductions in respect of the repayment schedule for any advance payment are deducted from the value of the invoice before payment;
- ☐ any retention sum specified in the contract is deducted from the value of the invoice before payment.

Action by the Procurement Unit (or Project Manager):

- ☐ Complete the payment voucher ensuring the deduction of repayments for any advance payment, retentions or penalties specified in the contract.
- ☐ Attach:
 - the invoice;
 - calculations of any retentions, liquidated damages or other penalties applicable under the contract;
 - copies of relevant information from the contract document, records of approval and financial authorisations.
- ☐ Forward the payment voucher and supporting documents to the procurement unit.

Action by the Procurement Unit:

- ☐ Record the payment in the contracts register.
- ☐ Forward the payment voucher and supporting documents to the accounts department for payment processing.

8.8.3 *Prompt Payment*

The procuring entity has a responsibility to make payments promptly in accordance with the contract. Payment delays not only create a bad impression of the procuring entity and of Government but are also ultimately passed on to Government in higher prices as suppliers build in the cost of payment delays in their prices.

The periods in which payments have to be made, and the penalties for delayed payment will be those specified in the signed contract.

The procurement unit or project manager must ensure that:

- ☐ the payment terms and penalties specified in the contract are known to all managers and staff involved in the processing of payments;
- ☐ all invoices and certificates which are not in dispute are paid within the agreed payment period.

8.8.4 *Monitoring Consultant's Obligations*

The consultant's performance against the contract must be monitored on a routine basis.

The procurement unit or project manager will:

- ☐ notify the consultant immediately in writing of any failings in performance and seek an agreed solution;
- ☐ In the case of a consultant this takes the form of comments on consultancy reports
- ☐ update the contract file and contract register regularly to reflect the monitoring of performance;
- ☐ ensure that the head of the procuring entity is informed of any serious failings in performance.

8.8.5 *Monitoring and Performing the Procuring Entity's Obligations*

The contract may impose certain conditions on the procuring entity which, if not complied with, may affect the consultant's performance including:

- ☐ Payment of stage payments within the contracted time limits;
- ☐ Assistance with import licences etc.;
- ☐ Approval of reports within the set time periods;
- ☐ Provision of working facilities and access permits;
- ☐ Conditions relating to the consultant's provision of staff services (e.g. letters of invitation for visas, provision of office space, etc.).

Ensure that all such obligations of the procuring entity are planned and performed without undue delay.

8.8.6 *Delays in Performance*

The performance of services should be completed by the consultant in accordance with the time schedule prescribed in the schedule of requirements.

Where this is not the case:

- ☐ In accordance with the contract conditions, the consultant, or its subcontractor, must notify the procuring entity in writing of the conditions delaying performance, including full details of the delay, the likely duration and the cause(s).
- ☐ The procuring entity will immediately assess the situation, and may at its discretion extend the consultant's time for performance, with or without liquidated damages as specified in the contract.
- ☐ If the time for performance is extended, both parties shall ratify such extension by a formal addendum to the contract subject to approval by the procurement committee.

- ☐ A delay by the consultant in the performance of his obligations may render him liable to liquidated damages if specified in the contract document, except where:
 - the delay is as a result of force majeure;
 - there is no provision for liquidated damages in the contract;
 - an extension of time is agreed between the two parties without the application of liquidated damages.
- ☐ The procurement unit or project manager will:
 - Refer to the relevant clauses in the general or special conditions of contract for the procedure to be followed to apply, calculate and claim liquidated damages.
 - Update the procurement dossier and contract register to reflect any delays in the supplier's performance.
 - Notify the end-user department immediately of all such delays.

8.8.7 Resolution of Contractual Disputes

Disputes may arise because of differences in technical and administrative arrangements such as interpretation of the contract, payment of services, or replacement of personnel.

Such disputes should be treated in accordance with the terms and conditions of the contract. Most minor disputes may be resolved by discussion and agreement between the head of the procurement unit/project manager and the consultant to rectify the cause of complaint.

Any formal written complaints received from a consultant should be fully investigated and referred to the head of the procuring entity to authorise correspondence or formal negotiations with the consultant.

Action by the Procurement Unit in cases of dispute:

- ☐ Examine the contract carefully to be aware of all contract conditions relating to the resolution of disputes.
- ☐ Determine if the procuring entity is at fault or partly at fault, and if so, take appropriate action to rectify the problem.
- ☐ Invite the consultant to a formal meeting, within 5 days of the complaint, to discuss the issues and try to agree a compromise acceptable to both parties. Ensure that accurate written minutes are kept of any such meeting.
- ☐ If an agreement is reached which changes any of the conditions of the contract, approval of the procurement committee or the head of the procuring entity is required before the agreement can be implemented.
- ☐ If no initial agreement is reached and negotiations conducted by the head of the procurement entity also fail, consider the use of any adjudication or arbitration services as specified in the contract.
- ☐ Prepare any necessary addendum to the contract for signature.
- ☐ On contracts funded by a donor, ensure that the donor is kept informed of disputes and seek advice, and a formal "no objection" where required before any contract addendum is signed.

8.8.8 Termination of the Contract

The parties to the contract normally have the right to terminate the contract, but to protect the procuring entity, advice of the Legal Department or the Law Officers' Department and the NPPA should be sought. Contracts should not be terminated without examining all

possible alternatives, unless the termination is mutually agreed by all parties to the contract.

Action: The Procurement Unit should:

- ☐ Examine the contract carefully to be aware of all contract conditions and penalties relating to the termination of contract.
- ☐ Seek the approval of the awarding authority that authorised the original contract prior to any contract termination. In seeking approval for contract termination, the procurement unit shall provide the following details:
 - ☐ the reasons for termination;
 - ☐ the contractual grounds for termination;
 - ☐ any actions taken to avoid termination;
 - ☐ the cost of terminating the contract for which the procuring entity will be liable and
- ☐ Seek and follow the advice of the legal officer/Ministry of Justice and the NPPA in the preparation of any correspondence and settlement of any contractual penalties.

8.8.9 Contract Amendment

Contract amendment may become necessary as a result of unforeseen events, application of price variations, resolution of disputes or a need for modifying the consultants' scope of work, TOR, work plan or activity schedule. The contract may allow the procuring entity to modify contract values by a pre-determined contingency percentage when this is in the public interest and essential for the work of the procuring entity.

All other amendments to costs, quality, time-periods and other terms and conditions of the contract must be approved by the procurement committee and confirmed in a formal contract amendment or addendum.

The procurement unit/project manager will:

- ☐ identify and agree with the consultant the specific clauses in the contract which need to be changed, and the new values or terms and conditions which are to apply;
- ☐ prepare a draft contract amendment document for approval by the procurement committee together with a report justifying the reasons for the amendment, and Form SPF 2 Section D;
- ☐ following approval by the procurement committee:
- ☐ record any change in contract value in the commitment register and in the contract register;
- ☐ record any other contractual changes in the contract register;
- ☐ obtain from the supplier/contractor any necessary addition to the performance security;
- ☐ arrange for signature of the contract amendment in four copies;
- ☐ distribute copies in the same way as the original contract.

Following the written and signed approval of the procurement committee where contract variations or accumulated variations are up to 25% of the original contract value, the procuring entity shall submit a request to the NPPA for review and endorsement to all contract variations providing all details associated with the variation.

Note that:

- ☐ Contract modifications where the value of the contract exceeds 25% of the original contract value shall be treated as a new procurement requirement.
- ☐ When additional requirements arising from the initial request for contract variation can be obtained from alternative consultants, new procurement proceedings shall be initiated by the end user.
- ☐ If the additional requirements can be obtained from the existing consultant, it is allowed for the end user to use the sole source method to procure the additional procurements provided adequate justification is made to do so and provided the required approval is received from the procurement committee and endorsed by the NPPA.

SECTION 4: ADDITIONAL PROCUREMENT GUIDELINES

CHAPTER 9: PROCUREMENT REPORTING, MONITORING AND EVALUATION

9.1 INTRODUCTION

The routine reporting of procurement activity by all procuring entities is essential for procurement planning and budgeting, and for the monitoring, tracking and evaluation of procurement.

9.2 PROCUREMENT REPORTING

Under the provisions of sub section (3) of section 15 of the Act, a mandatory regular monthly reporting of procurement activity to the National Public Procurement Authority is introduced by this Manual.

The monthly report of procurement shall be submitted by each procurement committee using Form SPF 6 within 14 days of the end of each quarter.

The quarterly report format on Form SPF 6 is in six sections as follows:

- ☐ **Section A: Procurements in Process/progress within and above the RFQ Threshold**
Report all procurements which have passed the initial stage of approval by the procurement committee during the month.
- ☐ **Section B: Contracts Signed or Procurements Cancelled within and above the RFQ Threshold**
Report all new contracts signed during the month together with any procurements which have been cancelled after receiving an initial procurement approval by the procurement committee.
- ☐ **Section C: Contracts Cancelled within and above the RFQ Threshold**
Report all contracts or procurements which have been cancelled (after receiving an initial procurement approval by the procurement committee) before reaching contract signature or procurements which have been cancelled after contract signing that are above the RFQ threshold.
- ☐ **Section D: Contracts Completed within and above the RFQ Threshold**
Report all contracts completed during the month following performance by the supplier/contractor/consultant, final payment by the procuring entity and the release of any performance security.
- ☐ **Section E: Minor Procurements under the RFQ Threshold**
Report on all minor procurements below the RFQ threshold that are under Le1 million during the month.
- ☐ **Section F: Procurements not yet commenced at the month of reporting**
Report on all procurements in the estimate not yet initiated indicating causes for delays.

9.2.1 *Section A: Procurements in process/progress within and above the RFQ Threshold Record:*

- ☐ Procurement number;

- ☐ Subject of procurement;
- ☐ Procurement method approved (open competitive bidding, restricted bidding, request for quotations or sole sourcing);
- ☐ Source of funds (e.g. Government, self and other donors);
- ☐ Type of approval given by the procurement committee (e.g. procurement method, evaluation report and contract award);
- ☐ Date of approval; and
- ☐ Estimated contract value.

9.2.2 Section B: Contracts Signed within and above the RFQ threshold

Record:

- ☐ Procurement number;
- ☐ Subject of procurement;
- ☐ Name of supplier/contractor/consultant;
- ☐ Source of funds;
- ☐ Contract signed date;
- ☐ Contract amendment date
- ☐ Contract value

9.2.3 Section C: Procurements Cancelled within and above the RFQ Threshold:

Record:

- ☐ Procurement number;
- ☐ Subject of procurement;
- ☐ Source of funds;
- ☐ Procurement cancellation date;
- ☐ Reasons for cancellation;
- ☐ Contract value/estimated value of procurement

9.2.4 Section D: Contracts Completed within and above the RFQ Threshold

Record:

- ☐ Procurement number;
- ☐ Subject of procurement;
- ☐ Name of supplier/contractor/consultant;
- ☐ Source of funds;
- ☐ Date of contract delivery;
- ☐ Date of final payment, defects liability period and release of performance security;
- ☐ Total amount paid under the contract.

9.2.5 Section E: Minor Procurements under the RFQ Threshold

Record:

- ☐ Procurement number;
- ☐ Subject of procurement;
- ☐ Name of supplier/contractor/consultant;
- ☐ Procurement method used (request for quotations or direct procurement);
- ☐ Contract cost.

9.2.6 *Section F: Procurements not yet commenced at the month of reporting Record:*

- ☐ Procurement number;
- ☐ Subject of procurement;
- ☐ Proposed method of procurement;
- ☐ Estimated contract sum
- ☐ Expected date of commencement of procurement;
- ☐ Source of funds
- ☐ Reasons for the delay

9.3 PROCUREMENT MONITORING AND EVALUATION

Procurement monitoring and evaluation is a process that must be routinely conducted both by procuring entities and by the National Public Procurement Authority to:

- ☐ ensure that procurements are within the annual procurement plan for the procuring entity;
- ☐ identify weaknesses and delays in the procurement process;
- ☐ compare prices against market standards;
- ☐ assess performance of procurement units and committees;
- ☐ assess performance of suppliers, contractors and consultants; and to
- ☐ identify any necessary remedial action.

The National Public Procurement Authority will co-ordinate and lead the monitoring and evaluation process through the methodologies described below.

9.3.1 *Sources of Information*

Procurement monitoring and evaluation information is obtained from:

- ☐ Requests for deviation from procurement procedures submitted by procuring entities;
- ☐ Monthly reports of procurement on Form SPF 6;
- ☐ Regular meetings with stakeholders (including representatives of the private sector);
- ☐ Routine review and certification of procuring entities for decentralised procurement;
- ☐ Reports of the Auditor General and the Internal Audit Department of the Ministry of Finance;
- ☐ Reports of specialist external procurement audits;
- ☐ Bidder complaints made to procuring entities;
- ☐ Complaints by bidders referred to the Independent Procurement Review Panel (IPRP);
- ☐ Routine sampling of procurement dossiers for individual procurements; and
- ☐ Examination of the procurement dossier for any procurement which appears to deviate from compliance with the Act and Regulations.

9.3.2 *Action by the National Public Procurement Authority on Receipt of Form SPF6*

The basis of the monitoring system is the monthly report on Form SPF6. On receipt of the monthly report from a procuring entity, the NPPA will:

- ☐ Check that procurement activity recorded is within the authority levels of the procurement committee and in accord with the annual procurement plan;
- ☐ Check that any new procurement processes commenced are within the procurement plan for the procuring entity;
- ☐ Identify any procurement decision which appears to deviate from compliance with the Act and Regulations, and query this with the procurement committee/unit;
- ☐ Inspect or call for the procurement dossier where serious breaches of the Act, Regulations or Code of Ethics are suspected;
- ☐ Enter the details of each new procurement into the database, using the procurement number as the main index key, and update existing information as reported throughout the individual procurement process. The database information will be used to:
 - provide procuring entities with summary reports on procurement activity;
 - compile the statistical analysis of procurement activity for the Annual Assessment Report of the NPPA;
 - identify the scale and values of common user items that may benefit from the introduction of framework contracts;
 - identify regular procurements of identical items by a procuring entity which may indicate that requirements have been split to avoid an approval threshold or a procurement procedure; and determine the individual and average timescales for procurement processes.

9.3.3 Other Monitoring and Evaluation Activities by the NPPA

- ☐ Conduct regular meetings with stakeholders (including representatives of the private sector) to report on procurement issues and initiatives, and to initiate investigation of complaints and proposals from stakeholders.
- ☐ Undertake periodic reviews of the procurement performance of procuring entities and re-certify their authority for decentralised procurement, and/or advise on specific issues which need to be addressed.
- ☐ Review and initiate remedial action as appropriate in response to audit reports of the Auditor General, the Internal Audit Department of the Ministry of Finance, and any specialist external procurement auditors.
- ☐ Review and initiate remedial action as appropriate in respect of bidder and supplier complaints.
- ☐ Undertake a programme of routine sampling of procurement dossiers for individual procurements and report findings and recommendations to the procuring entity.
- ☐ Review procurement procedures, systems, guidelines and standard documentation on a routine basis, and make or introduce recommendations for improvement.
- ☐ Compile all findings and action into the Annual Assessment Report of the National Public Procurement Authority.

9.3.4 Action by the Procuring Entity

The Procurement committee has the general responsibility to monitor procurement activity and remedy any defects before giving approval for procurement actions. The advice of the National Public Procurement Authority should always be sought if the committee is unsure of compliance with the Act and/or the Regulations.

The vote controller will ensure that all issues raised by the National Public Procurement Authority are actioned expeditiously by the procuring entity through the procurement committee and procurement unit, and that complete records of procurement are made available for audit purposes and for inspection by the NPPA.

CHAPTER 10: SECURITIES AND RETENTIONS

10.1 INTRODUCTION

The use of securities and retentions ensures bidders or suppliers and contractors provide security against the performance of their obligations to the procuring entity. Security usually takes the form of either a bank guarantee or a retention sum.

- ☐ **Bid Security:** A bid security is a bank guarantee usually submitted by a bidder together with a bid. Procuring entities may require bid securities, in order to encourage bidders to fulfill the conditions of their bids and deter irresponsible bids. Withdrawal of a bid prior to the end of the bid validity period or, refusal to sign the contract if selected, will automatically result in a forfeiture of the bid security by the bidder (refer to Section 51 of the Act). The bidding documents shall clearly state any requirement for a bid security and specify the acceptable forms of the bid security. Bid security offers the procuring entity protection against bidders withdrawing their bids unnecessarily prior to the end of their bid validity period, or from refusing to sign the contract.
- ☐ **Performance Security:** means the bank guarantee or other form of security submitted by the bidder to secure their obligations under the procurement contract, in accordance with the requirements in the bidding documents. It serves as an insurance for the procuring entity in the event of non-performance by the bidder and guarantees timely and proper completion of the supplier or contractors' duties under the contract.
- ☐ **Retention:** means the specified percentage or amount of payments to the contractor to be retained pending satisfactory completion or final acceptance of at which point it is returned to the contractor on satisfactory completion of the works (refer to Regulation 142). Note that it is important that retention payments are included in cash flow projections submitted to the budget bureau to inform budget release decision. The use of retention acts as an incentive for a timely completion and defect-free project at the end of the defect's liability period.

10.2 PROCEDURE FOR RECEIPT, STORAGE AND RETURN OF SECURITIES

10.2.1 *Safe Storage*

Guarantee or performance security must not be annotated in any way and must, after the details have been recorded, be immediately stored in a safe, secure place by the procurement unit or accounts department of the procuring entity.

10.2.2 *Record of Security Details*

Record the following details of the security in the register:

- ☐ Procurement reference number;
- ☐ Bid or contract title (as applicable);
- ☐ Bidder or supplier name;
- ☐ Amount of security;
- ☐ Form of guarantee (certified cheque or bank guarantee)
- ☐ Name of bank; and
- ☐ Expiry date of security

10.2.3 Return of Securities

All securities must be returned to the bidder as soon as they are no longer required. Bid securities in particular must be returned immediately to all bidders once the relevant contract is signed and all conditions for contract effectiveness have been met.

10.2.4 Expiry Reminder

The procurement unit will liaise with the accounts department to issue reminders not less than two weeks before any security is due to expire. Reminders will be sent to the bidder and procurement committee in the case of bid securities, and the concerned technical department for other guarantees.

10.2.5 Procedure to be followed upon reminder of Expiry

If the reason for the security is no longer applicable i.e.:

- the contract has been awarded to another bidder;
- work which is covered by a performance security has been performed or the warranty period has expired; or
- the value of the advance payment has been deducted from other payments;
- then immediately return the security to the bidder.

- ☐ If the award of contract is delayed, invite bidders to extend their bid securities for an appropriate period.
- ☐ If a supplier or contractor is not expected to complete/perform the task to which the security relates within the remaining period, request the supplier or contractor to extend the guarantee by an appropriate period.
- ☐ If the supplier or contractor has defaulted on his contractual obligations, or refuses to extend a security, consider calling bank guarantees immediately by demand in writing to the issuing bank, not less than one week before the expiry date.

10.2.6 Proceeds of a Called Security

The proceeds of the security shall be paid into the Consolidated Revenue Fund at the Bank of Sierra Leone for the credit of the appropriate vote code of the procuring entity to compensate for costs or losses due to the supplier' or contractor's non-performance.

10.3 RETENTIONS

Retentions are normally only applicable to works projects or possibly to the supply of machinery and equipment.

The rates of retention to be withheld from all certificates or stage payments for works contracts are specified in the contract. Following interim takeover of the works a further payment may be made to the contractor under the terms of the contract to reduce the retention to a lower percentage of the contract price.

Retention sums are only released to the contractor on satisfactory completion of the guarantee period stated in the contract.

CHAPTER 11: SUPPLIER REGISTRATION AND MANAGEMENT

11.1 INTRODUCTION

For the purpose of this Chapter, the term ‘suppliers’ or ‘bidders’ is used to also represent contractors, consultants and service providers.

Effective procurement depends greatly on the quality and delivery performance of suppliers and their products and services. Procuring entities are required to maintain a database of suppliers who can be further pre-qualified if required and assessed to be of a suitable standard to meet the specialist requirements of the procuring entity.

The Ministry of Works (MoW) maintains a central register of approved contractors and design and supervising engineers, classified into categories according to their capability and performance. The MoW classification register should be used by all procuring entities for the selection of contractor company.

11.2 MAINTENANCE AND MANAGEMENT OF THE SUPPLIER DATABASE

Pending issue of further guidelines by the NPPA on supplier registration such as the creation of a master database of suppliers by the NPPA, the procurement unit of each procuring entity will maintain its own register of suppliers based on the following principles:

- ☐ Periodic public advertisement or canvassing to invite applications.
- ☐ Establishment and publication of clear evaluation criteria for acceptance into categories and grades.
- ☐ Monitoring and recording of the performance of suppliers on contracts awarded and removal from the register of suppliers who fail to perform satisfactorily.
- ☐ Sharing of the database information with other Government procuring entities.
- ☐ Registration to be subject to periodic formal renewal, or cancellation if a supplier has not undertaken any Government contracts within a three-year period.

To register suppliers, it is mandatory to use the supplier registration form provided by the NPPA that can be found on the NPPA website, or on direct request from the NPPA and in Annex 1 of this Manual.

11.2.1 *Advertisement*

To ensure that any new suppliers are given the opportunity to join the register, open advertisement to invite applications should be published annually.

11.2.2 *Categories of Registration*

Suppliers are to be registered into appropriate categories for the specific goods, works or services they supply and using the supplier registration form provided in Annex 1. Some common examples may be:

- ☐ Type or value of works;
- ☐ Office stationery and computer supplies;
- ☐ Computer services;
- ☐ Office equipment;
- ☐ Medical instrument;

- ☐ Tyres and batteries;
- ☐ Vehicle repairs;
- ☐ Office cleaning services.

11.2.3 *Other Provisions*

Procurement committees have overall responsibility for approval of the suppliers that are entered into or removed from the register of suppliers.

Except for open bidding, and where no other method of pre-qualification is used or required, suitable bidders may be selected directly from the register.

Where invitations are issued for expressions of interest or prequalification, suppliers who respond and are found to be suitable but are not already on the register may be added to the database accordingly.

In open competitive bidding, where any supplier is free to submit a bid, the procuring entity specifies the criteria and supporting information and documentation required by which the capability of bidders to execute a contract will be assessed. Bidders who successfully pass this examination may also be placed on the register of suppliers.

11.3 SUPPLIER PERFORMANCE

Suppliers who fail to fulfil their contractual obligations in a satisfactory manner, in terms of quality, delivery, performance, or customer service, and who fail to improve their performance on being notified of the deficiency, may be disqualified from providing further services.

Procuring entities shall maintain a fair and transparent system for monitoring the performance of suppliers against the specifications or contractual obligations based on the evidence recorded in the procurement dossier. The supplier performance form provided in Annex 25 should be used to record the performance or improvement of a supplier.

During contract implementation, suppliers failing to perform satisfactorily shall be notified in writing, specifying the deficiencies to be addressed, and given an opportunity to improve their performance within a reasonable timeframe.

Mitigating factors must be taken into consideration when assessing supplier performance, and especially factors outside the supplier's control, and any contributory acts or omissions on the part of the procuring entity – such as failure to make a payment or to provide required information on time.

11.4 SUPPLIER DEBARMENT

The NPPA may debar a supplier from participating in all public procurement proceedings subject to sub section (1) of section 35 of the Act for a minimum period of one year and maximum period of six years on the grounds that the supplier:

- ☐ Has committed an offence under the Public Procurement Act or is in contravention of any of the provisions of the Regulations;

- ☐ Has committed an offence relating to public procurement under any Act;
- ☐ Has, in procurement proceedings, given false information about his qualifications or capabilities; or
- ☐ Has done a serious breach of a contract for a procurement by a procuring entity;
- ☐ Has breached the specified conduct for suppliers under Section 34 of the Act.

11.4.1 *Submission of Petitions for Debarment*

Subject to Regulations 160, a request to debar a supplier may be submitted by a procuring entity, the NPPA, the Auditor-General or any other oversight organ authorised by the laws of Sierra Leone or established by an Act of Parliament

A request for debarment of a supplier submitted to the NPPA shall contain:

- ☐ The name of the supplier;
- ☐ The grounds for recommending debarment;
- ☐ Details of the procurement proceedings or contract to which the request relates; and
- ☐ Documentary or other evidence supporting the allegation.

11.4.2 *Investigations of Petitions to Debar*

Upon receipt of a request to debar, the NPPA shall:

- ☐ Consult with the affected procuring entity to ascertain all the facts of the case and the circumstances surrounding the petition.
- ☐ Notify the supplier giving details of the petition and informing the supplier of its right to hearing or to submit written evidence, prior to any decision to debar within ten (10) working days of receipt of the notice.

The NPPA may institute an investigation on the basis of the submitted evidence.

In investigating the petition, the NPPA shall consider, where appropriate:

- ☐ The information contained in the petition and other information obtained through consultation with the affected procuring entity and the body or person submitting the petition;
- ☐ Information provided by the supplier through a hearing or in written form; and
- ☐ Any other relevant sources of information, including audits or reviews already conducted by the NPPA or other oversight bodies or information from other suppliers.

The following procedures shall apply to any hearings:

- ☐ The NPPA shall set a hearing date and inform all concerned parties.
- ☐ Any hearing shall be organised; **within thirty days from date of submission of request** or within ten working days of the request for a hearing from the supplier.
- ☐ The supplier has the right to be represented by counsel.
- ☐ The hearing shall be recorded, and all evidence presented shall be preserved; and
- ☐ Witnesses shall be allowed to testify.
- ☐ The hearing may be presided over by a team appointed and chaired by the Chief Executive of the NPPA.

- ☐ Review members shall be members of the team appointed to hear the debarment case.

During the investigation of any petition to debar a supplier, the supplier shall be permitted to participate in public procurement and shall be required to continue performance of any ongoing contract, but any recommended contract award to the supplier shall be delayed, pending the outcome of the investigation.

11.4.3 Decision to Debar

Upon completion of its investigation and following any hearing, the NPPA shall issue a written decision, indicating:

- ☐ Whether the petition is upheld or rejected;
- ☐ The reasons for its decision; and
- ☐ The length of the debarment period.

The written decision shall be sent to:

- ☐ The supplier;
- ☐ The person or entity that submitted the petition; and
- ☐ The affected procuring entity, where the petition was not submitted by the procuring entity.
- ☐ Publication shall be done on the NPPA Website and on local newspapers with wide circulation.

Any debarment imposed shall take effect immediately upon issue of the written decision.

During the period of any debarment, a supplier shall not be permitted to participate in any public procurement proceedings but shall be required to continue performance of any contracts already awarded.

Subject to subsection (3) of section 35 of the Act, the Ministry of Finance shall effect debarment of a supplier by not releasing funds for payment relating to any contract entered into by any procuring entity and the debarred supplier.

11.4.4 Lifting of Debarment

A supplier who is debarred under Section 35 of the Act may request the NPPA to review the debarment upon expiry of the period of debarment, specifying the reasons why the debarment should be lifted and providing any evidence in support of their request. Upon receipt of the request, the NPPA shall:

- ☐ Send a copy of the application to the institution which proposed the debarment in order to get their comments and recommendation regarding the request.
- ☐ The institution shall submit its comments and recommendations within ten days of the receipt of the copy of the application.
- ☐ Within 10 days of the receipt of such comments and recommendations, the NPPA shall convene a panel to review the application submitted by the supplier.
- ☐ Upon completion of its review, the debarment panel will issue a written decision stating the outcome of its findings indicating:

- whether the application is upheld or rejected;
 - the reasons for its decision; and
 - the length of any subsequent extension of the debarment period if required.
- ☐ The debarment panel shall notify the supplier in writing of the decision of the panel.
 - ☐ A decision of the debarment panel with respect to the lifting of debarment of a supplier, shall be circulated to all procuring entities, published on the NPPA's website and on local newspapers with wide circulation.

11.4.5 Maintaining a List of Debarred Contractors

The NPPA shall maintain and make available to procuring entities a list of all suppliers debarred from participating in procurement proceedings and shall publish a current list of all suppliers debarred from participating in procurement proceedings on its website and any other appropriate media.

CHAPTER 12: USE OF FRAMEWORK CONTRACTS

12.1 INTRODUCTION

These guidelines are instructions for using framework contracts and may be applied by procuring entities as an innovative approach to enhance the efficiency of the procurement process subject to Regulation 135.

Insufficient funding and delays in fund disbursement usually result in severe contract delays and poor budget execution which in turn inhibits timely delivery of the procurement of much needed development and services required by the Government. Another costly effect of such delays is the use of restricted and sole source methods to procure requirements since they are deemed to be less time consuming than competitive methods. This practice does not always constitute value for money and instead often opens the government up to numerous risks and inefficient service delivery.

Procuring entities are therefore required to make use of framework contracts, under which frequently bought items would be consolidated into contracts for supply at an agreed price over a defined contract term, with orders being placed at the contract price when required. By consolidating such requirements into framework contracts, the procuring entity should be able to make savings on the administrative costs of procurement, reduce the need for the use of alternative procurement methods other than competitive methods and achieve better prices through larger volume contracts.

12.2 DEFINITION OF A FRAMEWORK CONTRACT

A framework contract is a contract concluded between a procuring entity and one or more bidders for provision of goods, works or services just like any other procurement contract. Frameworks contracts are particularly relevant for purchase of recurrent procurement items and for off the shelf common use items of relatively standard specification that may be required on an urgent basis during a given period of time. They differ from traditional contracts in that they are usually flexible and adaptable when it comes to the quantity to be purchased and the time of delivery. However, like traditional contracts, they include fixed prices (or more specifically fixed unit prices) and delivery terms for the requirements to be provided.

Framework contracts procedure can conducted either as a single stage competition or second-stage competition:

- ☐ In a single stage competition, a bidder that was initially party to the framework agreement under the terms and performance conditions specified in the framework agreement entered into is selected to be a party to a framework contract with a procuring entity;
- ☐ In a second stage competition, multiple bidders are selected to be party to a framework agreement with a procuring entity following the initial competition stage. A further competition procedure is conducted in order to establish certain terms and conditions of the procurement that could not be established with sufficient precision when the framework agreement was concluded and select a bidder to be party to a framework contract. (see also Chapter 12.3.2 below)

- ☐ The procuring entity agrees to make purchases from the bidder selected at the agreed unit price and quality through the issuance of purchase orders depending on the requirements and funding availability of the procuring entity.
- ☐ No financial commitment is made until a purchase order is issued by the procuring entity and honored by the bidder during the second stage of the framework procedure.
- ☐ The bidder commits to supplying the requirements in the quantity requested in the purchase orders.
- ☐ These commitments are made and upheld by the procuring entity and the bidder throughout the lifetime of the framework contract.

Therefore, framework contracts can be used as an effective risk mitigation strategy. The risk of funding unavailability or delay is mitigated through the conduct of procurement activities in a timely manner to prevent the inefficient use of public funds that usually arises as a result of emergency procurement.

Note that:

- ☐ The entire effort required for regular procurement i.e. developing the bidding document, the bidding process, bid submission and evaluation, etc. apply in the case of framework contracts, but the normal standard bidding document for goods, works or services cannot be used without a few changes. The main difference being that instead of signing a binding contract that commits the government as would be required in normal bidding processes, a framework agreement is signed (during the first stage of the framework procedure).

12.3 TYPES OF FRAMEWORK CONTRACT

There are three main types of framework contracts, namely:

- ☐ **Definite-Quantity Framework Contracts:** provides for delivery of specific goods for a fixed period, with delivery to be scheduled at designated locations upon order. This may be used when specific goods will be required during the contract period.
- ☐ **Indefinite-Quantity Framework Contracts:** provides an indefinite quantity, within stated limits, goods to be delivered during a fixed period. It is used when the procuring entity cannot predetermine, above a specified minimum, the precise description or specifications that will be required during the contract period, and it is inadvisable for the procuring entity to commit itself when detailed specifications or precise quantities can be worked up at an appropriate time within the project.
- ☐ **Requirements Framework Contracts:** makes provision for fulfilling all actual procurement requirements for the delivery of goods during a specified contract period, with delivery to be scheduled by placing orders with the supplier. It is used to procure recurring requirements as may be needed but the precise specifications of the goods during a definite period cannot be predetermined.

12.3.1 *Definite Quantity Framework Contract*

Definite-quantity framework contract provides for in the case of:

- ☐ Goods: the delivery of specific goods for a fixed period, with delivery to be scheduled at designated locations upon order. This may be used when specific goods will be required during the contract period.
- ☐ Works: provides for performance of a specific works for a fixed period, with performance to be scheduled at designated locations upon order. This may be used when a definite or specific work programme will be required during the contract period.
- ☐ Services: for simple assignments that can be precisely determined for example in terms of time and person efforts.

12.3.2 Indefinite Quantity Framework Contract

Indefinite-quantity framework contract means a contract to provide an indefinite quantity, within stated limits, of goods, services or works during a fixed period, and may be a delivery order framework contract; a service order framework contract; or a works order framework contract. Therefore, it is used to procure goods, works or services:

- ☐ on a “when-required” basis;
- ☐ when the exact times and/or exact quantities of future goods and works deliveries are not known at the time of contract award; and will
- ☐ permit stocks to be maintained at minimum levels;
- ☐ there is a need for “on call” specialised services to provide advice or services, the extent and timing of which cannot be defined in advance. These are commonly used to retain “advisers” for implementation of complex projects, expert adjudicators for dispute resolution panels, institutional reforms, procurement advice, technical troubleshooting, etc. normally for a period of a year or more. In such a case the procuring entity and the firm agree on the unit rates to be paid, and payments are made on the basis of the time and resources actually used.

Note the following:

Minimum or Maximum Quantities in the Contracts:

A framework contract can guaranty that a minimum or maximum quantity will be procured during the period of the contract and state the consequences, if this is not fulfilled. The minimum quantity assures the bidder that the contract will result in a certain number of items being procured, while the maximum quantity provides assurance that undue risk is not been placed on the bidder should the market conditions change. Minimum and maximum quantity contracts are often used in developing countries and they also often includes more suppliers, as the contract will be divided into lots either based on items or geography or both, as described below.

Exclusive or Multiple Contracts:

A framework contract can be ‘exclusive’, which means that the delivery of the goods, works or services are awarded to a single bidder. Such exclusive contracts will be mandatory to use, which means that the procuring entity is not allowed to purchase the said items from other bidders and can be faced with a penalty for doing so.

Contrary to this, framework contracts for the same goods, works or services can be awarded to a number of bidders instead of only one. This model can be the solution:

- ☐ If the task or supply is considered to be too large for one bidder to handle.
- ☐ There is a wish for minimising the risks associated with using a single bidder, for example, should a bidder go out of business.
- ☐ There is a desire to promote the development of domestic businesses on a national or regional scale as a form of domestic preference schemes. Note that this approach is not always easy to handle and involves a lot of risks.

12.3.3 *Requirements Framework Contract*

Requirements framework contracts makes provision in the case of:

- ☐ Goods: for fulfilling all actual procurement requirements for the delivery of goods during a specified contract period, with delivery to be scheduled by placing orders with the supplier. It is used to procure recurring requirements as may be needed but the precise specifications of the goods during a definite period cannot be predetermined.
- ☐ Works: makes provision for fulfilling all actual procurement requirements for works or works related services during a specified contract period, with performance to be scheduled by placing orders with the contractor. It is used to procure recurring requirements which may be needed but the precise specifications or works to be performed during a definite period cannot be predetermined.
- ☐ Services: in the use of repeatable or technically similar assignments that can be described under broad terms of reference over a pre-defined period usually in an identified location, although the precise scope and duration of the assignment cannot be known at the time.

12.4 BENEFITS AND PROBLEMS OF USING FRAMEWORK CONTRACTS

Benefits of using framework contracts:

- ☐ Once the framework contract is signed, the actual buying process will be fast and flexible, when it comes to quantity, delivery place and date of delivery.
- ☐ There is no need for the funds for procuring the items to be in place before the bidding process starts, as is normally the case for competitive bidding. The funding will not need to be available until the start of the actual buying process (the individual call-off-orders). This doesn't apply where the framework contract guarantees a minimum quantity
- ☐ Compared to the preparation phase for a normal competitive bidding process, the one for framework contracts is less time consuming

Problems relating to Framework Contracts:

Two main problems can be associated with the use of framework contracts:

- ☐ Bids for framework contracts often have higher prices than bids under traditional competitive bidding, as they are meant to cover a longer period of time, whereby the

uncertainty for the bidder increases. A solution to this issue is to ensure that a price adjustment mechanism exists within the contract to account for inflation.

- ☐ The technical specifications remain in most cases the same throughout the life span of the contract. This creates problems especially if the items are subjected to rapid technological development. It is therefore recommended that the lifetime of framework contracts not exceed more than a year.

12.5 PROCEDURAL ARRANGMENTS FOR USING FRAMEWORK CONTRACTS

As stated in the paragraphs above, the normal rules and procedures for a competitive bidding process still apply when using framework contracts. However for the purpose of clarity, the steps in the procurement cycle as they apply to framework contracts are outlined here.

- ☐ Identification of need: obtain all requirements for the year and identify those to be acquired through framework agreements. Group these under goods, works and non-consulting services.
 - Example of goods: fuel, stationery, agricultural inputs (fertilizer).
 - Example of works: repair and maintenance-civil or seasonal
 - Example of non-consulting services: travel, vehicle maintenance, catering, cleaning, security services.
- ☐ Inclusion in procurement plan: ensure that frameworks are captured in the procurement plan. In estimating the value of procurement, the procuring entity shall include the estimated maximum total value of the procurement contract or of all procurement contracts envisaged under a framework agreement over its entire duration, taking into account all forms of remuneration.
- ☐ Note that the completion date in the procurement plan should be the last delivery/performance estimated date under the framework contract.
- ☐ Selection of method: Note that a framework arrangement is a not a procurement method, the selection of the appropriate method must be done in accordance with Chapters 6 and 7 accordingly for goods, works and non-consulting services respectively.
- ☐ The procuring entity should maintain a record of the procurement proceedings that includes the following information: In the case of a framework agreement procedure, a statement of the reasons and circumstances upon which it relied to justify the use of a framework agreement procedure and the type of framework agreement selected.
- ☐ Completion of bidding document: A document and a contract agreement for an indefinite quantity framework contract should be a good practice:
 - Indicate delivery/performance schedule (activity schedules): Specify the total estimated minimum and maximum quantity (ceiling amount) of goods, works or services the procuring entity will acquire under the contract (to ensure that the contract is legally binding, the minimum quantity should be more than a nominal quantity, but should not exceed the quantity that the procuring entity is fairly certain to order). The maximum quantity should be based on market research, trends in recent contracts for similar goods, works or services, survey of potential users, consumption records, or any other rational basis.
 - Specify the period of the contract, including the number of options, if any, and the period for which the procuring entity may extend the contract under each option; Include specifications, a statement of work or other description, that reasonably

describes the specific requirements, nature, complexity, and purpose of the goods, works or services the procuring entity will acquire under the contract in a manner that will enable a prospective bidder to decide whether to submit a bid; and

- State the procedures that the procuring entity will use to issue specific orders, including the ordering means, e.g. letter, or electronically.
- The value of any performance security for framework contracts must be based on the minimum value of the contract – not the maximum value.
- Upon the entry into force of the procurement contract or conclusion of a framework agreement, the procuring entity shall promptly publish notice of the award of the procurement contract or the framework agreement, specifying the name of the bidders to which the procurement contract or the framework agreement was awarded and, in the case of procurement contracts, the contract price. The First Schedule of the Act provides guidance on the publication of contract awards.
- Payments: Payments under a framework contract shall be for the actual quantity delivered or performed during the period covered by the contract, using the fixed unit prices specified in the contract. Note that the finance department has to ensure payments according to the framework agreement and that payment is triggered by certified delivery/performance and not on a lump sum basis.

12.6 CALL-OFFS/ORDERING PROCEDURES

When a need for requirements under the framework agreement arises, the procuring entity may issue a simplified contract, known as a call-off, to the selected bidder. This call-off will refer to the framework agreement and draw upon any of the pre-agreed contractual terms it may contain. Note that call-offs may be issued directly in the case of single bidder selection or only after a secondary competition has been conducted in the case of multiple bidders under a framework agreement. The approach to call-off and award must follow what the procuring entity communicated early in the procurement process for the framework agreement.

In issuing call-offs, the procurement unit should:

- ☐ Ensure fund commitment prior to ordering.
- ☐ Procuring entities are not required to advertise or invite quotations for orders issued under framework contracts.
- ☐ Individual orders shall clearly describe all goods to be delivered, works to be done or services to be performed so that the full cost or price for the requirements can be established when the order is placed. Orders shall be within the specific requirements, issued within the period of performance, and be within the ceiling of the contract.
- ☐ The procuring entity must ensure the price for all the orders does not exceed the ceiling amount of the contract.
- ☐ Orders placed under framework contracts must contain the following information:
 - Date of order;
 - Contract number and order number.
 - For goods, works or services contract item number and description, quantity, and unit price or estimated cost;
 - Delivery or performance schedule;
 - Place of delivery or performance (including consignee) and
 - Any packaging, packing, and shipping instructions.

CHAPTER 13: CONTRACT MANAGEMENT AND ADMINISTRATION

13.1 INTRODUCTION

A procurement contract is a written agreement between a procuring entity and a bidder with stated terms and obligations of each contractual party and which is enforceable by law. For the purpose of ensuring that both parties perform and meet their obligations, procurement contracts must be managed. With respect to this Manual, the terms contract management and administration shall have the same meaning and may be used interchangeably.

13.2 PURPOSE OF CONTRACT MANAGEMENT AND ADMINISTRATION

Contract management and administration pertains to all technical and administrative tasks to be performed from the time a contract has been awarded until it is successfully completed, accepted or terminated with payments made and disputes resolved.

It involves activities such as the preparation of procurement contract documentation, the processing and approval of such contract documentation, monitoring contract implementation, approving and administering contract variations and modifications, and if required cancelling or terminating contracts.

It is important that contract administration is effective. Weak contract administration practices generally leave room for corrupt practices and substantial losses on the part of the Government. For example, inadequate documentation and records management could lead to payments in excess of contract ceilings particularly in the case of multi-year contracts. Similarly, approval by a procuring entity of contract variations that lead to significant deviations from original agreed costs could undermine competition and the achievement of value for money objectives.

13.3 CONTRACT ADMINISTRATION RESPONSIBILITIES

For each contract entered into, the procuring entity must designate a member of staff, a procurement officer or a team of staff, as the contract administrator/s responsible for administering the contract. The arrangement for contract administration should be stated in the bidding document and contract.

As an alternative and in the case of large or complex contracts, the procuring entity may select and employ a consulting firm to take on the role of contract administrator in accordance with the procedures for selecting consultants in Chapter 8 of the Manual.

It is the responsibility of the contract administrator to perform the obligations and duties of the procuring entity specified in the contract; and to ensure that the successful bidder performs the contract in accordance with all of the terms and conditions of the contract.

13.4 ROLE OF THE CONTRACT ADMINISTRATOR

Subject to Regulation 145, the scope of tasks to be performed by the contract administrator include:

- ☐ Preparation of contract administration plan.
- ☐ Monitoring of performance and reporting.

- ☐ Management of internal and external communication.
- ☐ Cost, quality and time control.
- ☐ Payment certification against progress or delivery.
- ☐ Management of contract changes in terms of variation orders, fluctuation or price adjustments.
- ☐ Management and custody of securities, bond and insurance policies.
- ☐ Reporting
- ☐ Records management.
- ☐ Claims and dispute resolution.
- ☐ Contract closure and termination.

Note that in the administration of Sub-Contracts:

The prime contractor should be responsible for administering any subcontracts and the procuring entity should monitor only the prime contractor's management of its subcontracts.

The procuring entity shall not directly administer any subcontracts, except where:

- ☐ There is a risk of the procuring entity incurring undue cost or delay.
- ☐ Successful completion of the prime contract is threatened by the performance of the subcontractor; or
- ☐ Special surveillance of high risk or critical subsystems is required.

13.5 CONTRACT ADMINISTRATION PLAN

It is good practice for the contract administrator to prepare a contract management plan which should capture key areas and conditions of the contract such as:

- ☐ Background information;
- ☐ Contract management team;
- ☐ Contractor details;
- ☐ Scope of contract management;
- ☐ Key provisions of the contract;
- ☐ Duties and responsibilities;
- ☐ Communication channels;
- ☐ Review and reporting requirements;
- ☐ Activities and timescales;
- ☐ Any other information which will assist the contract management team in its task.

13.6 CONTRACT ADMINISTRATION FILE

No contract is formed between the person submitting the successful bid and the procuring entity until the written contract is entered into subject to sub section (2) of Section 56 of the Act. Therefore, a contract file should be opened by the contract administrator after the procurement contract has been signed. The file should be used for recording the actual performance of the requirements indicated in the contract. As good practice, it should contain the following information:

- ☐ Signed original procurement contract.

- ☐ Any signed modifications to the contract.
- ☐ Contract correspondence between the parties.
- ☐ Information on the performance of the bidder.
- ☐ Correspondence on the contract.
- ☐ Management progress reports.
- ☐ Minutes of meetings of project team.
- ☐ Payment records and close up documents.
- ☐ Copy of performance security (where required).
- ☐ Any other relevant information.

13.7 MAINTENANCE OF RISKS REGISTER

Risks are contingency factors that can adversely affect the outcome of a procurement activity. Depending on the type, complexity or size of the procurement, the risks could be greater or on a much smaller scale. Examples of common risks across procurement activities that can be mitigated are:

- ☐ Incomplete or incorrect specifications;
- ☐ Production problems;
- ☐ Budget overruns or underestimation of costs by supplier or the procuring entity;
- ☐ Poor communication;
- ☐ Delayed delivery of items;
- ☐ Inferior quality of items;
- ☐ Inflation trends or market fluctuations;
- ☐ Force majeure issues or unexpected events.

Therefore, it is imperative that risks are identified before they occur and that a strategy is determined for either preventing it from occurring or mitigating its impact. To foster accountability and transparency it is important also that those responsible for either bearing the risk or mitigating them are identified. This practice of risk management should be adopted as a standard practice for all steps of the procurement process.

To aid the process of risk management, a risk register in which risks are identified, recorded, monitored along with suitable mitigating strategies should be maintained.

13.8 PERFORMANCE MONITORING AND CONTROL

To ensure that the public procurement system delivers efficiency and value for money in the use of public funds, procurement contracts should be closely monitored. In this it is important that the contract agreement clearly spells out the nature of the goods to be delivered and the works and services to be performed and how outcomes will be measured and quantified. The experience of the contract administrator can also contribute significantly to effective monitoring and control of the goods, works or services to be delivered or accomplished. Further, deviations, variations and risks such as cost overruns, inputs, process and outcomes can be dealt with in time so as not to become too costly.

13.9 PAYMENTS OF CONTRACTS

In the same way it is important for the supplier, contractor, consultant or service provider to perform the contract satisfactorily, so it is important for the procuring entity to make timely payments according to the payment terms specified in the contract agreement. Failure to make timely payments can have an adverse effect on the efficiency of the

procurement process. Indeed, it has been suggested that untimely payment is the key reason why bidders quote unreasonably high prices. It must not be forgotten that delay in payment also has cost implications for the bidder. Note that standard period of payment is forty - five (45) days from the acceptance of the goods, works or services by the procuring entities unless the contract terms specify otherwise in which case some justification for such a variation should be provided and recorded.

Sub regulation (2) of Regulation 139 makes provision for bidders to be paid interest provided it is stated in the contract agreement. Where the contract document provides for bidders to be paid interest as a result of failure on the part of the procuring entity to make payment within the specified period in the contract, the contract shall clearly state:

- ☐ The interest rate to be applied- the interest to be paid should be in accordance with prevailing commercial bank rates.
- ☐ How the interest payments shall be calculated and
- ☐ Any other conditions relating to the payment of interest.

It is therefore important that procuring entities plan their procurement well, keep it updated and notify the appropriate authorities; particularly for cash flow forecasting purposes to ensure that bidders are paid in a timely manner.

Documents Required to Facilitate Payment to Seller:

In effecting payments for contract, payments should not be made unless they are in accordance with the provisions of the contract. Subject to Regulations 141- 144, the following are some of the documents required in making contract payments:

- ☐ Invoices
- ☐ Packing lists
- ☐ Bills of lading
- ☐ Certificate of origins
- ☐ Insurance policy
- ☐ Bill of lading or airway bill
- ☐ Inspection, interim and final certificates
- ☐ Receipts
- ☐ Delivery Note
- ☐ Goods Received Note

13.10 CONTRACT REVIEW AND REPORTING

The contract management plan should provide for review meetings in the case of large procurement contracts. Review meetings can be held periodically as required and for having face to face communications regarding issues highlighted in contract performance. Following review meetings, status reports to be shared with all contract parties and other stakeholders. As a guide contract status reports should include:

- ☐ An executive summary;
- ☐ Information on the performance of activities;
- ☐ Information on budget and/or payments.
- ☐ Other issues that may be relevant to the contract such as environmental impact assessments and general observations.

It is important that the contract administrator reports to the procuring entity the outcome

of such contract review meetings.

Contract review reports are particularly relevant in that they can provide valuable insight and feedback on the extent to which procurement processes have been planned and managed efficiently.

CHAPTER 14: COMPLAINTS ON THE PROCUREMENT PROCESS

14.1 INTRODUCTION

A bidder that claims to have suffered or claims that it may suffer loss or injury owing to the alleged non-compliance of a decision or action of the procuring entity with the provisions of the Act, the regulations and the bidding document, is entitled to challenge or appeal at any stage of the procurement process the decision or action concerned subject to the provisions of Part VII of the Act and Regulation 164.

Complaints may be made in the first instance by way of an application for reconsideration of the decision or action of the procuring entity to the head of the entity; thereafter an application for review may be submitted to the Independent Procurement Review Panel after which an application or appeal may be made to a high court.

14.2 REVIEW BY HEAD OF PROCURING ENTITY

A bidder may apply to the head of entity for a reconsideration of a decision or an action taken by the procuring entity in the procurement proceedings. Applications for reconsideration shall be submitted by the bidder in writing within fourteen (14) days after the bidder submitting it became aware of the circumstances giving rise to the complaint, or when that bidder should have become aware of those circumstances, whichever is earlier.

Promptly after receipt of the application, the head of the procuring entity shall institute an investigation. In the course of an investigation:

- ☐ All participants in the procurement proceedings to which the application relates may be notified about the submission of the application and its substance;
- ☐ A decision may be made on whether the application shall be entertained or dismissed;
- ☐ A decision may be on whether the application shall be dismissed if it is considered to be without merit or standing;
- ☐ A decision may be made to dismiss the application if it was not submitted within the deadlines specified in the Act and Regulations.

Within five (5) working days after receipt of the application and following the investigation the head of the procuring entity shall issue a written decision:

- ☐ stating the reasons for the decision; and
- ☐ if the complaint is upheld in whole or in part, indicating any corrective measures that are to be taken.

The bidder submitting the complaint is entitled to commence proceedings for administrative review by the Independent Procurement Review Panel immediately thereafter if:

- ☐ the head of the procuring entity does not issue a decision within five (5) days of receipt of the complaint or

- ☐ the decision of the head of the procuring entity is considered unsatisfactory.

Following the commencement of proceedings for administrative review by the Independent Procurement Review Panel, the competence of the head of the procuring entity to entertain the complaint ceases.

14.3 INDEPENDENT REVIEW BY THE INDEPENDENT PROCUREMENT REVIEW PANEL

A bidder entitled to seek review may submit a complaint to the IPRP:

- ☐ if the bidder claims to be adversely affected by a decision of the head of the procuring entity, and the complaint is submitted within ten working days after the issue of the decision by the head of the procuring entity.
- ☐ if the head of the procuring entity does not issue a decision within five working days after the submission of the original complaint and the complaint is submitted to the Panel within ten working days after the expiry of the review period by the Head of procuring entity; or
- ☐ in the case of awarded contracts where review is submitted to the Panel in the first instance within ten working days after:
 - the bidder became aware of the circumstances giving rise to the complaint; or
 - the time when the bidder ought to have become aware of those circumstances given rise to the complaint.
- ☐ if the bidder decides to appeal against a decision by the NPPA to pursue debarment proceedings.

An application for review shall be considered on any of the grounds and above and subject to receipt of an administrative fee of 2% of the applicants bid price but not more than Le2 million.

On receipt of a complaint, the IPRP shall institute an investigation and shall consider information from various sources. Upon completion of the investigation the IPRP may:

- ☐ require the procuring entity that has acted or proceeded in an illegal or unauthorised manner, or that has reached an illegal decision, to act or to proceed in a legal manner or to reach a legal decision;
- ☐ annul in whole or in part an illegal act or decision of the procuring entity; including any act or decision bringing the procurement contract into force;
- ☐ revise an illegal decision by the procuring entity or substitute its own decision for the decision;
- ☐ require the payment of compensation for reasonable costs incurred by the bidder who submitted the complaint, in connection with the procurement proceedings as a result of an illegal decision of, or procedure followed by the procuring entity;
- ☐ dismiss the complaint if it is not legally compliant; is invalid due to not being based facts; has not been submitted within stated timeframes; is regarding contract administration or implementation rather than contract award or is frivolous and vexatious.
- ☐ the IPRP shall, within ten working days of starting a review, issue a written decision concerning the complaint, stating the reasons for the decision.

- ☐ Decisions taken by the IPRP should be forwarded to the Anti-Corruption Commission for criminal investigation and prosecution where the Panel has found that a criminal act may have been committed.

14.4 RULES APPLICABLE TO REVIEW PROCEEDINGS

A bidder or any government authority whose interests are or could be affected by the review proceedings is entitled to participate in the review proceedings. The procuring entity to whom the complaint relates to is also entitled to participate in review proceedings.

A bidder who fails to participate in the review proceedings after being duly notified of the proceedings but fails to participate in such proceedings is barred from subsequently making the same type of claim or complaint.

The head of the procuring entity or the IPRP should notify the bidders and all those participating in procurement proceedings about the submission of a complaint and of its substance within a reasonable period after the submission of the complaint for review.

The participants in complaint proceedings are entitled to be present, represented and accompanied at all hearings during the proceedings; the right to be heard; to present evidence, including witnesses; and the right to seek access to the record of the complaint proceedings.

A copy of the decision of the head of the procuring entity or of the IPRP should be furnished within a reasonable period, after the issue of the decision to the bidder submitting the complaint to the procuring entity or the IPRP; to any other bidder or government authority that has participated in the review proceedings including the NPPA. For purposes of transparency, information on complaints on the procurement process should as a rule be published on the NPPA website and made available to the general public.

Notwithstanding this, no information should be disclosed if its disclosure would be contrary to law, would affect state security, would impede law enforcement, would not be in the public interest, would prejudice legitimate commercial interests of the parties or would inhibit fair competition.

14.5 SUSPENSION OF PROCUREMENT PROCEEDINGS

Where review proceedings are initiated, the procurement proceedings shall be suspended.

When the submission of a complaint is within stated deadlines as outlined in this chapter, the procurement process shall be suspended until a decision on the complaint is issued.

Where the procuring entity decides that urgent public interest considerations requires the procurement to proceed in accordance with the provisions of section 65 of the Act, the IPRP may order that the suspension be lifted provided that:

- ☐ Conclusive grounds that urgent considerations exist are provided and stated in writing, and
- ☐ They are recorded as part of the procurement proceedings.

14.6 OTHER REMEDIES AVAILABLE TO AGGRIEVED PARTIES

In the event that the aggrieved bidder is not satisfied with the outcome of the review conducted by the IPRP, judicial review is available as a remedy.

The appeal for judicial review should be made to a High Court, and the decision of the court shall be final.

A party to the review which disobeys the decision of the panel or the court shall be in breach of the Act and any action taken by such a party contrary to the decision of the panel or the court shall be null and void.

CHAPTER 15: GUIDELINES FOR DISPOSAL OF GOODS AND EQUIPMENTS

15.1 INTRODUCTION

Disposal is a critical element of the stores, equipment and other assets management of a procuring entity and is the last stage in the procurement cycle. Disposal may be considered as the ‘third life’ of any items acquired by a procuring entity:

- ☐ First: items are procured and accepted;
- ☐ Second: items are utilised by the procuring entity in the discharge of its duties; often referred to as life cycle and
- ☐ Third: items are disposed of.

Subject to the National Assets and Government Property Commission Act (1990) the head of a procuring entity has the mandate to convene a board of survey to verify and compile a technical report of stocks that become obsolete, redundant and unserviceable or surplus to requirement prior to disposal of such stocks in an orderly and systematic manner.

In line with Part VIII of the Public Procurement Act and Part XIII of the Regulations, these guidelines are designed to provide the procuring entity with practical information on how to manage the disposal process and select the most appropriate disposal option in an efficient, consistent and equitable manner.

Note that in accordance with Regulation 169, disposal of land, and sales of samples to bidders, textbooks, publications, reports, works of art, medicines or other items purchased for resale are not subject to the rules of disposal as outlined in this Manual.

15.2 DEFINITIONS

The definitions of unserviceable, obsolete or surplus stores, plant and equipment shall be:

- ☐ **Obsolete:** any item of stores plant and equipment which is rendered incapable of further effective use by developments in technology, incompatibility with associated items, or where the annual maintenance and breakdown costs can be certified to exceed a specific percentage (refer to the National Assets and Government’s Property Commission) of the estimated cost of a new replacement item.
- ☐ **Unserviceable:** any item of stores, plant and equipment which cannot be used for the intended purpose in its present condition due to major defects or damage and is beyond economic repair. Classification as beyond economic repair for this purpose shall be determined on the basis that repair costs are certified to cost more than a specific percentage (refer to the National Assets and Government’s Property Commission) of the current market price of a new replacement item.
- ☐ **Surplus:** any stores item which has not moved for a period in excess of a specific number of years (refer to the National Assets and Government’s Property Commission), or any item of plant or equipment which has remained unused for a period in excess of one year, and where no potential use for the item can be envisaged within the entity.

15.3 AUTHORITY TO DISPOSE

In accordance with section 67 of the Public Procurement Act (2016):

- ☐ The head of the procuring entity shall arrange for a periodical survey to be undertaken by the Board of Survey at least once a year of all surplus, returned and scrap assets to ascertain whether any item has become obsolete, unserviceable or surplus to requirement.
- ☐ It is recommended that the survey be undertaken by a team of at least five members comprised of the following:
 - A representative from the National Assets and Government's Property Commission.
 - A representative from the procuring entity's administration//finance department.
 - A representative of the procurement unit who shall act as the secretary to the Board.
 - A representative of the end user department/s disposing of the stores or equipment.
 - The storekeeper or stockholder if available.
 - An officer from any public or private institution with technical knowledge of the items to be surveyed shall be invited to act as a technical person to the committee.
- ☐ The reason for any item becoming surplus, obsolete and unserviceable shall be explained and recommendations submitted on the mode of disposal.
- ☐ The report of the survey shall be submitted to the head of procuring entity.
- ☐ Upon receipt and approval of the report of the survey by the head of entity, the items shall be disposed of as approved.
- ☐ All disposals of fixed assets must be recorded in the asset register of the procuring entity and a formal notification of the disposal sent to the National Assets and Government's Property Commission.

15.4 DISPOSAL OPTIONS

The choice of the most appropriate disposal option will normally be influenced by the nature of stocks to be disposed, their location and market value. The items shall be disposed of in any of the following manner described below.

15.4.1 *Transfer to Government Department or Other Public Entity*

Transfer to other government departments or other procuring entities with or without financial adjustment is applicable where an asset can be usefully deployed by another procuring entity.

Actions:

The storekeeper should:

- ☐ Liaise with the recipient entity for a formal transfer of ownership and removal of the items from the premises.

- ☐ Ensure that an authorised receipt is issued by the receiving procuring entity upon transfer of the assets.

15.4.2 *Sale by Public Bid*

Items with a sale value of Le. 10 million and above must be disposed of by public bid, unless the item is more than a specific number of years old (refer to the National Assets and Government's Property Commission). Note that as a general rule, sale by public bid should be conducted where the estimated value of the asset, or group of assets packaged together, is of sufficient value to justify the cost of conducting a public bid.

Actions:

The storekeeper should:

- ☐ Request the procurement unit to initiate a formal bid process which will include:
 - Preparation of bid document
 - Placement of advertisement inviting bidders to inspect the items and submit sealed bids in at least three local newspaper not less than 14 days before the deadline set for the opening of bids.
 - Receipt, opening and evaluation of bids
 - Requirement for bid security to be provided by bidders at the value set in the bid advertisement.
 - Rejection of bids without appropriate bid security.
 - Offer of items to the highest bidder, subject to a reserve price.

Note that where the best evaluated bid is less than the reserve price, the procuring entity may:

- ☐ obtain a further valuation from an independent source;
- ☐ negotiate the price with the best evaluated bidder;
- ☐ arrange for new bids to be submitted; or
- ☐ use an alternative disposal method likely to obtain a higher price.

15.4.3 *Sale by Public Auction*

Disposal by public auction shall be conducted for items that have an estimated sale value exceeding Le. 10 million. Note that as a general rule sufficient items should be assembled for disposal to justify the costs of conducting the auction process.

Actions:

The Storekeeper should:

- ☐ Request the procurement unit to invite an **auctioneer** to facilitate the auction of the items.
- ☐ The process for auctioning of items should include:
 - Placement of advertisement in at least one official local newspaper inviting bidders to inspect the items and attend the auction not less than 14 days before the date set.

- ☐ Instructions relating to the sale should include:
 - timeframe for sale,
 - condition and location of assets,
 - target revenue,
 - reserve price and end-user restrictions.

The instruction will constitute the authority for the auctioneer to undertake the sale.

- ☐ Requirement for bid security to be provided by bidders at the value set in the advertisement as a condition for entry to the auction room.

15.4.4 Destruction, Dumping or Burying

Where assets cannot be transferred to any other procuring entity or has no remaining value and cannot be converted into any suitable form that gives it some value; destruction, dumping or burying of the assets shall be done. To ensure that the destruction, dumping or burying is properly executed, the Board of Survey should actively oversee the process.

Actions:

The Board of Survey shall ensure that in the destruction, dumping or burying of assets, due consideration is made for:

- ☐ Obtaining approval from the relevant environmental agency to destroy, dump or bury the items.
- ☐ Supervision of the destruction, dumping or burial of items at an appropriate place to minimise loss and substitution of items in fraudulent claims.
- ☐ Environmental and safety factors such as pollution and environmental degradation impact are taken into account.

15.5 DETERMINATION OF MARKET VALUE FOR ASSETS

Valuation to determine realistic or realizable reserve price of assets intended for disposal should be obtained prior to the commencement of any disposal process. Valuation plays an important part in the effective and efficient disposal of assets as it provides an important reference point to help procuring entities select the most appropriate disposal option. In determining the value of assets prior to disposal, note that:

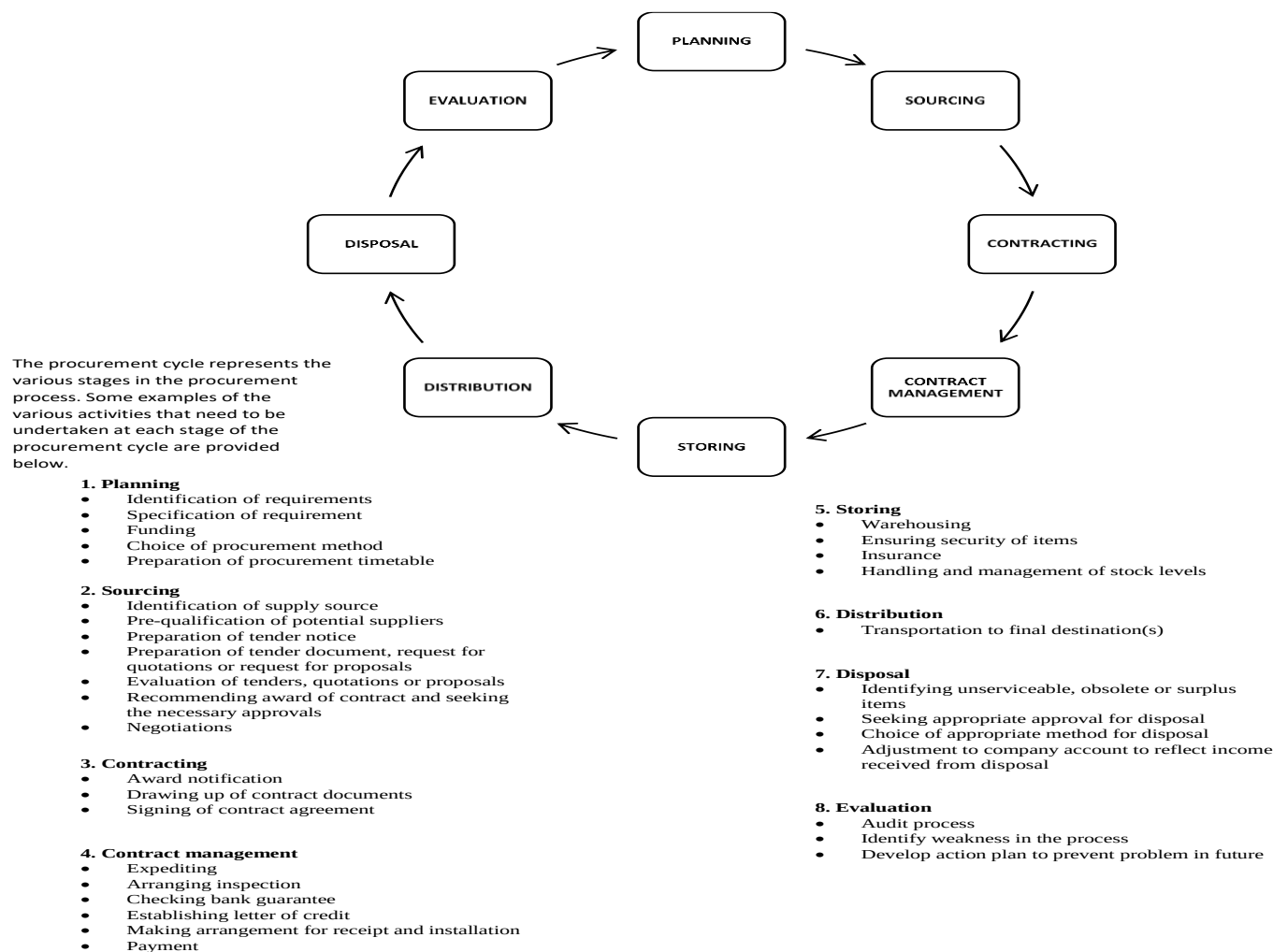
- ☐ The most accurate determination of value is always what the competitive market is prepared to pay.
- ☐ It might be possible to engage the services of an expert valuation agent to ensure sale expectations are realistic. Notwithstanding this, it is not worthwhile to engage the services of a valuation agent when the assets are presumed to be of a low value.
- ☐ The basis for evaluation should always be the market value, taking into account that assets should be sold 'as is', 'where is' without warranties.

15.6 REVENUE FROM SALES

Proceeds from sales shall be paid into the Consolidated Revenue Fund.

APPENDICES

APPENDIX 1: THE PROCUREMENT CYCLE



NAME OF MINISTRY,DEPARTMENT, AGENCY OR LOCAL COUNCIL																			
PROCUREMENT PLAN FOR THE YEAR																			

Figure 2 Goods Requirements to be Procured

Name of Procuring Entity:

Name of Sub-Department:

Source of funding: _____

Signature of Chairman, Procurement Committee.....

Prepared By: :.....

NATIONAL PUBLIC PROCUREMENT AUTHORITY

SERVICES

Serial N0.	Description of consultancy	procurement number	BASIC DATA		Drafting of bid documents, plan vs actual dates	specs & Bills of Quantities Prepare and advertise Express of Interest (EOI) 1wk	Bidding period		Bid Evaluation		Invite Proposals 4wks	Review and Evaluate Proposals (Technical Only) 4wks	Public Opening of Financial Proposals and Evaluation 2wks	Combine Technical and Financial Proposals 1 wks	Negotiation and Report Writing 2 wks	Approval of Negotiated contract Issues 2wks	Prepare Contract 2 wks	Approval Of Draft Contract 2 wks	Sign Contract / Advance Payment 4 wks
			estimated cost. Le	selection method			Receive Application(s) 4 wks	Short-list Consultants 1 wk	Prepare Term of Reference (TOR) and Request for Proposal (RFP) 2wks	Review and Approval 2wks									
					Plan														
					Actual														
					Plan														
					Actual														
					Plan														
					Actual														
4					Plan														
					Actual														
5					Plan														
					Actual														
6					Plan														
					Actual														
7					Plan														
					Actual														
8					Plan														
					Actual														

Date of Approval by Procurement Committee.....

Signature of Chairman, Procurement Committee.....

Prepared By:

Figure 4 Services Requirements to be Procured

NAME OF MINISTRY									
PROCUREMENT CATEGORY	Number of open types		Number of Restricted type (RFQ)	Values				Total values of open and restricted type (RFQ) Le.	Remarks
	NCB	ICB		NCB (Le.)	ICB (Le.)	Restricted (RFQ) Le.	Total values of open type Le.		
GOODS									
WORKS									
SERVICES									
TOTAL									
Summary of Procurement and Non-Procurement Items									
Procurement Related Items	Total Restricted Bidding								
	Total Open Competitive Bidding								
Sub Total									
Total Operational Budget									

Figure 5 Summary of Goods, Works and Services to be Procured

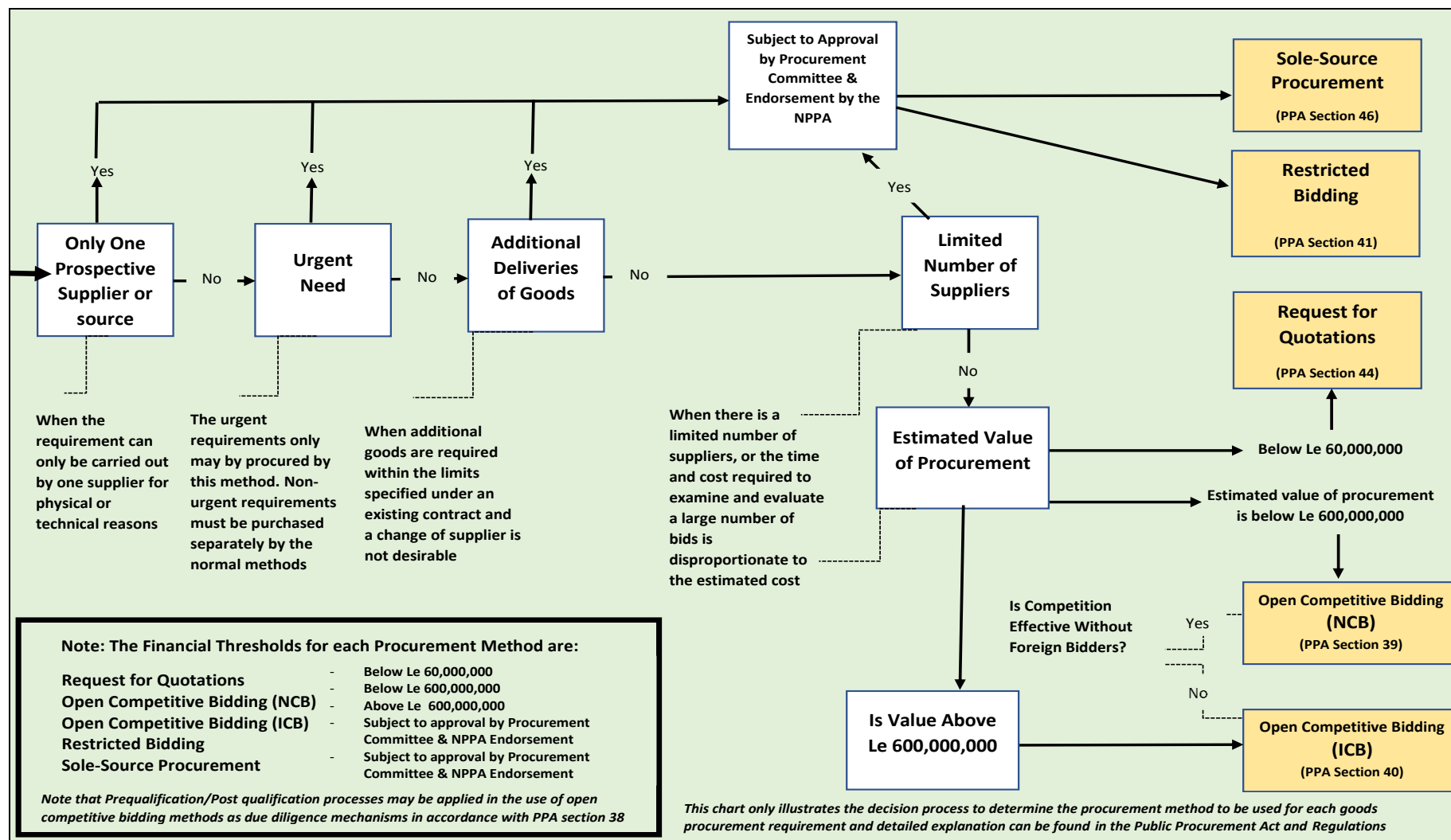
PROCUREMENT DISBURSEMENT FORECAST FOR (INSERT YEAR) BUDGET										
Crt pkg No	Contract Description	P/ment Mthd	Crt Value (Le)	Pmts to Date	Quarter 1 Jan. - Mar. Le	Quarter 2 April - Jun. Le	Quarter 3 Jul. - Sept. Le	Quarter 4 Oct. - Dec. Le	Totals Le	Rolled Over
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
11										
12										
13										
14										
15										
16										
17										
18										
	Totals									
NON - PROCUREMENT DISBURSEMENT FORECAST FOR (INSERT YEAR) BUDGET										
No.	Description	Estimated Cost. Le	pmts to Date	Quarter 1 Jan.- Mar. Le	Quarter 2 April - Jun. Le	Quarter 3 Jul. - Sept. Le	Quarter 4 Oct. - Dec. Le	Totals Le	Rolled Over	
1										
2										
3										
4										
6										
7										
8										
7										
8										
	Totals Le									

Figure 6 Procurement Disbursement Forecast and Non-Procurement Disbursement Forecast

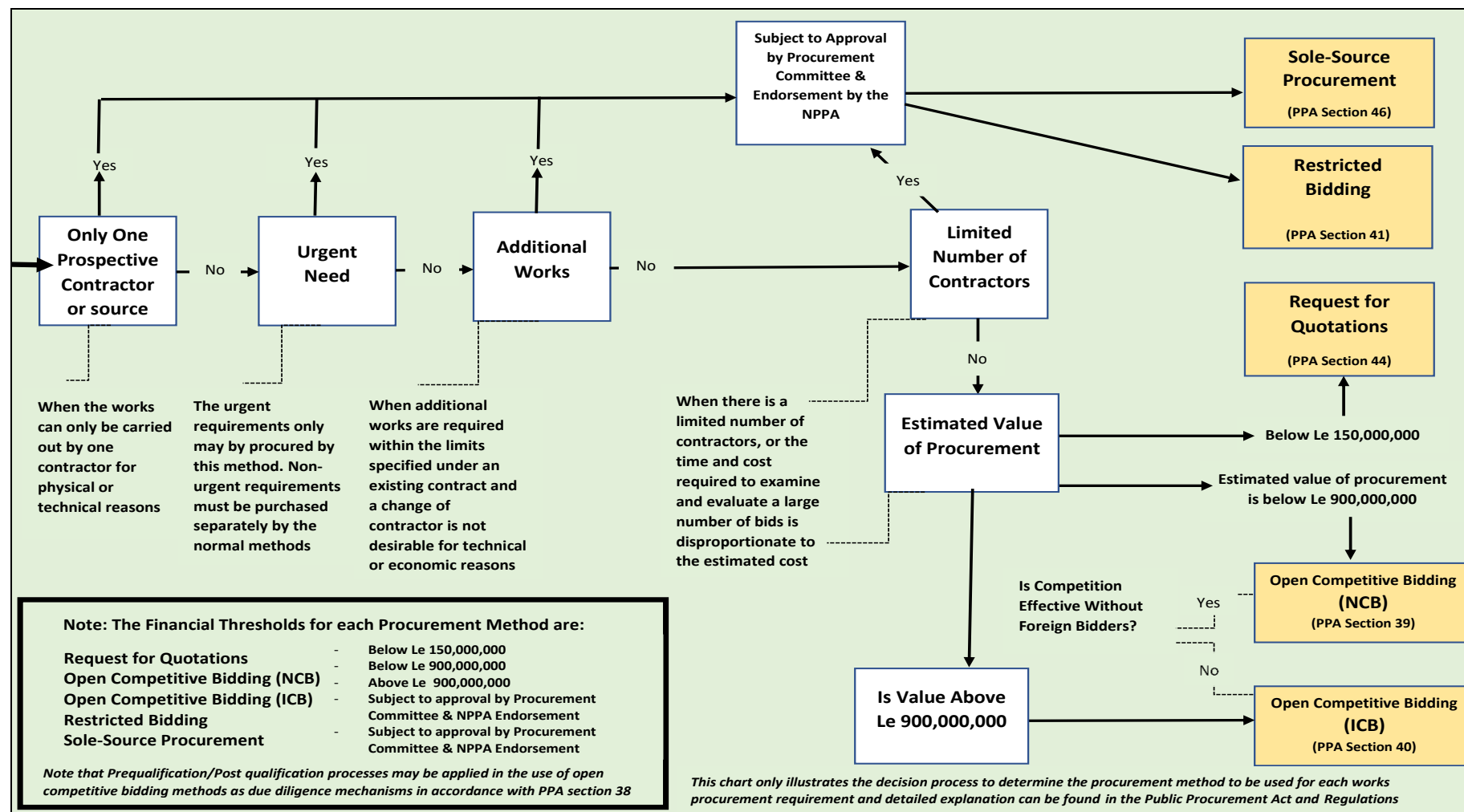
PROCUREMENT REQUIREMENTS						
NAME OF ENTITY:						
CATEGORY: GOODS ☐ , WORKS ☐ OR SERVICES ☐ (Tick the appropriate Box)						
NAME OF SUB-DEPARTMENT:						
ITEM NO	DESCRIPTION OF ITEM AND LOCATION	UNIT OF MEASURE	UNIT COST (Le)	QUANTITY	ESTIMATED TOTAL COSTS (LE)	EXPECTED COMPLETION DATE *
1						
2						
3						
4						

Figure 7 Requirements List for End User/Originating Departments to Complete

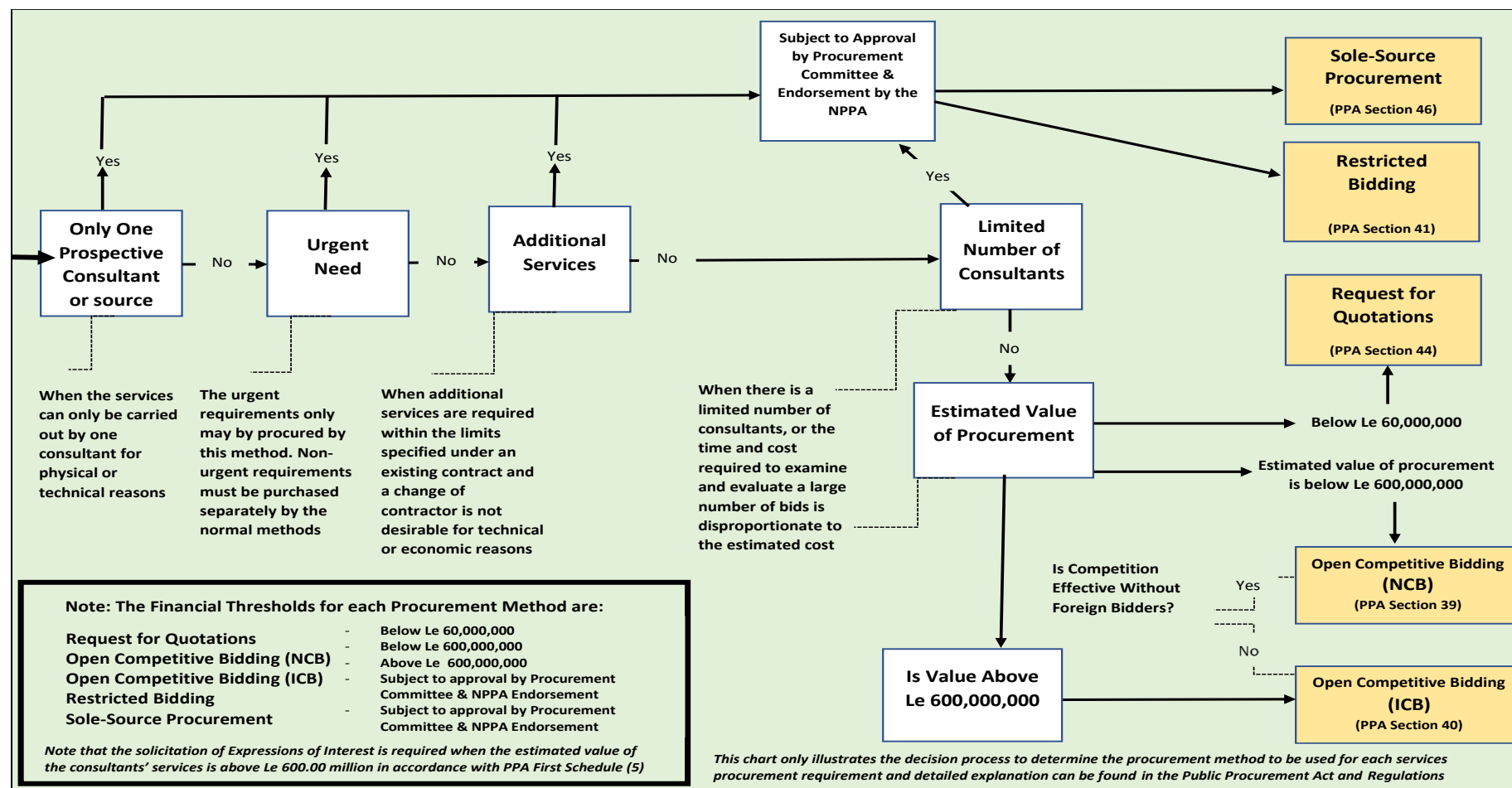
APPENDIX 3: METHOD SELECTION FLOW CHART-GOODS

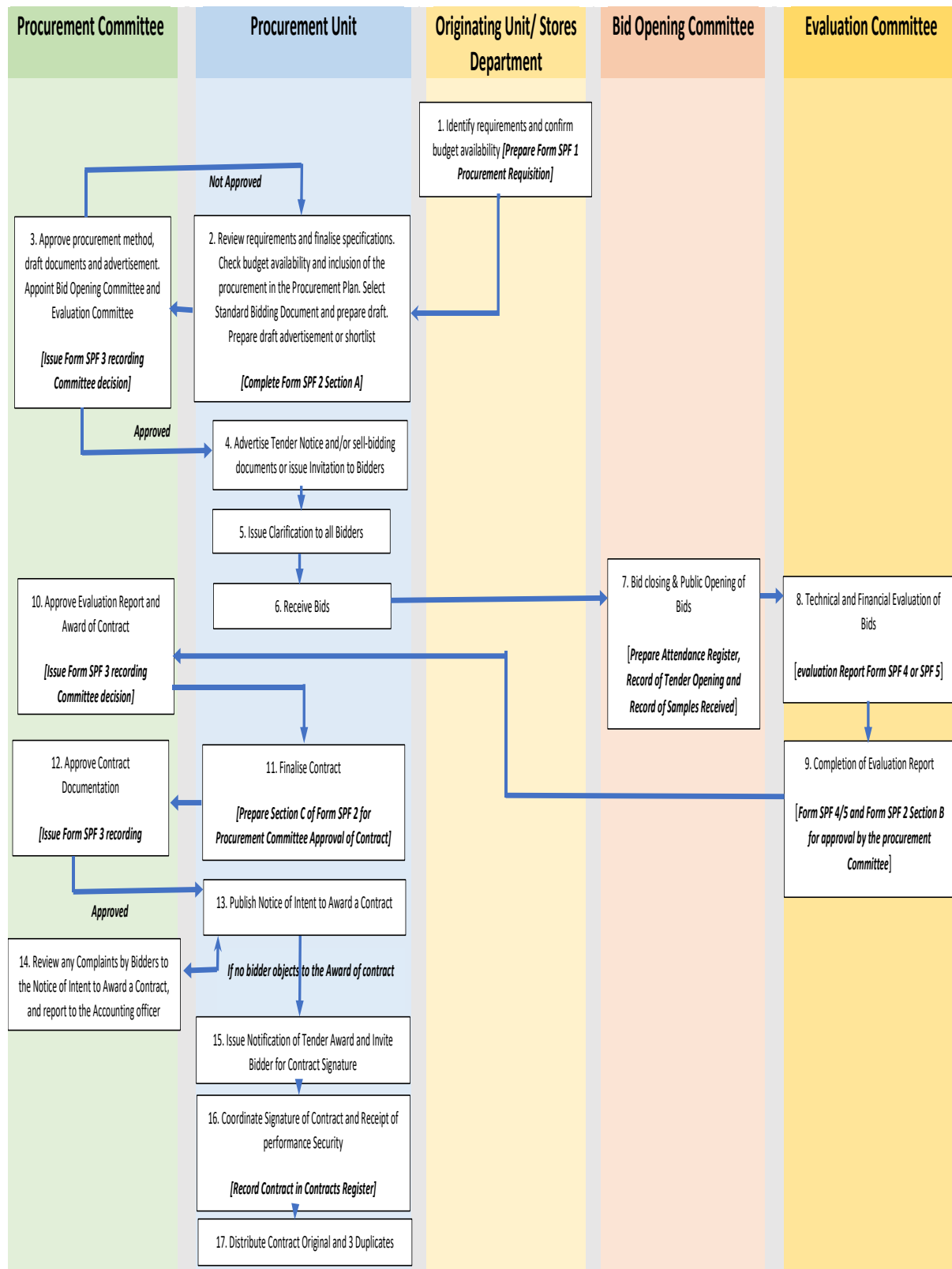


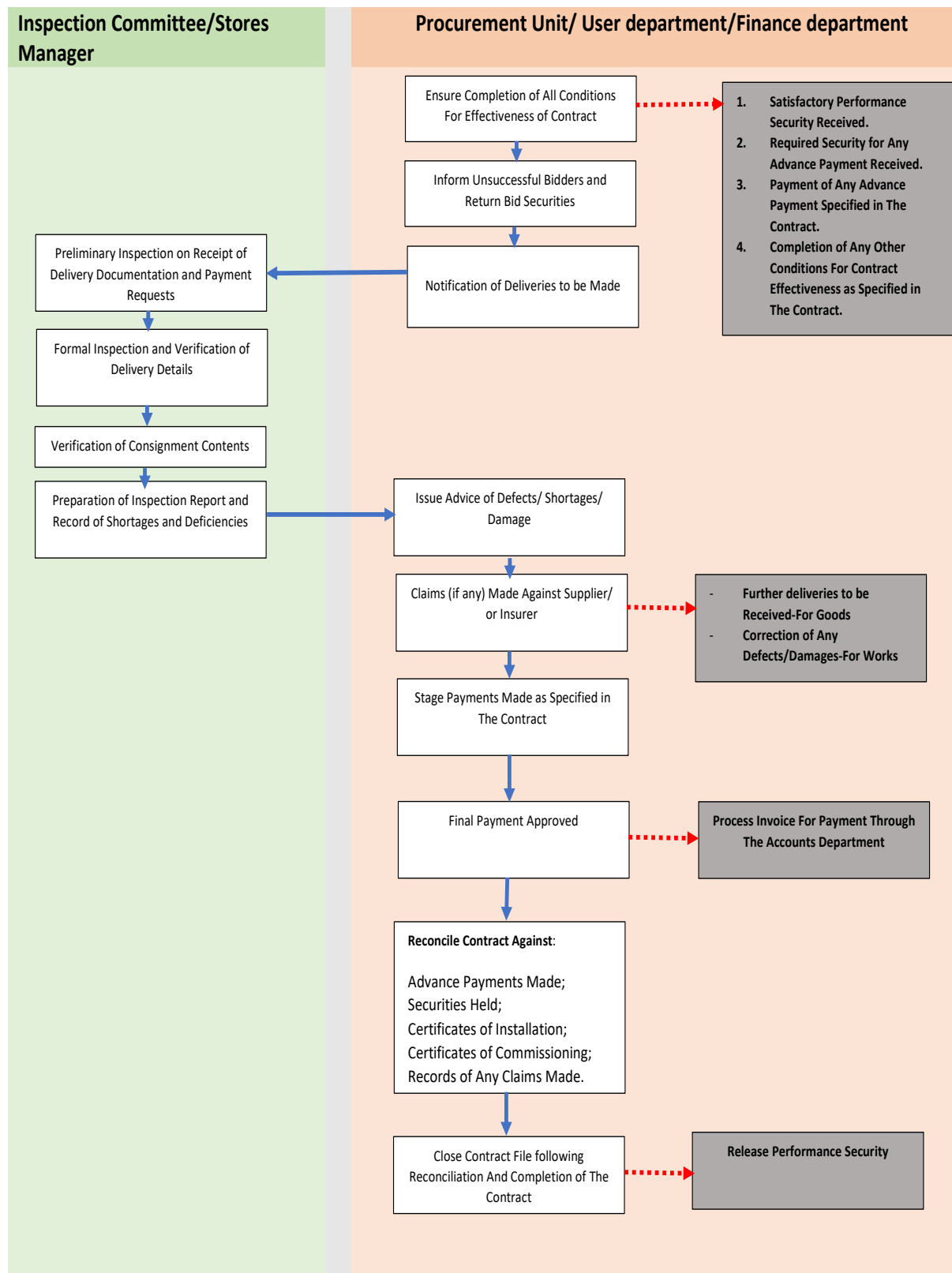
APPENDIX 4: METHOD SELECTION FLOW CHART-WORKS

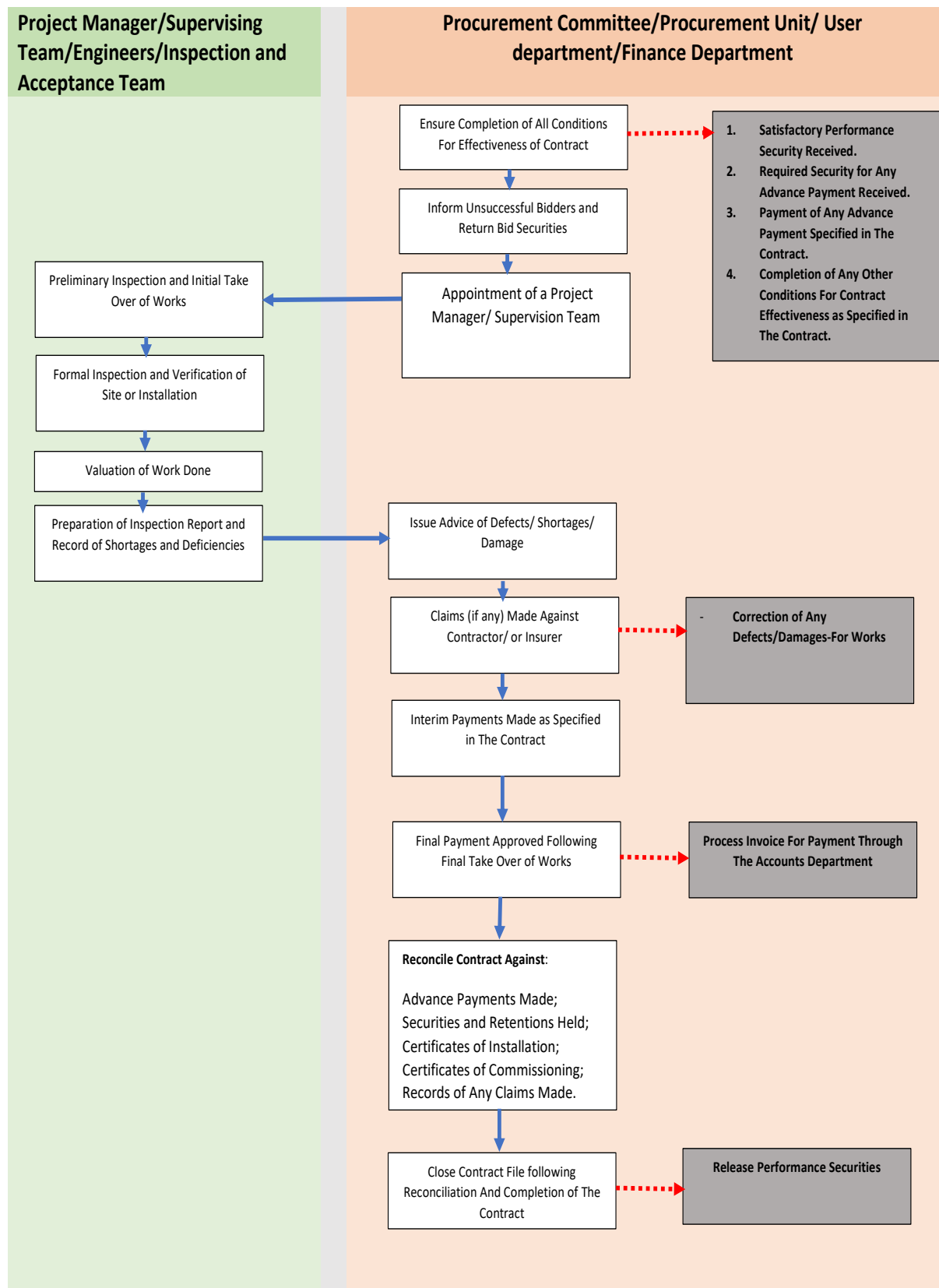


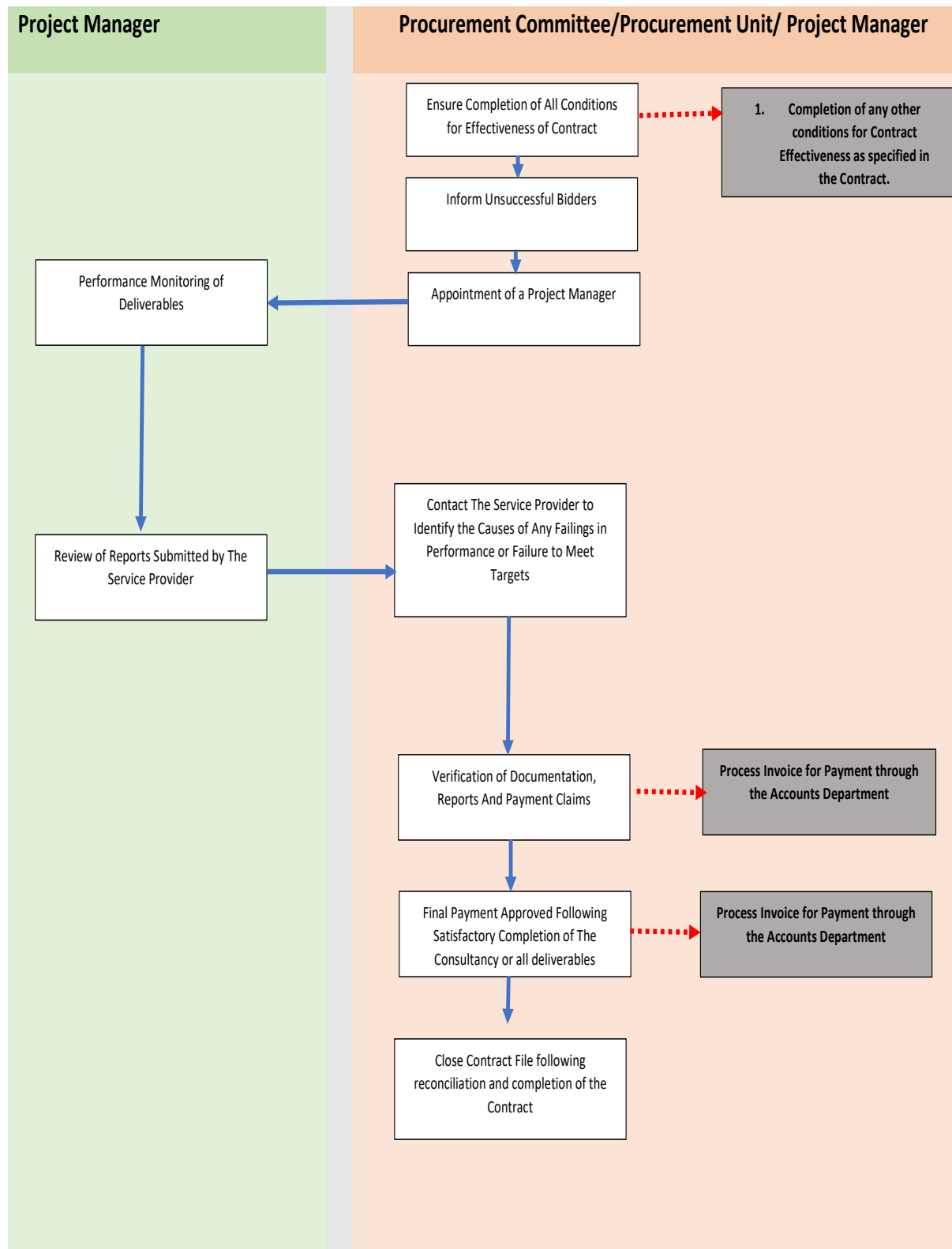
APPENDIX 5: METHOD SELECTION FLOW CHART-SERVICES



APPENDIX 6: PRE-CONTRACT ACTIVITIES FLOW CHART

APPENDIX 7: POST-CONTRACT ACTIVITIES FLOW CHART-GOODS

APPENDIX 8: POST-CONTRACT ACTIVITIES FLOW CHART-WORKS

APPENDIX 9: POST-CONTRACT ACTIVITIES FLOW CHART-SERVICES

**STANDARD PROCUREMENT FORM
FORM SPF 1: PROCUREMENT REQUISITION**

APPENDIX 10: STANDARD PROCUREMENT FORMS-SPF 1

GUIDANCE NOTES

Use of Document:

These notes are for guidance when completing the Procurement Requisition Form - SPF 1 which is used to initiate procurement activity.

Explanation:

Subject of Procurement - enter a brief title for the requirement e.g. “Photocopier for Administration Office”.

Location/Site - e.g. “Ministry Headquarters - Freetown”.

Item - the sequential number of each separate requirement - e.g. “1”, “2” “3” etc.

Description - list the individual requirement for goods - e.g. “Photocopier with sorter and stapler for 20 copies, A3/A4 paper handling, duplex facility, minimum of 40 pages per minute”. For works and services provide a general description of the requirement. Wherever appropriate, attach detailed specifications to provide full information.

Quantity - the number of items required.

Unit of Measure - e.g. “each”, “pack of 10”, “1 Kg box” as appropriate.

Estimated Unit Cost - enter the estimated cost of 1 unit.

Estimated Total Cost - enter the estimated cost of 1 unit multiplied by the quantity.

Funds availability: enter the detailed vote code which will be used to fund the expenditure, or if funding is provided directly by a donor, enter the donor’s name and project number.

Sign and enter details of name, job title and date.

Note: Attach all necessary supporting documents including detailed specifications, as appropriate before forwarding the original of Form SPF 1 and two copies to the Head of Department/Unit for approval. The Head of Department/Unit should forward the original and one copy to the Procurement Unit for processing and confirmation of the availability of funds. One copy should be retained for Departmental/Unit records and for progress chasing of the procurement.

This Form does not need to be completed when procuring small value items paid for from petty cash.

These Guidance Notes should be deleted once this Form has been complete

Insert Name of Procuring Entity

Form SPF 1

PROCUREMENT REQUISITION

Page ____ of ____

Procurement Number					
Procuring Entity	Department/Project	Financial Year	Sequence Number		

Subject of Procurement:		Location/Site:	
-------------------------	--	----------------	--

Item No.	Description (A detailed statement of requirements or stock management information may be attached)	Quantity	Unit of Measure	Estimated Unit Cost	Estimated Total Cost

Vote Code:

Estimated Total Cost:

--

Signatures required to certify that (1) the supplies, works, or services described are required, (2) funds are available or budgeted for the requirement, and that (3) approval is granted to proceed with the procurement.

	1. Originating officer	2. Finance officer	3. Head of department/unit
Signature:			
Name:			
Position:			
Date:			

All Memos or Minutes relating to the initiation of procurement activity including specifications of the procurement requirement must be attached to this Form.

STANDARD PROCUREMENT FORM

FORM SPF 2: SUBMISSION TO PROCUREMENT COMMITTEE

APPENDIX 11: STANDARD PROCUREMENT FORMS-SPF 2

GUIDANCE NOTES

Use of Document:

These notes are for guidance when completing Form SPF 2 which is used to make submissions to the procurement committee.

Explanation:

1. Form SPF 2 can be described as a cover letter or summary that is provided to the procurement committee. It acts as a checklist of information to be provided to the committee and ensures that submissions are presented with the approval of an authorised responsible officer.

2. This form has four sections as follows:

- Section A: Request for approval of specifications, procurement method and bidding documents
- Section B: Request for approval of evaluation report and contract award recommendations
- Section C: Request for approval of contract document and contract signature
- Section D: Request for contract amendment

3. In preparing Form SPF 2:

- All sections of the form should be prepared in 3 copies.
- The original copy of Form SPF 2 must be submitted with all required attachments to the procurement committee for approval.
- 1 copy must be retained by the procurement unit for filing under folder 2- bidding process in the procurement dossier.

Note that the requirements for bid and contract number only apply when multiple bids and contracts arise from a single requisition as is sometimes the case in framework contracts for instance.

These guidance notes should be deleted once the Form has been completed.

SUBMISSION TO PROCUREMENT COMMITTEE**SECTION A: REQUEST FOR APPROVAL OF SPECIFICATIONS,
PROCUREMENT METHOD AND BIDDING DOCUMENTS**

Procurement Number					
Procuring Entity	Department/Project	Financial Year	Sequence Number		

Subject of Procurement:	
-------------------------	--

SUBMISSION INFORMATION		
A1	Estimated cost (currency and amount)	
A2	Source of funding	
A3	Proposed method of procurement	
A4	For restricted bidding or RFQ – state method of selecting shortlist	
A5	For open tender – state proposed date and publications for announcement	
A6	Proposed cost of bidding document	
A7	If a pre-bid meeting is to be held – give reason and proposed date	
A8	Any other relevant information	

Documents Attached: *(list any other documents submitted)*

1. Form SPF 1: Procurement Requisition
2. Shortlist *(if applicable)*
3. Draft bidding document or draft pre-qualification document *(if applicable)*

The information contained in this form and the attached documents is complete, true and accurate and in accordance with the Public Procurement Manual and Standard Bidding Documents.

Signature: _____ Name: _____

Position: _____ Date: _____

SUBMISSION TO PROCUREMENT COMMITTEE**SECTION A: REQUEST FOR APPROVAL OF SPECIFICATIONS,
PROCUREMENT METHOD AND BIDDING DOCUMENTS**

Procurement Number					
Procuring Entity	Department/Project	Financial Year	Sequence Number		

Subject of Procurement:	
-------------------------	--

*Responsible Officer**(DD/MM/YY)*

SUBMISSION TO PROCUREMENT COMMITTEE**SECTION B: REQUEST FOR APPROVAL OF EVALUATION REPORT AND RECOMMENDATION FOR CONTRACT AWARD**

Procurement Number						
Procuring Entity	Department/ Project	Procurement Method	Financial Year	Sequence Number	Bid Number	Contract Number

Subject of Procurement:	
-------------------------	--

SUBMISSION INFORMATION		
B1	Type of evaluation report (technical only or combined financial and technical)	
B2	Have any negotiations been held with the recommended bidder or other bidders – if yes give details	
B3	Name and address of supplier/contractor recommended for contract award	
B4	Currency and total amount of recommended contract award	
B5	Any other relevant information	

Documents Attached: *(list any other documents or delete if not applicable)*

1. Form SPF 4 or Form SPF 5: Evaluation report for goods, works or services
2. Record of negotiations *(if applicable)*
3. Copies of all bids submitted

Related documents submitted previously: *(available for reference from procurement unit)*

1. Approved bidding document

Previous Submission: <i>(Section letter and title)</i>		Date Approved:	
--	--	-----------------------	--

The information contained in this form and the attached documents is complete, true and accurate and in accordance with the Public Procurement Manual and Standard Bidding Documents.

Signature: _____ Name: _____

Position: _____ Date: _____

SUBMISSION TO PROCUREMENT COMMITTEE**SECTION B: REQUEST FOR APPROVAL OF EVALUATION REPORT AND RECOMMENDATION FOR CONTRACT AWARD**

Procurement Number						
Procuring Entity	Department/ Project	Procurement Method	Financial Year	Sequence Number	Bid Number	Contract Number

Subject of Procurement:	
-------------------------	--

*Responsible Officer**(DD/MM/YY)*

SUBMISSION TO PROCUREMENT COMMITTEE**SECTION C: REQUEST FOR APPROVAL OF CONTRACT DOCUMENT**

Procurement Number						
Procuring Entity	Department/ Project	Procurement Method	Financial Year	Sequence Number	Bid Number	Contract Number

Subject of Procurement:	
-------------------------	--

SUBMISSION INFORMATION		
C1	Name and address of Supplier, Contractor or Consultant	
C2	Total value of Contract	
C3	Proposed date of contract signature	
C3	Any other relevant information	

Documents Attached: *(list any other documents)*

1. Draft contract
2. Draft notice of award

Related documents previously submitted: *(available for reference from the procurement unit)*

1. Approved bidding document
2. Approved evaluation report

Previous Submissions: <i>(Section letter and title)</i>		Dates Approved:	
---	--	------------------------	--

The information contained in this form and the attached documents is complete, true and accurate and funds are confirmed to be available for this contract:

Signature: _____ Name: _____

SUBMISSION TO PROCUREMENT COMMITTEE**SECTION C: REQUEST FOR APPROVAL OF CONTRACT DOCUMENT**

Procurement Number						
Procuring Entity	Department/ Project	Procurement Method	Financial Year	Sequence Number	Bid Number	Contract Number

Subject of Procurement:	
-------------------------	--

Position: _____ Date: _____
Responsible Officer (DD/MM/YY)

SUBMISSION TO PROCUREMENT COMMITTEE**SECTION D: REQUEST FOR APPROVAL OF CONTRACT AMENDMENT**

Procurement Number						
Procuring Entity	Department/ Project	Procurement Method	Financial Year	Sequence Number	Bid Number	Contract Number

Subject of Procurement:	
-------------------------	--

SUBMISSION INFORMATION

D1	Describe proposed amendment to contract	
D2	Reason for amendment of contract	
D3	How many times (if any) has the contract been amended previously?	
D4	Original contract value	
D5	Total value of any previous amendments and percentage of original contract value	
D6	Value of proposed contract amendment and percentage of original contract value	
D7	Any other relevant information	

Documents Attached: *(list any other documents)*

1. Draft contract amendment

Related documents submitted previously: *(available for reference the procurement unit)*

1. Original contract document and all previous amendments

The information contained in this form and the attached documents is complete, true and accurate and the funds are confirmed to be available for this contract amendment:

Signature: _____ Name: _____

Position: _____ Date: _____
Responsible Officer *(DD/MM/YY)*

STANDARD PROCUREMENT FORM
FORM SPF 3: PROCUREMENT COMMITTEE DECISION

APPENDIX 12: STANDARD PROCUREMENT FORMS-SPF 3

GUIDANCE NOTES

Use of Document:

These notes are for guidance when completing Form SPF 3 which is used to record the decisions of the procurement committee following receipt of Form SPF 2 and other procurement documents.

Explanation:

On receipt of Form SPF 2 from the procurement unit together with all draft documents, the procurement committee should ensure the completion of the necessary section of Form SPF 3, performing the following actions as the case may be:

1. Review and approve or reject the submission: this includes the detailed specifications, bill of quantities, activity schedule as well as any classification into lots to enhance competition from bidders.
2. Review and approve or reject the bidding documents and the advertisement or invitation to bidders and shortlist, including the bidding period and cost of the bidding documents.
3. Return any rejected procurements to the procurement unit giving detailed reasons for the rejection.
4. Issue a full or a qualified approval for the procurement to proceed. A qualified approval may be issued subject to clearly explained minor corrections which must be made to the documents or specifications before issue.
4. Nominate the bid opening committee and the evaluation committee as appropriate for each approval granted; advice and recommendations should be provided by the procurement unit.
5. Maintain full minutes of meetings and record all decisions and recommendations on Form SPF 3.
6. Ensure that copies of all documents reviewed by the committee are retained by the procurement unit for ease of reference, and that the decisions of the committee are promptly communicated to the originator or end user department in relation to the procurement request.

These Guidance Notes should be deleted once the Form has been completed.

SUBMISSION TO PROCUREMENT COMMITTEE**SECTION C: REQUEST FOR APPROVAL OF CONTRACT DOCUMENT**

Procurement Number						
Procuring Entity	Department/ Project	Procurement Method	Financial Year	Sequence Number	Bid Number	Contract Number

Subject of Procurement:	
-------------------------	--

Addressed to:

Name: _____

Position: _____

SUBMISSION INFORMATION

Subject of Procurement	
Procurement Method	
Section(s) Submitted to Procurement Committee (Letters and Names)	
Date and Reference of Procurement Committee Meeting	

PROCUREMENT COMMITTEE DECISION**Approval / Rejection** of submission to procurement committee *(delete as applicable)**List any qualifications and conditions to the approval or state if none, list all reasons for rejection.**For contract awards or contract amendments, state name of company and total of contract award or amendment (currency, amount, including/excluding taxes if applicable).**List any other comments or requirements of the procurement committee.*

The value of any contract or contract amendment must be committed **before** the signature and issue of the contract or contract amendment.

Signature: _____

Name: _____

Position: _____

Date: _____

(DD/MM/YY)

STANDARD PROCUREMENT FORM

FORM SPF 4: EVALUATION REPORT (LEAST COST SELECTION)

APPENDIX 13: STANDARD PROCUREMENT FORMS-SPF 4

Guidance Notes

Use of Document:

These notes are for guidance when drafting evaluation reports for procurements based on the least cost method. This is the preferred method for all procurements of goods, works and simple services.

Explanation:

[] denotes that information is to be inserted when drafting the document.

{ } denotes an alternative or an explanation to the user.

All explanations, and alternatives that are not used, must be deleted when completing the evaluation report.

General Notes:

- a) Copies of the completed record of bid opening, the record of samples received and the bid opening attendance register should be attached to the evaluation report (where applicable).
- b) This evaluation report is designed for use in:
 - ☐ simple technical evaluations using pass/fail criteria against the minimum specification with selection of the lowest priced bid; and
 - ☐ adjusted bid price evaluations where adjustments to the bid price as specified in the bidding documents are made for acceptable deviations (such as delayed delivery);
- c) The evaluation committee decides the responsiveness of each bid (Table 1), the technical compliance (Table 2) and the price evaluation (Table 3). In making these decisions, the evaluation team must base decisions only on what is actually stated in the bid document or RFQ.
- d) The narrative in the evaluation report should explain clearly and concisely the result and decisions reached during the evaluations.

The Guidance Notes should be deleted once the Evaluation Report is completed.

EVALUATION REPORT

Page ____ of ____

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

Introduction

The requirement is for the procurement of [subject of procurement].

The procurement method used and approved by the procurement committee was [open tender/ limited tender/ request for quotations/direct procurement].

Details of Invitation

The bidding documents were approved by the Procurement Committee on [date]. The announcement was advertised on the [date] in [name of publications]. A list of bidders purchasing the bidding documents is attached.

{Or for limited tender/RFQ/ or following pre-qualification for this tender}

The bidding documents were approved by the procurement committee on [date]. The shortlist of bidders was selected by the following method [explain method of selection].

Other Bidding Information

[List any other information on the bidding process including any pre-bid meeting, clarifications requested, or extensions of bidding period, and list and attach the appropriate records.]

Bid Closing

Bids were closed on [date] at [time] at [location].

Details of Bid Opening/Quotation Opening.

Bids were opened in public at [location] by the bid opening committee on [date] at [time]. Copies of the record of bid opening, the register of attendance, and the record of samples received are attached.

[Explain any important issues that arose during the bid opening procedures]

{Or for RFQ}

The sealed quotations were opened at [location] by the bid opening committee on [date] at [time]. Copies of the record of bid opening, the register of attendance, and the Record of samples received are attached

Evaluation Procedures

The Evaluation Committee consisted of the following officials:

EVALUATION REPORTPage ___ of

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

[Name] [Position] (Chairman of Evaluation Committee)
 [Name] [Position]
 [Name] [Position]
 [Name] [Position]

Evaluation Methodology

The evaluation method specified in the bidding documents was the lowest priced bid (least cost selection) of the technically compliant and responsive bids.

[Explain important evaluation criteria such as evaluated price adjustments (e.g. for delays) to be used in determining the best evaluated bid, acceptable deviations from the confidential price estimate, or other criteria as specified in the bidding documents]

Preliminary Examination of Bids

Bids were examined to determine the:

- ☐ submission of the required bid security;
- ☐ commercial responsiveness of each bid to the Invitation; and
- ☐ qualifications of the bidder.

The results of this preliminary examination are given in Table 1 attached.

[Explain why any bids were declared non-responsive and rejected during the preliminary examination]

Technical Evaluation

- i. Technical evaluation determined the compliance of each responsive bid to the technical specification issued in the bidding documents.
- ii. {Samples submitted were inspected and confirmed to be acceptable.}
- iii. The technical evaluation was conducted on a pass/fail basis only. Only bids that passed both the preliminary responsiveness and technical compliance tests were considered for financial evaluation.

The evaluation of the technical specifications of all bids is summarised in Table 2.

[Give a brief description of the results of the Technical Evaluation, with detailed justification as to why any bids were declared non-compliant].

Financial evaluation (of technically compliant and responsive bids)

EVALUATION REPORT

Page ____ of ____

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

All responsive and technically compliant bids were examined and tabulated in Table 3 to:

- i. record the submitted bid prices;
- ii. correct for any omissions or arithmetic mistakes;
- iii. convert the bid prices to Leones (if necessary); and
- iv. adjust the bid prices for criteria specified in the bidding document (such as delayed delivery penalties) to arrive at the evaluated bid price for comparison;
- v. rank bids on the basis of the lowest evaluated price.

[Describe for each bid any corrections, errors in calculations, penalties added to the bid price for evaluation purposes and conversion to a common currency if necessary]

Post-Qualification (when no pre-qualification procedure was used)

The best ranked bid, submitted by [Name of Company], was subjected to post-qualification examination covering (add/delete as applicable):

- i. experience and performance on similar contracts;
- ii. equipment and manufacturing/construction facilities
- iii. qualifications and experience of personnel;
- iv. financial position;
- v. local facilities and representation;
- vi. current capacity available;
- vii. litigation record.

[Record any constraints or limitations, and accept or reject (with full justifications) the bidder.]

{If the bidder is rejected, repeat the post-qualification test for the next ranked bidder}

[Name of Company] is confirmed to have passed the post-qualification requirements.

The original estimated market price of the procurement was [insert amount]

Recommendation

On the basis of the evaluation criteria stated in the bidding document, it is recommended that the award of contract be made to [Name of Company] for a total contract value of [currency and amount] for the procurement of [list all items that the award relates to].

EVALUATION REPORTPage ____ of

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

Signed by the Members of the Evaluation Committee:

Signature:.....Name:.....

Signature:.....Name:.....

Signature:.....Name:.....

Date:.....(DD/MM/YY)

Attachments: (where applicable)

List of bidders who purchased or received the bidding documents,

Record of bid Opening,

Record of samples received,

Bid opening attendance list,

Evidence of exchange rates used for conversion to Leones.

Insert Name of Procuring Entity

TABLE 1 – PRELIMINARY EXAMINATION AND ASSESSMENT OF QUALIFICATIONS

Page ___ of ___

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

	1	2	3	4	5	6
Company Name:						
Responsiveness Criteria Required	(NR/R)	(NR/R)	(NR/R)	(NR/R)	(NR/R)	(NR/R)
<i>[Use only criteria as listed in Tender/RFQ]</i>						
Qualification Criteria						
<i>[Use only criteria as listed in Tender/RFQ]</i>						
Conclusion	(NR/R)	(NR/R)	(NR/R)	(NR/R)	(NR/R)	(NR/R)

KEY: **R** - Responsive**NR** - Non-Responsive

Insert Name of Procuring Entity

TABLE 1 – PRELIMINARY EXAMINATION AND ASSESSMENT OF QUALIFICATIONS

Page__ of __

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

This examination eliminated [number] companies, [Names of Companies]

TABLE 2 – SUMMARY OF TECHNICAL EVALUATION
(ONLY BIDS THAT ARE RESPONSIVE)

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

No.	Company	Technical Compliance	Comments (Reasons for Non-Compliance)
1		C/NC	
2		C/NC	
3		C/NC	
4		C/NC	

KEY: C denotes Compliant NC denotes Non-compliant

This examination eliminated [number] companies, [Names of Companies]

Attach Combined Technical Specification and Compliance Sheets for each Quotation/Tender if technical evaluation is complex.

TABLE 3 – SUMMARY OF PRICE EVALUATION
(ONLY BIDS THAT ARE RESPONSIVE AND TECHNICALLY COMPLIANT)

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

No	Company	Amount of Bid and Currency	Corrections to Bid Price	Exchange rate	Amount in Leones	Adjustments to Bid Price	Evaluated Bid Price	Rank
1								
2								
3								
4								
5								
6								

Attach additional working spreadsheets detailing line item comparisons for partial or split awards.

STANDARD PROCUREMENT FORM

FORM SPF 5: EVALUATION REPORT (QUALITY AND COST BASED SELECTION)

APPENDIX 14: STANDARD PROCUREMENT FORMS-SPF 5

Guidance Notes

Use of Document:

These notes are for guidance when drafting Evaluation Reports for procurements undertaken using the Request for Proposals procedure and based on the Quality & Cost Based Selection (QCBS) method but can also be adapted for use in Quality Based Selection (QBS), and Fixed Budget Selection (FBS) evaluations.

QCBS is the standard method of evaluating consultant services but may also be applicable to goods and works procurement where the required technical quality cannot be specified with any certainty and is an essential additional factor to the cost.

Explanation:

[] denotes that information is to be inserted when drafting the document.

{ } denotes an alternative or an explanation to the user.

All explanations, and alternatives that are not used, must be deleted when completing the Evaluation Report.

General Notes:

- a) For consultant services, use of a two-envelope system is standard with only the Technical Envelopes opened at the initial Public Bid Opening. Following approval of the results of the Technical Evaluation, a second Public Opening is held of the Financial Envelopes of consultants who achieved the minimum technical score. The Technical and Financial evaluation reports are therefore split to allow for separate Procurement Committee approval of each stage.
- b) Copies of the completed Record of Bid Opening, the Bid Opening Attendance List must be attached to the Evaluation Report.
- c) The Evaluation Committee will decide the responsiveness of each proposal (Table 1), the Technical Scores (Table 2), and the Financial Evaluation (Table 3) and the Combined Technical and Financial Evaluation (Table 4).
- d) The narrative in the Evaluation Report should explain clearly and concisely the result and justification of all decisions reached during the Evaluations.

This entire page should be deleted once the Evaluation Report is completed.

EVALUATION REPORT (QUALITY AND COST BASED SELECTION)

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

Introduction

The requirement is for the procurement of **[subject of procurement]**.

The procurement method used was **[insert method]**.

Details of Invitation

The shortlist of consultants was selected by the following method **[insert method]**.

The **[insert method]** was issued to short-listed consultants on **[insert date]**. A list of the short-listed consultants is attached.

Other Information

[List any other information on the selection process including any Pre-Proposal Meeting, clarifications requested, or extensions of bidding period, and list and attach the appropriate records.]

Bid Closing

Bids were closed on [date] at [time] at [location].

Details of Bid Opening

The Technical Proposals⁴ were opened in public at the **[insert venue]** by the Bid Opening Committee on **[insert date]**. The Record of Bid Opening and the Register of Attendance are attached.

[Explain any important issues that arose during the bid opening procedures]

Evaluation Procedures

The Evaluation Committee consisted of the following officials:

[Name]	[Position]	(Chairman of Evaluation Committee)
[Name]	[Position]	
[Name]	[Position]	
[Name]	[Position]	

Evaluation Methodology

The evaluation method specified in the Request for Proposals was [Quality and Cost Based Selection] with technical factors assessed on the following criteria:

[List criteria as specified in the RFP]

⁴ Note for two-envelope bidding – only the Technical Envelopes will be opened at the initial Bid Opening as specified in the Request for Proposals.

EVALUATION REPORT (QUALITY AND COST BASED SELECTION)

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

Preliminary Examination of Proposals

Technical Proposals were examined to:

- ☐ confirm the submission of any required documents;
- ☐ ensure responsiveness to all the requirements of the proposal; and
- ☐ confirm the eligibility of the consultant.

The results of this preliminary examination are given in Table 1 attached.

[Explain why any proposals were declared non-responsive and rejected during the preliminary examination]

Technical Evaluation Results

[Provide a brief report on each proposal listing the strengths and weaknesses of each technical proposal and also the reasons for any large differences in scoring by Members of the Evaluation Committee.]

A summary of the technical scores awarded to each proposal is attached at Table 2. Individual scoresheets for each proposal are given in Tables 2A, and the scores awarded by each Member of the Evaluation Committee are given in Tables 2B.

[State which proposals failed to reach the specified minimum technical mark]

Technical Evaluation Recommendation

On the basis of the technical evaluation criteria and the minimum qualifying score of **[insert score]** stated in the Request for Proposals, it is recommended that the financial envelopes of the following consultants be opened:

No.	Name of Consultant	Technical Score
1		
2		
3		
4		

Signed by the Bid Evaluation Committee:

EVALUATION REPORT (QUALITY AND COST BASED SELECTION)

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

Attach (as appropriate)

Shortlist of Consultants,

Record of Bid Opening,

Bid Opening Attendance List.

Table 1: Preliminary Examination and Assessment of Eligibility

Table 2: Summary of Technical Evaluation

Tables 2A: Detailed Technical Evaluation of Proposal (one for each consultant)

Tables 2B: Evaluator's Score Sheet for Technical Evaluation (one for each evaluator)

EVALUATION REPORT (QUALITY AND COST BASED SELECTION)

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

PART 2: FINANCIAL EVALUATION

Details of Financial Proposal Opening

A Public Opening of Financial Proposals was held at [location] on [date] at [time]. Financial envelopes were opened, and prices and technical scores were read out. A copy of the Bid Opening Record is attached.

[Record any important issues that arose during the opening procedures]

Financial evaluation

[Describe any errors in calculation and corrections made and the conversion to a common currency if necessary.]

The proposal with the lowest price was given a score of 100 and the other proposals were given scores that are inversely proportional to the lowest cost proposal using the formula as described in the Request for Proposals.

{Or describe other method for allocating financial scores, as specified in the RFP.}

Table 3 summarises the results of the financial evaluation.

Combined Technical and Financial Score

A total score for each proposal was obtained by adding the technical and financial scores after multiplying by the weightings stated in the Request for Proposals. The technical weight was [technical weight] % and the financial weight was [financial weight] %. The proposals were ranked according to total score, with the highest total score being ranked number 1.

Table 4 summarises the technical and financial scores, and the total scores and rankings.

Recommendation

On the basis of the evaluation methodology and criteria stated in the Request for Proposals, it is recommended that [Name of Consultant] is invited to negotiate for possible award to contract in sum of [currency and amount].

{Or give alternative recommendation for award of contract where negotiations are not required}

Signed by the Members of the Bid Evaluation Committee:

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

Attach as appropriate:

EVALUATION REPORT (QUALITY AND COST BASED SELECTION)

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

Record of Financial Proposal Opening

Financial Proposal Opening Attendance List

Evidence of Exchange Rates used for conversion to a common currency for evaluation

Table 3: Summary of Financial Evaluation

Table 4: Technical and Financial Evaluation Summary

Insert Name of Procuring Entity

TABLE 1 – PRELIMINARY EXAMINATION

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

	1	2	3	4	5	6
Consultant Name						
Eligibility criteria	NR/R	NR/R	NR/R	NR/R	NR/R	NR/R
Complete criteria as listed in the RFP						
Responsiveness criteria						
Complete criteria as listed in the RFP						
Conclusion	NR/R	NR/R	NR/R	NR/R	NR/R	NR/R

KEY: R = Responsive NR = Non-Responsive (delete that which is not applicable)

This assessment eliminated [number] Consultants, [Names of Consultants].

Insert Name of Procuring Entity

TABLE 2 – SUMMARY OF TECHNICAL EVALUATION

Page ___ of ___

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

Evaluation Criteria		Max Score	Enter Average Scores from each Table 2A.					
Complete criteria and scores as listed in the RFP			Consultant 1	Consultant 2	Consultant 3	Consultant 4	Consultant 5	Consultant 6
A	Main Criteria:							
A1	Sub-criteria							
A2								
A3								
A4								
B	Main Criteria:							
B1	Sub-criteria							
B2								
B3								
B4								
C	Main Criteria:							
C1	Sub-criteria							
C2								
C3								
C4								
D	Main Criteria:							
D1	Sub-criteria							

Insert Name of Procuring Entity

TABLE 2 – SUMMARY OF TECHNICAL EVALUATION

Procurement Number								
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number			

D2								
D3								
D4								
E	Main Criteria:							
E1	Sub-criteria							
E2								
E3								
E4								
Totals								
Minimum Qualifying Score			Pass / Fail	Pass / Fail	Pass / Fail	Pass / Fail	Pass / Fail	Pass / Fail

TABLE 2A – DETAILED TECHNICAL EVALUATION OF PROPOSAL

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

Consultant Name: _____

Evaluation Criteria		Max Score	Enter Individual Scores per Evaluator from each Table 2B.					
Complete criteria and scores as listed in the RFP			Evaluator 1	Evaluator 2	Evaluator 3	Evaluator 4	Evaluator 5	Average
A	Main Criteria							
A1	Sub-criteria							
A2								
A3								
A4								
B	Main Criteria							
B1	Sub-criteria							
B2								
B3								
B4								
C	Main Criteria							
C1	Sub-criteria							
C2								
C3								

Complete one table for each proposal evaluated. Continue on additional pages if necessary.

Insert Name of Procuring Entity

TABLE 2A – DETAILED TECHNICAL EVALUATION OF PROPOSAL

Procurement Number											
Procuring Entity		Department/Project		Procurement Method		Financial Year		Sequence Number		Bid/Contract Number	

C4									
D	Main Criteria								
D1	Sub-criteria								
D2									
D3									
D4									
E	Main Criteria								
E1	Sub-criteria								
E2									
E3									
E4									
	Totals								

Complete one table for each proposal evaluated. Continue on additional pages if necessary.

TABLE 2B – EVALUATOR’S SCORE SHEET FOR TECHNICAL EVALUATION

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

EVALUATOR NAME: _____

Evaluation Criteria		Max Score	Enter Individual Scores per Evaluator for each Table 2B.					
Complete criteria and scores as listed in the RFP			Consultant 1	Consultant 2	Consultant 3	Consultant 4	Consultant 5	Average
A	Main Criteria							
A1	Sub-criteria							
A2								
A3								
A4								
B	Main Criteria							
B1	Sub-criteria							
B2								
B3								
B4								
C	Main Criteria							
C1	Sub-criteria							
C2								
C3								
C4								
D	Main Criteria							
D1	Sub-criteria							

Each evaluator to complete one table covering all proposals evaluated.

Continue on additional pages if necessary.

TABLE 2B – EVALUATOR’S SCORE SHEET FOR TECHNICAL EVALUATION

Procurement Number								
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number			
D2								
D3								
D4								
E	Main Criteria							
E1	Sub-criteria							
E2								
E3								
E4								
	Totals							

Each evaluator to complete one table covering all proposals evaluated.
Continue on additional pages if necessary.

Insert Name of Procuring Entity

TABLE 3 – SUMMARY OF FINANCIAL EVALUATION

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

Evaluation Currency: _____

No	Consultant Name	Bid Currency	Bid Total (Read Out)	Corrections made	Corrected Bid Total	Exchange Rate	Evaluated Total	Financial Score*

TABLE 3 – SUMMARY OF FINANCIAL EVALUATION

Procurement Number								
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number			

No	Consultant Name	Bid Currency	Bid Total (Read Out)	Corrections made	Corrected Bid Total	Exchange Rate	Evaluated Total	Financial Score*

*A score of 100 should be awarded to the lowest priced proposal
Other proposals are given a financial score inversely proportional to the lowest cost proposal, using the following calculation:
Lowest proposal price ÷ proposal price x 100 = financial score.
{Replace with other methodology for allocating cost scores if an alternative methodology is stated in the Request for Proposals.}

TABLE 4 – SUMMARY OF COMBINED TECHNICAL AND FINANCIAL EVALUATION

Procurement Number					
Procuring Entity	Department/Project	Procurement Method	Financial Year	Sequence Number	Bid/Contract Number

No	Consultant Name	Technical Score	Technical Weighting	Weighted Technical Score (WTS)	Financial Score	Financial Weighting	Weighted Financial Score (WFS)	Total Score	Rank
		Max. 100	_____ %		Max. 100	_____ %		WTS + WFS Max. 100	

Complete one table for each proposal evaluated. Continue on additional pages if necessary.

STANDARD PROCUREMENT FORM
FORM SPF 6: MONTHLY PROCUREMENT REPORT

APPENDIX 15: STANDARD PROCUREMENT FORMS-SPF 6

GUIDANCE NOTES-SECTION A

Use of Document:

These notes are for guidance when completing Section A of Form SPF 6 which is used to report on ongoing procurements which have passed the initial stage of approval by the Procurement Committee during the month, that are within and above the RFQ threshold.

Explanation:

Procurement Number: Indicate the procurement number e.g. MOF/ADMIN/ICB/2019/0022

Subject of Procurement: Indicate the title/name of the procurement as specified in preceding SPF Forms.

Procurement Method: Indicate the approved procurement method as evidenced in Form SPF 3 (i.e. Open Competitive Bidding, Restricted Bidding, Sole Sourcing and Request for Quotation).

Source of Funds: (e.g. Government or GoSL, World Bank, other donors).

Approval Given For: Indicate other approval of the procurement process that have been received so far as at the time of reporting (e.g. bidding document, evaluation report, and contract award etc.);

Date of Approval: Indicate the date/s of approval corresponding to the approval type received.

Estimated Contract Value: Indicate the estimated contract value as stated in the procurement plan and Form SPF 1.

These Guidance Notes should be deleted once the Form has been completed.

Complete one table for each proposal evaluated. Continue on additional pages if necessary.

MONTHLY PROCUREMENT REPORT

Report for Month/Year:	
------------------------	--

To be submitted by each Procurement Committee to the Public Procurement Authority within 14 days of the end of each month for each preceding month.

SECTION A: PROCUREMENTS IN PROGRESS/PROCESS WITHIN AND ABOVE THE RFQ THRESHOLD						
Procurement Number	Subject of Procurement	Procurement Method	Source of Funds	Approval Given For	Date of Approval	Estimated Contract Value

Continue on additional pages if necessary.

STANDARD PROCUREMENT FORM
FORM SPF 6: MONTHLY PROCUREMENT REPORT

GUIDANCE NOTES-SECTION B

Use of Document:

These notes are for guidance when completing Section B of Form SPF 6 which is used to report on all new contracts signed during the month that are within and above the RFQ threshold.

Explanation:

Procurement Number: Indicate the procurement number e.g. MOF/ADMIN/ICB/2019/0022

Subject of Procurement: Indicate the title/name of the procurement as specified in preceding SPF Forms.

Successful Supplier/Contractor/Consultant: Indicate the name of the successful supplier/contractor/consultant.

Source of Funds: (e.g. Government or GoSL, World Bank, other donors).

Contract Signed Date: Indicate the date of contract signature as specified in the contract document, i.e. the date on which the last signature was signed in the contract document.

Contract Amendment Date: Indicate the date of any contract amendment that has been done since contract signature. Reasons for such Amendments should be given on this form or on a separate sheet to be submitted along with the completed Form.

Contract Value: Indicate the value of the contract as stated in the contract document.

These Guidance Notes should be deleted once the Form has been completed.

Complete one table for each proposal evaluated. Continue on additional pages if necessary.

MONTHLY PROCUREMENT REPORT

Report for Month/Year:	
------------------------	--

To be submitted by each Procurement Committee to the Public Procurement Authority within 14 days of the end of each month for each preceding month.

SECTION B: CONTRACTS SIGNED WITHIN AND ABOVE THE RFQ THRESHOLD						
Procurement No.	Subject of Procurement	Successful Supplier/Contractor/Consultant	Source of Funds	Contract Signed Date	Contract Amendment Date	Contract Value

Continue on additional pages if necessary.

STANDARD PROCUREMENT FORM
FORM SPF 6: MONTHLY PROCUREMENT REPORT

GUIDANCE NOTES-SECTION C

Use of Document:

These notes are for guidance when completing Section C of Form SPF 6 which is used to report on procurements which have been cancelled (after receiving an initial procurement approval by the Procurement Committee) before reaching contract signature or procurements which have been cancelled after contract signing that are within and above the RFQ threshold. Note that the Act, Regulations and Manual all specify circumstances under which procurements can be cancelled. Procurements which are simply delayed can be indicated when updating the procurement plan.

Explanation:

Procurement Number: Indicate the procurement number e.g. MOF/ADMIN/ICB/2019/0022

Subject of Procurement: Indicate the title/name of the procurement as specified in preceding SPF Forms.

Source of Funds: (e.g. Government or GoSL, World Bank, other donors).

Procurement Cancellation Date: If the procurement was cancelled after contract signing or before reaching signature of a contract, indicate the cancellation date.

Reasons for Cancellation: Specify reasons for the cancellation. Reasons for such Cancellations should be given on this form or on a separate sheet to be submitted along with the completed Form.

Contract Value/Estimated Value: Indicate the value of the procurement as stated in either the contract (for signed contracts) or estimated value as stated in Form SPF 1(for procurements not having reached the contract signature stage).

These Guidance Notes should be deleted once the Form has been completed.

Complete one table for each proposal evaluated. Continue on additional pages if necessary.

MONTHLY PROCUREMENT REPORT

Report for Month/Year:	
------------------------	--

To be submitted by each Procurement Committee to the Public Procurement Authority within 14 days of the end of each month for each preceding month.

SECTION C: PROCUREMENTS CANCELLED WITHIN AND ABOVE THE RFQ THRESHOLD

Procurement No.	Subject of Procurement	Source of Funds	Procurement Cancellation Date	Reasons for Cancellation	Contract Value/Estimated Value of Procurement

Continue on additional pages if necessary.

STANDARD PROCUREMENT FORM
FORM SPF 6: MONTHLY PROCUREMENT REPORT

GUIDANCE NOTES-SECTION D

Use of Document:

These notes are for guidance when completing Section D of Form SPF 6 which is used to report on all contracts completed during the month that are within and above the RFQ threshold, following performance by the supplier/contractor/consultant, final payment by the Procuring Entity and the release of any performance security.

Explanation:

Procurement Number: Indicate the procurement number e.g. MOF/ADMIN/ICB/2019/0022

Subject of Procurement: Indicate the title/name of the procurement as specified in preceding SPF Forms.

Name of Supplier/Contractor/Consultant: Indicate the name of the supplier/contractor/consultant.

Source of Funds: (e.g. Government or GoSL, World Bank, other donors).

Date of Contract Delivery: Indicate the last date on which delivery under the contract was made (as evidenced by a Completion Certificate, Goods Received Note, Certificate of Successful Delivery etc).

Date of Final Payment, Defects Liability Period and Release of Performance Security: Indicate the date on which final payment was made, the defects liability period ended, and the performance security released.

Total Amount Paid under the Contract: Specify the final contract amount after totalling all payments under the contract.

These Guidance Notes should be deleted once the Form has been completed.

Complete one table for each proposal evaluated. Continue on additional pages if necessary.

MONTHLY PROCUREMENT REPORT

Report for Month/Year:	
------------------------	--

To be submitted by each Procurement Committee to the Public Procurement Authority within 14 days of the end of each month for each preceding month.

SECTION D: CONTRACTS COMPLETED WITHIN AND ABOVE THE RFQ THRESHOLD
--

Procurement No.	Subject of Procurement	Name of Supplier/Contractor/Consultant	Source of Funds	Date of Contract Delivery	Date of Final Payment, Defects Liability Period and Release of Performance Security	Total Amount Paid under the Contract

Continue on additional pages if necessary.

STANDARD PROCUREMENT FORM
FORM SPF 6: MONTHLY PROCUREMENT REPORT

GUIDANCE NOTES-SECTION E

Use of Document:

These notes are for guidance when completing Section E of Form SPF 6 which is used to list all minor procurements within the RFQ threshold that are under Le1 million. It is required when completing this form, to enter the Department, Unit or Project name in “Subject of Procurement” and the total value of contracts or direct payments in the month in “Contract Cost”.

Explanation:

Procurement Number: Indicate the procurement number e.g. MOF/ADMIN/ICB/2019/0022

Subject of Procurement: Indicate the title/name of the procurement as specified in preceding SPF Forms.

Name of Supplier/Contractor/Consultant: Indicate the name of the supplier/contractor/consultant.

Procurement Method: (e.g. Direct Procurement made for example through imprest or petty cash funds).

Contract Cost: Indicate the contract cost or the total value of direct payments made.

These Guidance Notes should be deleted once the Form has been completed.

Complete one table for each proposal evaluated. Continue on additional pages if necessary.

MONTHLY PROCUREMENT REPORT

Report for Month/Year:	
------------------------	--

To be submitted by each Procurement Committee to the Public Procurement Authority within 14 days of the end of each month for each preceding month.

SECTION E: MINOR PROCUREMENT UNDER THE RFQ THRESHOLD

Procurement No.	Subject of Procurement	Name of Supplier/Contractor/Consultant	Procurement Method	Contract Cost

Continue on additional pages if necessary.

STANDARD PROCUREMENT FORM
FORM SPF 6: MONTHLY PROCUREMENT REPORT

GUIDANCE NOTES-SECTION F

Use of Document:

These notes are for guidance when completing Section F of Form SPF 6 which is used to report on all procurements in the procurement plan/estimates not yet initiated, indicating delays if any and causes.

Explanation:

Procurement Number: Indicate the procurement number e.g. MOF/ADMIN/ICB/2019/0022

Subject of Procurement: Indicate the title/name of the procurement as specified in preceding SPF Forms.

Proposed Method of Procurement: (e.g. ICB, NCB, RFQ).

Estimated Contract Sum: Indicate the estimated contract sum as forecasted.

Expected Date of Commencement: Indicate the estimated date on which the procurement will be initiated or continued.

Source of Funds: (e.g. Government or GoSL, World Bank, other donors).

These Guidance Notes should be deleted once the Form has been completed.

Complete one table for each proposal evaluated. Continue on additional pages if necessary.

Report for Month/Year:	
------------------------	--

To be submitted by each Procurement Committee to the Public Procurement Authority within 14 days of the end of each month for each preceding month.

SECTION F: PROCUREMENTS NOT YET COMMENCED AT THE MONTH OF REPORTING					
Procurement No.	Subject of Procurement	Proposed Method of Procurement	Estimated Contract Sum	Expected Date of Commencement	Source of funds

I hereby certify that the above is a true and accurate record of procurement transactions under the authority of the Procurement Committee. Signature :

_____ Name: _____ Position: _____ Date: _____
Chairman of Procurement Committee

Complete one table for each proposal evaluated. Continue on additional pages if necessary.

APPENDIX 16: INCOTERMS 2010

INCOTERMS is an acronym for International Commercial Terms. Their purpose is to avoid misunderstandings leading to disputes in the passage of freight (goods) between Seller and Buyer both nationally and internationally.

By using a set of standard terms defined by the International Chamber of Commerce, both Buyer and Seller know which of them is responsible for each of the activities that comprise the movement of goods from Seller to Buyer.

INCOTERMS provide the means to define responsibility for the following activities:

- Packaging
- Loading from warehouse
- Pre-carriage
- Export customs clearance
- Handling at departure
- Main transportation
- Transportation insurance
- Handling at arrival
- Import customs clearance
- Post-carriage
- Unloading into warehouse

The 11 main INCOTERMS can be grouped into 2 categories, namely those used for any mode of transport and those for sea and inland waterways transport.

INCOTERMS used for any mode of transport

EXW: The term means **Ex Works** places the minimum obligation on the Seller. He is required to prepare the goods for the Buyer, at his own premises, suitably packed for export shipping. In general, this means loading the goods onto a pallet.

All other activities are the responsibility of the Buyer, including loading the goods onto the Buyer's vehicle at the Seller's site. By mutual agreement it is possible to arrange for the Seller to be responsible for loading the goods onto the Buyer's vehicle and insuring them for this work by using the modified term "**EXW Loaded**", but the risks and charges assumed by the Seller must be clearly stated in the contract.

EXW Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller's warehouse	Seller	Seller
Carriage to Port of Export	Buyer	Buyer
Export Customs Clearance	Buyer	Buyer
Handling at Port of Export	Buyer	Buyer
Carriage to Port of Import	Buyer	Buyer
Transportation Insurance	Buyer	Buyer
Handling at Port of Import	Buyer	Buyer
Import Customs Clearance	Buyer	Buyer
Carriage to Place of Destination	Buyer	Buyer

FCA: The term means **Free Carrier** and must be accompanied by a clearly defined point of delivery at a named place. The Seller is responsible for transporting the goods to the defined point at the named place but is not responsible for offloading the goods. An example would be "FCA Warehouse 5 Harwich Docks". The key document signifying transfer of responsibility from the Seller is receipt by carrier at the defined point of delivery.

FCA Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller's warehouse	Seller	Seller
Carriage to Port of Export	Seller	Seller
Export Customs Clearance	Seller	Seller
Handling at Port of Export	Buyer	Buyer
Carriage to Port of Import	Buyer	Buyer
Transportation Insurance	Buyer	Buyer

Handling at Port of Import	Buyer	Buyer
Import Customs Clearance	Buyer	Buyer
Carriage to Place of Destination	Buyer	Buyer

CPT. The term means **Carriage Paid To** a named port of destination. E.g. “CPT Freetown”. The Seller would be responsible for the logistics of moving the goods to the port of destination including export customs clearance, selecting the carrier and associated loading charges. Unloading charges at named port destination are the responsibility of the Buyer who assumes all onward costs including import customs clearance.

CPT Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller’s warehouse	Seller	Seller
Carriage to Port of Export	Seller	Seller
Export Customs Clearance	Seller	Seller
Handling at Port of Export	Seller	Seller
Carriage to Port of Import	Seller	Buyer
Transportation Insurance	Buyer	Buyer
Handling at Port of Import	Buyer	Buyer
Import Customs Clearance	Buyer	Buyer
Carriage to Place of Destination	Buyer	Buyer

CIP: The term means **Carriage and Insurance Paid To** and must be accompanied by a named point of destination. It is very similar to CPT but with the additional requirement that the Seller must also include transportation insurance. The Seller pays for loading, transport and insurance to the defined destination. Risk passes when the goods are handed over to the first carrier at point of destination. CIP is the containerised/multimodal equivalent of CIF.

CIP Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller’s warehouse	Seller	Seller
Carriage to Port of Export	Seller	Seller
Export Customs Clearance	Seller	Seller
Handling at Port of Export	Seller	Seller
Carriage to Port of Import	Seller	Buyer
Transportation Insurance	Seller	Buyer
Handling at Port of Import	Buyer	Buyer
Import Customs Clearance	Buyer	Buyer
Carriage to Place of Destination	Buyer	Buyer

DAT: The term means **Delivered at Terminal** and must specify the named terminal at the port or named place of destination. The Seller pays for carriage to the terminal except for costs associated with import clearance. The Seller assumes all risks up to the point that the goods are unloaded at the terminal. Designed for containerised freight.

DAT Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller’s warehouse	Seller	Seller
Carriage to Port of Export	Seller	Seller
Export Customs Clearance	Seller	Seller
Handling at Port of Export	Seller	Seller
Carriage to Port of Import	Seller	Seller
Transportation Insurance	Seller *	Seller *
Handling at Port of Import	Seller	Seller
Import Customs Clearance	Buyer	Buyer
Carriage to Place of Destination	Buyer	Buyer

* The Seller is under no obligation to provide Transportation Insurance

DAP: The term means **Delivered at Named Place** of destination. The Seller has to deliver the goods into the inland freight carrier ready to be offloaded at the designated place of destination. The Seller is responsible for export customs clearance but not for import customs clearance. The Buyer is responsible for insurance.

DAP Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller's warehouse	Seller	Seller
Carriage to Port of Export	Seller	Seller
Export Customs Clearance	Seller	Seller
Handling at Port of Export	Seller	Seller
Carriage to Port of Import	Seller	Seller
Transportation Insurance	Seller *	Seller *
Handling at Port of Import	Seller	Seller
Import Customs Clearance	Buyer	Buyer
Carriage to Place of Destination	Seller	Seller

* The Seller is under no obligation to provide Transportation Insurance

DDP: The term means **Delivered Duty Paid** to named place of destination. This puts the responsibility on the Seller to transport, insure and arrange both export and import customs clearance and deliver the goods to the named place of destination. It is really the exact opposite of EXW.

DDP Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller's warehouse	Seller	Seller
Carriage to Port of Export	Seller	Seller
Export Customs Clearance	Seller	Seller
Handling at Port of Export	Seller	Seller
Carriage to Port of Import	Seller	Seller
Transportation Insurance	Seller	Seller
Handling at Port of Import	Seller	Seller
Import Customs Clearance	Seller	Seller
Carriage to Place of Destination	Seller	Seller

INCOTERMS used for Sea and Inland Waterway Transportation

FAS: The term means **Free Alongside Ship** and must specify the named port of shipment. The Seller has fulfilled his responsibility when the goods are placed alongside the ship after export customs clearance. The Seller does not deliver if the ship is not at the dock. The Buyer is responsible for insurance risks and charges once delivered alongside. Charges may arise for the Buyer if the ship is delayed.

FAS Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller's warehouse	Seller	Seller
Carriage to Port of Export	Seller	Seller
Export Customs Clearance	Seller	Seller
Handling at Port of Export	Buyer	Buyer
Carriage to Port of Import	Buyer	Buyer
Transportation Insurance	Buyer	Buyer
Handling at Port of Import	Buyer	Buyer
Import Customs Clearance	Buyer	Buyer
Carriage to Place of Destination	Buyer	Buyer

FOB: The term means **Free on Board** to named port of shipment. The obligation of the Seller is to deliver the goods at the designated port on board the vessel chosen by the Buyer having completed export customs clearance. Risk passes to the Buyer once the goods cross the ship's rail.

FOB Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller's warehouse	Seller	Seller
Carriage to Port of Export	Seller	Seller
Export Customs Clearance	Seller	Seller
Handling at Port of Export	Seller	Seller
Carriage to Port of Import	Buyer	Buyer

Transportation Insurance	Buyer	Buyer
Handling at Port of Import	Buyer	Buyer
Import Customs Clearance	Buyer	Buyer
Carriage to Place of Destination	Buyer	Buyer

CFR. The term means **Cost and Freight** to named port of destination. The Seller is responsible for transportation, handling, export customs and freight until the goods reach the named port of destination. The Buyer is responsible for insurance and risk once the goods are delivered alongside the ship at the loading port.

CFR Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller's warehouse	Seller	Seller
Carriage to Port of Export	Seller	Seller
Export Customs Clearance	Seller	Seller
Handling at Port of Export	Seller	Seller
Carriage to Port of Import	Seller	Buyer
Transportation Insurance	Buyer	Buyer
Handling at Port of Import	Buyer	Buyer
Import Customs Clearance	Buyer	Buyer
Carriage to Place of Destination	Buyer	Buyer

CIF: The term means **Carriage Insurance and Freight** to named port of destination. It is the same as CFR but with the added requirement for the Seller to obtain freight insurance. Risk passes to the Buyer once the goods are delivered alongside the ship at port of loading. He takes delivery at the named port of destination.

CIF Requirement	Charges – Who Pays	Risk – Whose Risk
Loading at Seller's warehouse	Seller	Seller
Carriage to Port of Export	Seller	Seller
Export Customs Clearance	Seller	Seller
Handling at Port of Export	Seller	Seller or Buyer
Carriage to Port of Import	Seller	Buyer
Transportation Insurance	Seller	Buyer
Handling at Port of Import	Buyer	Buyer
Import Customs Clearance	Buyer	Buyer
Carriage to Place of Destination	Buyer	Buyer

Buyer and Seller Responsibilities

INCOTERMS 2010			Loading at Seller's Warehouse	Carriage to Port of Export	Export Customs Clearance	Handling at Port of Export	Carriage (Sea or Air Freight) to Port of Import	Transportation Insurance	Handling at Port of Import	Import Customs Clearance	Import Taxes	Carriage to Place of Destination
Sea & Inland Waterways	FAS	Free Alongside Ship	Seller	Seller	Seller	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer
	FOB	Free on Board	Seller	Seller	Seller	Seller	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer
	CFR	Cost and Freight	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer	Buyer	Buyer	Buyer
	CIF	Cost Insurance & Freight	Seller	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer	Buyer	Buyer
Any Mode of Transport	EXW	Ex Works	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer
	FCA	Free Carrier	Seller	Seller	Seller	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer
	DAT	Delivered at Terminal	Seller	Seller	Seller	Seller	Seller	Seller *	Seller	Buyer	Buyer	Buyer
	CPT	Carriage Paid to	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer	Buyer	Buyer	Buyer
	CIP	Carriage & Insurance Paid	Seller	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer	Buyer	Seller
	DAP	Delivered At Point	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer	Buyer
	DDP	Delivered Duty Paid	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller

* Seller is under no obligation to provide Transportation Insurance

APPENDIX 17: SPECIFICATION TEMPLATE

Specification Title	
Specification Reference [Linked to Requisition number]	
Introduction (Optional) [Briefly explain the requirement and the context of that requirement]	
Statement of Requirement [Provide a description of the outputs (for services), or functionality and performance requirements (for goods), or scope (for works) and details of the performance measures and benchmarks that will be monitored during the period of the contract.]	
Required Results [Indicate what the requirement must do or what end result will be produced.]	
Quality Requirements [Indicate the performance characteristics of the requirement]	
Training Requirements [If applicable indicate whether training will be required in the use of the requirement]	
Documentation [If appropriate indicate a list of other documents-for e.g.- standards documents, code of practice etc.- that may be relevant, providing information on where to obtain them]	
Warranty Requirements [Indicate expected warranty period and/or what should be covered any warranty provided]	
Other Requirements [Indicate any other requirement]	

APPENDIX 18: BID RECEIPT TEMPLATE

Procurement Title/Reference No:

Name of Procuring Entity:

NAME OF THE PERSON SUBMITTING THE BID:

FOR AND ON BEHALF OF:

(Name of Company)

Date and Time

Bid Received:

Email/Telephone Contact:

I agree that the date and time written above is the correct date and time that the bid has been submitted. If my bid is late I understand that although it has been received, it will be rejected as a 'late' bid during the bid opening process and it will be returned to the bidder immediately afterwards.

Signature of Person
Submitting the BidSignature of Person
Receiving the Bid

APPENDIX 19: RECEIPT OF BIDS REGISTER TEMPLATE

Instructions for Procurement Unit/Receptionist.

- Enter details into the Receipt of Bids Register
- Endorse all bid packages with the serial number corresponding to the Receipt of Bids Register.
- If bid package is received on the bid closing day, also endorse the package(s) with the time of receipt.
- Place unopened packages in the appropriate Bid Box/ Safe / Cabinet / Room
- Prior to Bid Opening, pass Register to Chairman, Bid Opening Committee.

Serial Number	Date of Receipt	Time of Receipt ¹	Number of Packages / Envelopes	Name of Person Receiving Bid
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				

Note 1. Only required for bids received on bid closing day

**APPENDIX 20: RECORD OF BIDDERS QUESTIONS AND ANSWERS
TEMPLATE**

Procurement Number _____ Closing Date for Questions _____

Title of Procurement _____ Bid Closing Date _____

Date Question Received	Details of Question	Details of Answer	Date Answer Given

APPENDIX 21: DEBRIEF AND NOTIFICATION TO UNSUCCESSFUL BIDDERS TEMPLATE

LETTER TO UNSUCCESSFUL BIDDERS

NAME

ADDRESS OF BIDDER

[DATE]

Dear Sirs

[INSERT NAME/PROCUREMENT NUMBER OF THE PROCUREMENT]

NOTIFICATION OF CONTRACT AWARD DECISION

Thank you for taking part in this procurement. We have now evaluated all of the [bids/quotes/expressions of interest/proposals] we received. On the basis of this evaluation, I am writing to advise you that unfortunately on this occasion you have not been successful.

If you would like to receive further feedback on your submission we would be more than happy to provide you with this. Please send your request in writing to [INSERT CONTACT NAME] at [INSERT CONTACT DETAILS].

In the meantime, on behalf of the [NAME OF PROCURING ENTITY], I would like to take this opportunity to thank you for the time and effort you have taken over the preparation and submission of your [bid/quote/expressions of interest/proposal]. I hope this will not discourage you from bidding again in the future.

Yours faithfully

For and on behalf of the [PROCURING ENTITY]

Encl. Debrief Notification

Debrief of unsuccessful bidder

In accordance with Section 56 (3) of the Public Procurement Act (2016), this is to provide you with the following debrief:

Procurement Reference Number	
Subject of Procurement	
Method of selection of bidders used	
Reasons for being unsuccessful	
Criteria with which your submission was non-responsive	
Name of successful bidder	
Address of successful bidder	
Price of Contract	
OR[Attached is a copy of the shortlist of the consultants approved for the consultancy services.] [Delete if not needed]	

Authorised for issue by:

Signature: _____

Name: _____

Position: Procurement Committee Member

Date: _____

APPENDIX 22: INSPECTION CERTIFICATE TEMPLATE

INSPECTION AND ACCEPTANCE COMMITTEE (IAC)
PROCUREMENT INSPECTION AND ACCEPTANCE CERTIFICATE

We the undersigned, being members of the IAC appointed by the Procurement Committee through letter Ref: _____ dated: _____ confirm that we have performed the assignment diligently and issued this acceptance certificate for the procurement requirement indicated below:

Name of Procuring Entity:	
Name of Contract Manager	
Contract Title and Procurement No.:	
Date of Contract:	
Details of Supplier/Contractor (Name and Address of Business):	
Contract Value:	
Contract Description:	
Contract Items (List as necessary):	
Contract Delivery Due Date:	
Actual Delivery Date:	

SIGNED:

1. Name: _____ Signature: _____

2. Name: _____ Signature: _____

3. Name: _____ Signature: _____

4. Name: _____ Signature: _____

5. Name: _____ Signature: _____

APPENDIX 23: INSPECTION CERTIFICATE NO GO TEMPLATE

**INSPECTION AND ACCEPTANCE COMMITTEE (IAC)
REPORT ON PROCUREMENT INSPECTION OF (GOODS, WORKS AND SERVICES)**

We the undersigned being members of the IAC appointed by the Procurement Committee through letter Ref: _____ Dated: _____ confirm that we have performed the assignment and are unable to issue an acceptance certificate due to reasons stated in the attached report for the procurement requirement indicated below:

Name of Procuring Entity:	
Name of Contract Manager	
Contract Title and Procurement No.:	
Date of Contract:	
Details of Supplier/Contractor (Name and Address of Business):	
Contract Value:	
Contract Description:	
Contract Items (List as necessary):	
Contract Delivery Due Date:	
Actual Delivery Date:	

SIGNED:

1. Name: _____ Signature: _____

2. Name: _____ Signature: _____

3. Name: _____ Signature: _____

4. Name: _____ Signature: _____

5. Name: _____ Signature: _____

APPENDIX 24: RISK ASSESSMENT AND MITIGATION TEMPLATE

Objectives of the Risk Assessment and Mitigation Tool

The objectives of the Risk Assessment and Mitigation Checklist is to gather pertinent information related to procurement and contracting issues and to assess the needs of the Procuring Entity and mitigation strategies related to any procurement and contracting risks in order to ensure Government achieves value for money for any public expenditure related to public procurement. Risk management is a fundamental aspect of procurement and a concept and practice that procurement professionals should be familiar with. It is important that the Procurement Officer is aware of the risks associated at each stage of the procurement cycle in order to be prepared if things go wrong.

What to Expect

The Risk Assessment and Mitigation Checklists should be completed by the Procurement Unit and submitted to the Procurement Committee for action and the NPPA for review and record keeping as well as for provision of any required technical advice and assistance by the NPPA or any other Government agency that might be deemed necessary for risk mitigation purposes.

Structure of the Risk Assessment and Mitigation Template

The assessment areas are based on procurement activities related to the different stages of the procurement cycle:

- ☐ Procurement Planning & Identification of Need
- ☐ Sourcing
- ☐ Contracting
- ☐ Contract Management
- ☐ Storing
- ☐ Distribution
- ☐ Disposal
- ☐ Evaluation

1. PROCUREMENT PLANNING & IDENTIFICATION OF NEED

Risk What would stop our procurement objectives from being met?	Impact What would be the result of this risk?	Action What can we do to mitigate this risk?

2. SOURCING

Risk What would stop our procurement objectives from being met?	Impact What would be the result of this risk?	Action What can we do to mitigate this risk?

3. CONTRACTING

Risk What would stop our procurement objectives from being met?	Impact What would be the result of this risk?	Action What can we do to mitigate this risk?

4. CONTRACT MANAGEMENT

Risk What would stop our procurement objectives from being met?	Impact What would be the result of this risk?	Action What can we do to mitigate this risk?

5. STORING

Risk What would stop our procurement objectives from being met?	Impact What would be the result of this risk?	Action What can we do to mitigate this risk?

Risk What would stop our procurement objectives from being met?	Impact What would be the result of this risk?	Action What can we do to mitigate this risk?

6. DISTRIBUTION

Risk What would stop our procurement objectives from being met?	Impact What would be the result of this risk?	Action What can we do to mitigate this risk?

7. DISPOSAL

Risk What would stop our procurement objectives from being met?	Impact What would be the result of this risk?	Action What can we do to mitigate this risk?

8. EVALUATION *[Please note that this stage of the procurement cycle requires an assessment of the entire completed procurement process]*

Risk What would stop our procurement objectives from being met?	Impact What would be the result of this risk?	Action What can we do to mitigate this risk?

Name of Procuring Entity:

Chairman of the Procurement Committee Head of Procurement Unit

Name: Name:

Signature: Signature:

Date: Date:

APPENDIX 25: SUPPLIER PERFORMANCE ASSESSMENT TEMPLATE

This form provides a benchmark against which the performance or improvement of a supplier can be measured. During the performance of the contract, there will have been an appropriate level of contract management that will have provided a good picture of the supplier's performance.

Assessing performance takes place after the delivery of the goods or services has been completed. It is a valuable tool for monitoring and managing a supplier's performance.

SUPPLIER PERFORMANCE ASSESSMENT FORM

Name of Supplier:	
Supplier's Address	
Supplier's Telephone:	E-mail address:
Contact Name:	
Procurement Contract reference:	Date or period of service/supply:

Performance Indicators	1 Poor	2 Below Average	3 Average	4 Good	5 Excellent
Capability (or Competence)					
Commitment to perform – was delivery on time?					
Control systems – Were there management systems?					
Capacity – Had they sufficient expertise & resources?					
Communication – Were progress reports provided?					
Consistency – Were deliveries made on time?					
Cost – Did they provide value for money?					
Customer service/dispute handling/after sales?					
Compliance - was quality maintained throughout?					
<u>Comments - suggestions for improvement:</u>					

OVERALL ASSESSMENT: (Tick)

<u>Excellent</u>	<u>Good</u>	<u>Average</u>	<u>Below Average</u>	<u>Poor</u>

Name of Procurement Officer assessing: Date:.....