

RENEW PROCUREMENT POLICY FOR CONSULTANCY SERVICES 2021

1. OBJECTIVES

This policy is to;

- a. To facilitate the Procuring Agency (RENEW) to procure and commission Consultancy services from firms and individual(s) in an efficient and transparent manner.
- b. To allow RENEW to commission consultancy services from the best possible service provider in terms of quality and cost.

2. AUTHORITY

- a. RENEW Administration, Coordination Unit shall be incharge of facilitating the procurement process.
- b. Quotation Committee shall be established to ensure all procurement is done within permissible internal rules.
- c. An Evaluation Committee comprising of relevant officials may be set up to assist in quality check of the consultancy.
- d. In situations of disagreement or for requirement of insight, the Senior Management chaired by Executive Director shall make the final decision.

3. GENERAL RULES

- a. The official proposing for consultancy work should approach the concerned unit/official with duly signed note sheet, budget head, Terms of Reference (ToR).
- b. The Administration official shall circulate and share the Request for Proposal (RFP) (which shall include the Letter of Invitation (LOI); TOR and the proposed draft contract) and other required information (timeline, additional documents, etc) among eligible consultants.
- c. Administration will give a minimum timeline of TWO (2) weeks for the consultants to put in their bids.
- d. Upon receipt of the required consultancy work from program official, the Coordination unit should complete the entire consultancy process as listed below within ONE (1) month.

4. USE OF CONSULTANTS

- a. The procuring agency may contract with firms of consultants or individual consultants for the purposes of the provision of expert advice or assistance in institutional matters and specialized services in connection with the implementation of projects and detailed plan and design.
- b. Consulting firms will be preferred where the work involves the application of multi-disciplinary expertise and requires the support of an organization with competent personnel.
- c. Individual consultants will be used where a particular assignment can be best carried out by an individual expert with the requisite qualifications and experience.

5. CONFLICT OF INTEREST

5.1. While selecting, the RENEW will ensure that consultants provide professional, objective, and impartial advice and at all times hold the client's interests paramount, without any consideration for future work, and that in providing advice they avoid conflicts with other assignments and their own corporate interests.

5.2. Consultants shall not be hired for any assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of being unable to carry out the assignment in the best interest of the procuring agency.

5.3. Consultants shall not be hired under the circumstances set forth below:

- a. A firm that has been engaged by the RENEW to provide goods, works, or services (other than consulting services) for a project, and each of its affiliates, shall be disqualified from providing consulting services.
- b. A firm hired to provide consulting services for the preparation or implementation of a project, and each of its affiliates, shall be disqualified from subsequently providing goods, works or services (other than consulting services covered by these Guidelines).
- c. Resulting from or directly related to the firm's consulting services for such preparation or implementation.
- d. Neither consultants (including their personnel and sub-consultants) nor any of their affiliates shall be hired for any assignment that, by its nature, may be in conflict with another assignment of the policy.
- e. Consultants hired to prepare ToR for an assignment shall not be hired for the assignment in question.

6. METHOD OF SELECTION based on Quality and Cost Based Selection (QCBS)

6.1 The Selection Process for Consultancy Firms

6.1.1 QCBS uses a competitive process among short-listed firms that takes into account the quality of the proposal and the cost of the services in the selection of the successful firm.

6.1.2. Cost as a factor of selection shall be used judiciously.

6.1.3. The relative weight to be given to the quality and cost shall be determined for each case depending on the nature of the assignment.

6.1.4. The selection process shall include the following steps:

- a. Preparation of TOR and criteria for evaluation;
- b. Preparation of cost estimate and the budget;
- c. Preparation of the short list of consultants;
- d. Preparation and issuance of the Request for Proposal (RFP) [which should include: the Letter of Invitation (LOI); Instructions to Consultants (ITC); the TOR and the proposed draft contract];
- e. Advertisement of the RFP;
- f. Receipt of proposals/criteria to be used for evaluation;
- g. Evaluation of technical proposals: consideration of quality;

- h. Public opening of financial proposals;
- i. Evaluation of financial proposal;
- j. Final evaluation of quality and cost; and
- k. Negotiations and award of the contract to the selected firm.

6.2. Preparation of Terms of Reference (TOR)

- a. RENEW shall be responsible for preparing the TOR for the assignment.
- b. TOR shall be prepared by a person(s) or a firm specialized in the area of the assignment.
- c. The scope of the services described in the TOR shall be compatible with the available budget.
- d. TOR shall define clearly the objectives, goals, and scope of the assignment and provide background information.
- e. If transfer of knowledge or training is an objective, it should be specifically outlined along with details of number of staff to be trained, and so forth, to enable consultants to estimate the required resources.
- f. TOR shall list the services and surveys necessary to carry out the assignment and the expected outputs (for example, reports, data, maps, surveys).
- g. However, TOR should not be too detailed and inflexible, so that competing consultants may propose their own methodology and staffing.
- h. The Procurement Agencies and consultants' respective responsibilities should be clearly defined in the TOR.

6.3. Preparation of Cost Estimate (Budget)

- a. Preparation of a well-thought-through cost estimate is essential if realistic budgetary resources are to be earmarked.
- b. The cost estimate shall be based on the RENEW's assessment of the resources needed to carry out the assignment: staff time, logistical support, and physical inputs (for example, vehicles, equipment).

6.4. Consultancy announcement and short listing

- a. To obtain expressions of interest, RENEW shall advertise RFP for consulting firms in the national media and, where feasible, on a website which has free access, including if appropriate and based on nature of consultancy in an international newspaper or a technical magazine.
- b. Not less than TWO (2) weeks from the date of publication shall be provided for responses, before preparation of the short listed candidates.
- c. RENEW is responsible for preparation of the short list with due consideration to those firms expressing interest that possess the relevant qualifications and documentation.

6.5. Preparation and Issuance of the Request for Proposals (RFP)

- a. The RFP shall include (a) a Letter of Invitation, (b) the TOR, and (c) the proposed contract.

6.6. Receipt of Proposals

- a. RENEW shall allow enough time for the consultants to prepare their proposals. The time allowed shall depend on the nature of the services, but normally shall not be less than TWO (2) weeks.
- b. During this interval, the firms may request clarifications about the information provided in the RFP.
- c. If necessary, the Agency shall extend the deadline for submission of proposals.
- d. Besides other documentation mentioned in RFP, interested consultants shall submit technical and financial proposals at the same time. No amendments to the technical or financial proposal shall be accepted after the deadline. To safeguard the integrity of the process, the technical and financial proposals shall be submitted in separate sealed envelopes.
- e. The technical envelopes shall be opened immediately by an Evaluation committee after the closing time for submission of proposals.
- f. The financial proposals shall remain sealed until they are opened publicly.
- g. Any proposal received after the closing time for submission of proposals shall be returned unopened.

6.7. Evaluation of Proposals: Consideration of Quality and Cost

- a. The evaluation of the proposals shall be carried out in two stages: first the quality, and then the cost.
- b. Evaluators of technical proposals shall not have access to the financial proposals until the technical evaluation, is concluded.
- c. Financial proposals shall be opened only thereafter.
- d. The evaluation shall be carried out in full conformity with the provisions of the RFP.
- e. The evaluation committee shall evaluate each technical proposal (using an evaluation committee of at least two specialists in the sector), taking into account several criteria (a) the consultant's relevant experience for the assignment, (b) the quality of the methodology proposed, (c) the qualifications of the key staff proposed, (d) transfer of knowledge, if required in the TOR, and (e) the extent of participation by nationals among key staff in the performance of the assignment.
- f. The evaluation committee shall evaluate each proposal on the basis of its responsiveness to the TOR and an established minimum grading standards.
- g. A proposal considered unsuitable shall be rejected at this stage if it does not respond to important aspects of the TOR. Consultants may be contacted by the Agency to alter proposals if required.
- h. Proposals that has fulfilled the minimum quality standards will thereafter be eligible to move ahead for the cost evaluation.
- i. The financial proposals shall be opened publicly by the Quotation Committee in the presence of representatives of the consultants who choose to attend.
- j. The name of the consultant, the technical points, and the proposed prices shall be read aloud.
- k. The proposal with the lowest cost shall be given preference over other proposals unless the Committee has valid supporting reasons to do otherwise. Any standing order proposed by the Committee should be done in written format with approval of Senior Management.

- l. At the end of the process, the evaluation committee shall prepare an Evaluation Report of the “quality” and the “cost” of the proposals accordingly make the consultancy award.
- m. After the evaluation of quality and cost is completed, RENEW shall inform the consultants of the outcome.

6.8. Negotiations and Award of Contract

- a. Negotiations shall include discussions of the TOR, the methodology, staffing, RENEW’s inputs, and special conditions of the contract. These discussions shall not substantially alter the original TOR or the terms of the contract, lest the quality of the final product, its cost, and the relevance of the initial evaluation be affected. Major reductions in work inputs should not be made solely to meet the budget. The final TOR and the agreed methodology shall be incorporated in the “description of services”, which shall be a part of the contract.
- b. The selected firm should not be allowed to substitute key staff, unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment. If this is not the case and if it is established that key staff were included in the proposal without confirming their availability, the firm may be disqualified and the process continued with the next ranked firm.
- c. Financial negotiations shall include clarification of the consultants’ tax liability in Bhutan (if any) and how this tax liability has been or would be reflected in the contract.
- d. The consultant shall be informed of the reasons for termination of the consultancy, if any, no less than ONE (1) month in advance.
- e. In an event the selected consultant cannot deliver, RENEW shall go with the next ranked firm.

7. INDIVIDUAL CONSULTANT

Individual consultants are employed on assignments for which (a) teams of personnel are not required, (b) no additional outside (home office) professional support is required, and (c) the experience and qualifications of the individual are the paramount requirement.

- a. Individual consultants are selected as per the procedures outlined above in point no 6.
- b. However, consultants do not need to submit proposals. Consultants shall be selected through comparison of qualifications of at least three candidates among those who have expressed interest in the assignment or have been approached directly by the agency.
- c. Individuals considered for comparison of qualifications shall meet the minimum relevant qualifications and those selected to be employed by the agency shall be the best qualified and shall be fully capable of carrying out the assignment.
- d. Capability is judged on the basis of academic background, experience, and, as appropriate, knowledge of the local conditions, such as local language, culture, administrative system, and government organization.

- e. Individual consultants may be selected on a sole-source basis with due justification in exceptional cases such as: (a) tasks that are a continuation of previous work that the consultant has carried out and for which the consultant was selected competitively; (b) assignments with total expected duration of less than 6 months; (c) emergency situations resulting from natural disasters; and (d) when the individual is the only consultant qualified for the assignment.

8. Hiring of Government Officials and Civil Servants and Consultants

Government officials and Civil Servants may be hired under consulting contracts, either as individuals or as members of the team of a consulting firm, only if they fulfill the Bhutan Civil Service Rules.

Annexure:

1. Sample of Terms of Reference
2. Sample of Contract Agreement
3. Sample of Invitation Letter
4. Sample of Award Letter

Annexure 1: Sample of Terms of Reference

TERMS OF REFERENCE	
Hiring Office	
Purpose of consultancy:	
Scope of Work: (Description of services, activities, or outputs):	
Duration and working schedule:	
Place where services are to be delivered:	
Monitoring and progress control, including reporting requirements.	
Supervisory arrangements:	
Expected travel:	
Required expertise, qualifications and competencies, including language requirements:	
Inputs/services to be provided by RENEW or implementing partner (e.g support services, office apace, equipment), if applicable:	
Payment Mode	•
Other relevant information or special conditions, if any:	
Termination of consultancy	
Signature of the requesting officer in the hiring office: Date:	

Annexure 2: Sample of Contract Agreement

CONTRACT AGREEMENT

RENEW represented by Executive Director, RENEW agrees to commission the services of, (Consultant Name) to develop(Consultant work) based on the following Terms and Conditions.

Terms and Conditions

1. The title of the Consultancy project is develop “RENEW M&E Policy” and execute the “M&E plan for RENEW CBI Project”.
2. The period for the execution of the Consultancy project will be from
3. The objective of the Consultancy project will be to
4. The consultant (s)will work closely work with Key focal from RENEW:
 - a. ...
 - b. ...
5. The overall Consultancy supervisor will be.....
6. Terms of Reference (ToR) for the Consultancy project is attached herewith.
7. Names, designation and contact information of Key Consultant(s) who will be engaged in the project.
 - a. ...
 - b.
8. Agreed/quotedDescriptions of Services is as follows:
 - a. ...
 - b. ...
 - c. ...
9. Agreed/quotedConsultancy methodology is as follows:
 - a. ...
 - b. ...
 - c. ...
10. Following deliverables should be achieved for the Consultancy project to be regarded as completed;

- a. ..
 - b. ...
 - c. ..
11. Consultant(s) should submit to RENEW ONE soft and ONE hard copy any documented deliverables.
 12. Payment shall be released to the Consultant upon satisfactory work performance as recommended by RENEW Program Dept in the following installment.
 - a. ...
 - b. ...
 - c. ...
 13. The manner of payment release shall abide by the following RENEW financial rules;
 - a. ...
 - b. ...
 14. Any extension, termination or changes to the project shall be agreed and informed to both parties at least ONE (1) in advance.
 15. Termination of the Consultancy Project shall happen if any of the following clauses are not honored;
 - a. ...
 - b. ..
 - c. ..
 16. Consultant(s) shall abide by core RENEW polices such as RENEW Code of Conduct, Conflict of Interest, and RENEW Child Protection Policy.
 17. Consultant(s) should take special care to deliver high professional work standards in terms of timing, report submission, professional work execution and other details.

The Parties to the contract declare the agreement and acceptance of the Terms and Conditions specified in the Agreement by the signing the contract on this day

Head of Agency name
 Executive Director
 Thimphu
 RENEW

Consultant name
 Consultant Designation
 Consultant Address

Annexure 3: Sample of Letter of Award

RENEW/CS/SOWO/2021/

Date:

The
.....Name of Cosultancy....
.....

Subject: Letter of award

Dear Sir/Madam

This is pertaining to Consultancy work title “....”.

RENEW is pleased to inform you that your...Consultancy Name.... that following our internal procurement policy, you have been awarded the quotation of the work.

Kindly execute the work as per the agreed and signed Contract Agreement and Terms of Reference of the Consultancy.

The bill will be submitted to RENEW Office for the payment.

Thanking You

Your Sincerely,

RENEW Admin