



CARIBBEAN DEVELOPMENT BANK

**GUIDELINES FOR THE
SELECTION AND ENGAGEMENT
OF CONSULTANTS**

BY RECIPIENTS OF CDB FINANCING

October 2011

**These guidelines apply to CDB-financed projects approved after
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GLOSSARY

Affiliate or Subsidiary	used, indistinguishably, to define a firm whose economic activity is controlled by another firm having a majority equity interest.
Applicant	any consulting entity that submits an Application for a Prequalification Process for the Procurement of Consulting Services.
Associate	a firm with which another firm has a contractual relationship for the purpose of jointly providing the services required for a project
Association	a contractual relationship between two or more consultants for the purpose of jointly providing the services required for a project
Consulting Firm	any private, public or government-owned legal entity, or any combination thereof, that formally intends to enter into an agreement or is bound by an existing agreement in the form of a Joint Venture, Consortium or Association, for-profit or not, that provides Consulting Services.
Contracting Agency	the entity with the legal capacity to sign the Contract for the Procurement of Consulting Services with the Consulting Firm or Individual Consultant. This entity may be the Recipient, the Beneficiary, the Executing Agency, or any other entity so appointed.
Counterpart Resources	the funds or other resources that the Recipient commits to contribute from its own or third party resources for the implementation of a Project.
Executing/Implementing Agency	the entity appointed by the Recipient to carry out the project and provide its day-to-day management
Financing	the resources that CDB agrees to make available to the Recipient to assist with Project implementation. The Financing does not include the Counterpart Resources provided by the Recipient.
Financing Agreement	the legal instrument signed by CDB and the Recipient governing the terms of the Financing for the Project
Individual Consultant (Expert)	a natural person who, with a specialty in a science, art, trade or work, provides Consulting Services.
Long list	a preliminary list of potential firms from which the short list will be established.
Project	term used to indicate the activities to be financed with resources from the Financing Agreement
Recipient	the entity signing the Financing Agreement with CDB for a Project
Shortlist	the set of Applicants that, having been pre-selected, have obtained the highest ranking in order of merit and shall be invited to submit proposals
Terminal Disbursement Date	the latest date on which withdrawals can be made from the Financing
Turn-key Contract	a contract, generally covering complex works, in which a single contractor is responsible for completing the entire work including design, procurement of equipment, and construction.

Acronyms

CDB	Caribbean Development Bank
CQS	Selection Based on Consultants' Qualifications
EOI	Expression of Interest
FBS	Selection under a Fixed Budget
GPN	General Procurement Notice
IDC	Indefinite Delivery Contract
ITC	Instructions to Consultants
LCS	Least-Cost Selection
LOI	Letter of Invitation
NGO	Nongovernmental Organization
PAs	Procurement Agents
QBS	Quality-Based Selection
QCBS	Quality- and Cost-Based Selection
REOI	Request for Expressions of Interest
RFP	Request for Proposal
SSS	Single-Source Selection
TDD	Terminal Disbursement Date
TOR	Terms of Reference
UN	United Nations
UCS	Use of Country Systems

I. INTRODUCTION

Purpose

1.1 The purpose of these Guidelines is to define the policies and procedures of the Caribbean Development Bank (CDB) for selecting, engaging, and monitoring consultants required for projects that are financed in whole or in part by grants or loans from CDB, or funds administered by CDB and executed by the Recipient to the extent that the agreement providing for such trust funds or grants do not conflict with these Guidelines.

1.2 The Financing Agreement governs the legal relationships between the Recipient and CDB and these Guidelines apply to the selection and engagement of consultants for the project as provided in the Financing Agreement. The rights and obligations of the Recipient¹ and the consultant are governed by the specific Request for Proposals (RFP)² issued by the Recipient and by the contract signed by the Contracting Agency with the consultant, and not by these Guidelines or the Financing Agreement. No party other than the parties to the Financing Agreement shall derive any rights therefrom or have any claim to proceeds of the Financing.

1.3 For the purpose of these Guidelines, the term *consultants* includes a wide variety of private and public entities, including consulting firms, engineering firms, construction managers, management firms, procurement agents, inspection agents, auditors, United Nations (UN) agencies and other multinational organizations, investment and merchant banks, universities, research institutions, government agencies, nongovernmental organizations (NGOs), and individuals³. Recipients use these entities as *consultants* to help in a wide range of activities, such as policy advice; institutional reforms; management; engineering services; construction supervision; financial services; procurement services; social and environmental studies; and identification, preparation, and implementation of projects to complement Recipients' capabilities in these areas.

General Considerations

1.4 The Recipient is responsible for preparing and implementing the project, and therefore for selecting the consultant, and awarding and subsequently administering the contract. CDB, for its part, is required by its policies to ensure that the proceeds of any financing are used only for the purposes for which the Financing was granted, with due attention to considerations of economy and efficiency and it has established detailed procedures for this purpose. While the specific rules and procedures to be followed for engaging consultants depend on the circumstances of the particular case, five main considerations guide CDB's policy on the selection process:

- (a) the need for high-quality services;
- (b) the need for economy and efficiency;

¹In some cases, the Recipient acts only as an intermediary, and the project is carried out by another agency or entity. References in these Guidelines to the Recipient include such agencies and entities, as well as Sub-Recipients under "onlending arrangements."

²See Appendix 2.

³See paras. 3.15 -3.21 for particular types of consultants. Individual consultants are covered in Section V.

- (c) the need to give all eligible and qualified consultants an opportunity to compete in providing the services financed by CDB;
- (d) its interest in encouraging the development and use of national consultants in the borrowing member countries of CDB; and
- (e) the need for transparency in the selection process.

1.5 CDB considers that, in the majority of cases, these considerations can best be addressed through competition among qualified short-listed firms in which the selection is based on the quality of the proposal and, where appropriate, on the cost of the services to be provided. Sections II and III of these Guidelines describe the different methods of selection of consultants accepted by CDB and the circumstances in which they are appropriate. Since Quality- and Cost-Based Selection (QCBS) is the most commonly recommended method, Section II of these Guidelines describes in detail the procedures for QCBS. However, QCBS is not the most appropriate method of selection for all cases, therefore, Section III describes other methods of selection and the circumstances in which they are more appropriate.

1.6 The particular methods that may be followed for the selection of consultants under a given project are provided for in the Financing Agreement. The specific contracts to be financed under the project, and their method of selection, consistent with the provisions of the Financing Agreement, shall be specified in the Procurement Plan as indicated in paragraph 1.25 of these Guidelines.

Applicability of Guidelines

1.7 The consulting services to which these Guidelines apply are of an intellectual and advisory nature. These Guidelines do not apply to other types of services in which the physical aspects of the activity predominate (for example, construction of works, manufacture of goods, operation and maintenance of facilities or plant, surveys, exploratory drilling, aerial photography, satellite imagery, and services contracted on the basis of performance of measurable physical output)⁴.

1.8 The principles, rules and procedures outlined in these Guidelines apply to all contracts for consulting services financed in whole or in part from the proceeds of CDB financing⁵. The provisions described under this Section I apply to all other sections of these Guidelines. In procuring consulting services not financed with the proceeds of CDB financing, but included in the project scope of the Financing Agreement, the Recipient may adopt other rules and procedures. In such cases, CDB shall satisfy itself that: (a) the procedures to be used will fulfil the Recipient's obligations to cause the project to be carried out diligently and efficiently and will result in the selection of eligible consultants who have the necessary qualifications; (b) the selected consultant will carry out the assignment in accordance with the agreed schedule, and (c) the scope of the services is consistent with the needs of the project.

⁴These latter services are bid and contracted on the basis of performance of measurable physical outputs and procured in accordance with the current CDB "Guidelines for Procurement" referred to herein as the Procurement Guidelines.

⁵This includes the selection of consultants by a procurement agent employed by the Recipient under paragraph 3.17 of these guidelines. CDB may agree to the use of the public procurement system of the Recipient country for the selection of consultants (including individuals) under para. 3.12 of these Guidelines. In such cases, the Loan Agreement between the Recipient and CDB will describe the applicable selection procedures of the Recipient, and the full application of Section I and any other parts of these Guidelines as may be deemed relevant by CDB.

Conflict of Interest

1.9 CDB policy requires 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. 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 Recipient. Without limitation on the generality of the foregoing, consultants shall not be hired under the circumstances set forth below:

- (a) Conflict between consulting activities and procurement of goods, works or services (other than consulting services covered by these Guidelines⁶): An entity that has been engaged by the Recipient to provide goods, works, or services (other than consulting services covered by these Guidelines) for a project, and each of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services. Conversely, an entity 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) resulting from or directly related to its consulting services for such preparation or implementation. This provision does not apply to the various entities (consultants, contractors, or suppliers) which together are performing the contractor's obligations under a turnkey or design and build contract.
- (b) Conflict among consulting assignments: Neither consultants (including their personnel and sub-consultants), nor any of their affiliates, shall be hired for any assignment that, by its nature, may be in conflict with another assignment of the consultants. As an example, consultants assisting a client in the privatization of public assets shall neither purchase, nor advise purchasers of, such assets. Similarly, consultants hired to prepare Terms of Reference (TOR) for an assignment shall not be hired for the assignment in question.
- (c) Relationship with Recipient's staff: Consultants (including their personnel, and sub-consultants) that have a close business or family relationship with a member of the Recipient's staff (or of the project implementing agency's staff, or of a recipient of a part of the CDB financing) who are directly or indirectly involved in any part of: (i) the preparation of the TOR for the assignment, (ii) the selection process for the contract, or (iii) supervision of such contract may not be awarded a contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to CDB throughout the selection process and the execution of the contract.
- (d) A consultant shall submit only one proposal, either individually or as a joint venture partner in another proposal. If a consultant, including a partner of a joint venture, submits or participates in more than one proposal, all such proposals shall be disqualified. This does not, however, preclude a consulting firm to participate as a sub-consultant, or an individual to participate as a team member, in more than one proposal when circumstances justify and if permitted by the RFP.

⁶See paragraph 1.7 of these Guidelines.

Unfair Competitive Advantage

1.10 Fairness and transparency in the selection process require that consultants or their affiliates competing for a specific assignment do not derive a competitive advantage from having provided consulting services related to the assignment in question. To that end, the Recipient shall make available to all the short-listed consultants together with the request for proposals all information that would in that respect give a consultant a competitive advantage.

Eligibility

1.11 To foster competition CDB permits consultants (firms and individuals) from eligible countries to offer consulting services for projects it finances⁷. Any conditions for participation shall be limited to those that are essential to ensure the firm's capability to fulfill the contract in question.

1.12 In connection with any contract to be financed in whole or in part from proceeds of CDB financing, Recipients are not permitted to deny participation in a short listing or selection process or award to a consultant for reasons unrelated to: (i) its capability and resources to successfully perform the contract; (ii) the conflict of interest situations covered under paragraph 1.9 above; or (iii) its ability to meet the eligibility requirements set out at paragraph 1.11 above.

1.13 As an exception to the foregoing paragraphs 1.11 and 1.12:

- (a) Consultants may be excluded if (i) as a matter of law or official regulations, the Recipient's country prohibits commercial relations with the consultant's country, provided that CDB is satisfied that such exclusion does not preclude effective competition for the procurement of the consulting services required, or (ii) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Recipient's country prohibits any payments to any country, person, or entity. Where the Recipient's country prohibits payments to a particular firm or for particular goods by such an act of compliance, that firm may be excluded.
- (b) Local or regional Government-owned or controlled enterprises or institutions⁸ may participate only if they can establish that they (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not dependent agencies of the Recipient or Sub-Recipient⁹.
- (c) As an exception to (b), when the services of government-owned enterprises or institutions are of unique and exceptional nature or where there are limited suitable private sector

⁷Eligible countries are member countries of CDB (Appendix 4) and any other countries which are indicated as eligible in the Financing Agreement

⁸Examples of such institutions are universities and research centres

⁹To be eligible, the Recipient must submit to CDB all relevant documents, including the constituent documents of the local or regional Government-owned or regional enterprise or institution that has been proposed for consideration and establish to CDB's satisfaction that it: (i) is a legal entity separate from the Government; (ii) does not currently receive any subsidies or budget support; (iii) operates like any commercial enterprise, and inter alia is not obliged to pass on its surplus to the Government, can acquire rights and liabilities, borrow funds and be liable for repayment of its debts, and can be declared bankrupt; and always (iv) is not bidding for a contract to be awarded by the department or agency of the Government which under their applicable laws or regulations is the reporting or supervisory authority of the enterprise or has the ability to exercise influence or control over the enterprise or institution.

alternatives, and their participation is critical to project implementation, CDB may agree on the hiring of those institutions on a case-by-case basis. On the same basis, university professors or scientists from research institutes can be contracted individually under CDB financing.

- (d) Government officials and civil servants of the Recipient's country may only be hired under consulting contracts in the Recipient's country, either as individuals or as members of the team of experts proposed by a consulting firm provided that such hiring does not conflict with any employment or other laws or regulations or policies of the Recipient's country and if they (i) have been on leave of absence without pay, or have resigned or retired, for a period of at least six months, or the applicable period established by statutory provisions in the Recipient's country, whichever is the longer; (ii) are not being hired by the agency they were working for before going on leave of absence without pay, resigning or retiring; and (iii) their hiring would not create a conflict of interest (see paragraph 1.9).
- (e) A firm or an individual sanctioned by CDB in accordance with subparagraph (d) of paragraph 1.23 of these Guidelines shall be ineligible to be awarded a CDB-financed contract, or to benefit from a CDB-financed contract, financially or otherwise, during such period of time as CDB shall determine.

Advance Contracting and Retroactive Financing

1.14 In certain circumstances, such as to accelerate project implementation, the Recipient may, with CDB's no objection, wish to proceed with the selection of consultants before the related Financing Agreement is signed. This process is referred to as advance contracting. In such cases, the selection procedures, including advertisement, shall be in accordance with these Guidelines, and CDB shall review the process used by the Recipient. A Recipient undertakes such advance contracting at its own risk, and any no objection issued by CDB with regard to the procedures, documentation, or proposal for award does not commit CDB to provide financing for the project in question. If the contract is signed, reimbursement by CDB of any payments made by the Recipient under the contract prior to approval of the Financing is referred to as retroactive financing and is only permitted within the limits specified in the Financing Agreement.

Associations between Consultants

1.15 Consultants may associate with each other in the form of a joint venture or of a sub-consultancy agreement to complement their respective areas of expertise, strengthen the technical responsiveness of their proposals and make available bigger pools of experts, provide better approaches and methodologies, and, in some cases, offer lower prices. Such an association may be for the long term (independent of any particular assignment) or for a specific assignment. If the Recipient employs an association in the form of a joint venture, the association shall appoint one of the firms to represent the association; all members of the joint venture shall sign the contract and shall be jointly and severally liable for the entire assignment. Once the short list is finalized, and RFPs are issued, any association in the form of joint venture or sub-consultancy among short-listed firms shall be permissible only with the approval of the Recipient. Recipients shall not require consultants to form associations with any specific firm or group of firms or

include any particular individual in their proposals, but may encourage association with qualified national firms.

Bank Review, Assistance, and Monitoring

1.16 CDB reviews the Recipient's hiring of consultants to satisfy itself that the selection process is carried out in accordance with the provisions of these Guidelines. The review procedures are described in Appendix 1.

1.17 Under exceptional circumstances, when the Recipient is unable to prepare a short list or long list and in response to its written request, CDB may assist the Recipient in creating short lists¹⁰ or long lists¹¹ of consultants that CDB expects to be capable of undertaking the assignment. The provision of such lists does not represent an endorsement of the consultants. The Recipient retains the responsibility to verify the eligibility and qualifications of the listed consultants, and may delete any name or add other names as it wishes; however, the final short list shall be submitted to CDB for its no objection before the Recipient issues the RFP.

1.18 The Recipient is responsible for supervising the consultants' performance and ensuring that they carry out the assignment in accordance with the contract. Without assuming the responsibilities of the Recipient or the consultants, CDB staff shall monitor the quality of the consultants' work as necessary to satisfy themselves that it is being carried out according to appropriate standards and is based on reliable data. As appropriate, CDB may take part in discussions between the Recipient and consultants and, if necessary, may help the Recipient in addressing issues related to the assignment. If a significant portion of the assignment is being carried out in the consultants' home offices, CDB staff may, with the Recipient's agreement, visit these offices to review the consultants' work.

Misprocurement

1.19 CDB does not finance expenditures under a contract for consulting services if CDB concludes that such contract: (a) has not been awarded in accordance with the agreed provisions of the Financing Agreement and as further elaborated in the Procurement Plan¹² to which CDB provided no objection; (b) could not be awarded to the consultant otherwise determined successful due to wilful dilatory conduct or other actions of the Recipient resulting in unjustifiable delays, loss of the successful proposal, or its wrongful rejection of any one or more proposals; or (c) involves the engagement of a representative of the Recipient, or a recipient of any part of the proceeds of the Financing, in fraud and corruption as per paragraph 1.23 (c). In such cases, whether under prior or post review, CDB will declare misprocurement¹³, and under CDB's policy it will normally cancel that portion of the Financing allocated to the services that have been misprocured. CDB may, in addition, exercise other remedies provided for under the Financing Agreement. Even if the contract is awarded after obtaining a no objection from CDB, CDB may still declare misprocurement and apply in full its policies and remedies regardless of whether or not the Financing has been fully disbursed, if it concludes that the no objection was issued on

¹⁰Short List: see paragraph 2.6, 2.7 and 2.8.

¹¹Long List: a preliminary list of potential firms from which the short list will be established.

¹²See paragraph 1.25

¹³Common examples of misprocurement are provided on CDB's website, www.caribank.org/projectsandprogrammes/procurement/misprocurement

the basis of incomplete, inaccurate, or misleading information furnished by the Recipient or that the terms and conditions of the contract had been substantially modified without CDB's no objection.

Reference to CDB

1.20 The Recipient shall use the following text when referring to CDB in notices of solicitation, the RFP and contract documents:

“[Name of the Recipient] has received [or, ‘has applied for’] financing from the Caribbean Development Bank (CDB) in an amount equivalent to US\$___, toward the cost of [name of project], and intends to apply a portion of the proceeds of this financing to eligible payments under a contract for which this invitation is issued. Payments by CDB will be made only at the request of [name of Recipient or designate] and upon approval by CDB, and will be subject, in all respects, to the terms and conditions of the Financing Agreement. The Financing Agreement prohibits a withdrawal from the financing account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of CDB, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. No party other than [name of Recipient] shall derive any rights from the Financing Agreement or have any claim to the proceeds of the financing.”

Training or Transfer of Knowledge

1.21 If the assignment includes an important component for training or transfer of knowledge to Recipient staff or national consultants, the TOR shall indicate the objectives, nature, scope, and goals of the training program, including details on trainers and trainees, skills to be transferred, time frame, and monitoring and evaluation arrangements. The cost for the training program shall be included in the consultant's contract and in the budget for the assignment.

Language

1.22 Except as otherwise provided herein, the RFP and the proposals shall be prepared in English. In addition, the Recipient has the option to issue translated versions of these documents in another language which should either be: (i) the national language of the Recipient; or (ii) the language used nation-wide in the Recipient's country for commercial transactions, hereinafter each is called the National Language¹⁴. When the short-list only comprises nationals as per paragraph 2.7, CDB may agree to issue the RFP only in the National Language. The contract signed with the winning consultant shall always be written in the language in which its proposal was submitted which shall be the language that governs the contractual relations between the Recipient and the consultant. If the contract is signed in the National Language, the Recipient shall provide CDB with a translation of the contract in English. Consultants shall neither be required nor permitted to sign contracts in more than one language.

¹⁴The Recipient shall take full responsibility for the correct translation of the documents in the National Language. In case of any discrepancy with the documents in English, the text in the latter shall prevail.

If the Recipient has more than one National Language and a national law requires official acts to be issued in all national languages, the Recipient shall use one National Language in the RFP and may issue translated versions in the other languages.

However, paragraph 1.22 does not apply in the case of contracts awarded using the approved public procurement system of the Recipient's country described in paragraphs 3.12.

Fraud and Corruption

1.23 It is CDB's policy to require that Recipients (including beneficiaries of the Financing), as well as bidders, suppliers, and contractors under CDB-financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, CDB:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
 - (i) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution;
 - (ii) "fraudulent practice" means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract;
 - (iii) "collusive practices" means a scheme or arrangement between two or more bidders, with or without the knowledge of the Recipient, designed to establish bid prices at artificial, non-competitive levels; and
 - (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract.
- (b) will reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question;
- (c) will normally cancel the portion of the Financing allocated to a contract if it determines at any time that representatives of the Recipient or of a beneficiary of the Financing engaged in corrupt, fraudulent, collusive, or coercive practices during the procurement or the execution of that contract, without the Recipient having taken timely and appropriate action satisfactory to CDB to remedy the situation;
- (d) will sanction a body corporate or individual, including declaring the body corporate or individual ineligible, either indefinitely or for a stated period of time, to be awarded a CDB-financed contract if it at any time determines that the body corporate or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for, or in executing, a CDB-financed contract; and

will have the right to require that a provision be included in bidding documents and in contracts financed by the Financing, requiring bidders, suppliers and contractors to permit CDB to inspect their accounts and records and other documents relating to the bid submission and contract performance and to have them audited by auditors appointed by CDB.

1.24 With the specific agreement of CDB, a Recipient may introduce, into the RFP for contracts financed by CDB, a requirement that the consultant include in the proposal an undertaking by the consultant to observe, in competing for and executing a contract, the country's laws against fraud and

corruption (including bribery), as listed in the RFP¹⁵. CDB will accept the introduction of such a requirement at the request of the Recipient's country, provided the arrangements governing such undertaking are satisfactory to CDB.

Procurement Plan

1.25 The preparation of a realistic procurement plan¹⁶ for a project is critical for its successful monitoring and implementation. As part of the project preparation, the Recipient shall prepare a preliminary procurement plan, however tentative, for the entire scope of the project. At a minimum, the Recipient shall prepare a detailed and comprehensive procurement plan including all contracts for which the selection of firms and individuals is to take place in the first 12 months of project implementation. An agreement with CDB shall be reached at the latest during project appraisal. The Recipient shall update procurement plans throughout the duration of the project annually or as needed throughout the duration of the project by including contracts previously awarded and to be procured in the next 12 months. All procurement plans, their updates or modifications shall be subject to CDB's prior review¹⁷ and no objection before implementation. CDB shall arrange after approval of the Financing the publication on CDB's external website of the initial procurement plan and all subsequent updates once it has provided a no objection.

¹⁵As an example, such an undertaking might read as follows: "We undertake that, in competing for (and, if the award is made to us, in executing) the above contract, we will observe the laws against fraud and corruption in force in the country of the Client, as such laws have been listed by the Client in the RFP for this contract."

¹⁶The procurement plan including their updates shall set forth at a minimum (i) a brief description of consulting services required for the project for which invitations for proposals are to be issued during the period in question; ii) the proposed methods of selection as permitted under the loan agreement; iii) CDB review requirements and thresholds; and iv) the time schedule for key selection activities, and any other information that CDB may reasonably require. For projects, or their components, that are demand-driven in nature such as Community-Driven Development, etc. where specific contracts, or their time-schedules, cannot be identified in advance, a suitable template of procurement plan shall be agreed with CDB for the monitoring and implementation of the selection of consultants. If the Project includes the procurement of goods, works and non consulting services, the Procurement Plan should also include the methods for their procurement in accordance with CDB's Guidelines for Procurement.

¹⁷See Appendix 1

II. QUALITY- AND COST-BASED SELECTION

The Selection Process

2.1 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. Cost as a factor of selection shall be used judiciously. The relative weight to be given to the quality and cost shall be determined for each case depending on the nature of the assignment.¹⁸

2.2 The selection process shall include the following steps:

- (a) preparation of the TOR;
- (b) preparation of cost estimate and the budget, and short-listing criteria;
- (c) advertising;
- (d) preparation of the short list of consultants;
- (e) preparation and issuance of the RFP [which should include: the Letter of Invitation (LOI); Instructions to Consultants (ITC); the TOR and the proposed draft contract];
- (f) receipt of proposals;
- (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.

Terms of Reference (TOR)

2.3 The Recipient shall be responsible for preparing the TOR for the assignment. TOR shall be prepared by a person(s) or a firm specialized in the area of the assignment. The scope of the services described in the TOR shall be compatible with the budget. TOR shall define clearly the objectives, goals, and scope of the assignment and provide background information (including a list of existing relevant studies and basic data) to facilitate the consultants' preparation of their proposals. If transfer of knowledge or training is an objective, it should be specifically outlined along with details of number of staff to be trained, and so forth, to enable consultants to estimate the required resources. TOR shall list the services and surveys necessary to carry out the assignment and the expected outputs (for example, reports, data, maps, surveys). However, TOR should not be too detailed and inflexible, so that competing consultants may propose their own methodology and staffing. Firms shall be encouraged to comment on the TOR in their proposals. The Recipient's and consultants' respective responsibilities should be clearly defined in the TOR.

¹⁸Except for the type of services specified in Section III, the weight for cost shall normally be 20 points out of a total score of 100. See paragraph 2.26.

Cost Estimate (Budget)

2.4 Preparation of a well-thought-through cost estimate is essential if realistic budgetary resources are to be earmarked. The cost estimate shall be based on the Recipient's assessment of the resources needed to carry out the assignment: experts' time, logistical support, and physical inputs (for example, vehicles, laboratory equipment). Costs shall be divided into two broad categories: (a) fee or remuneration (according to the type of contract used) and (b) reimbursable items, and further divided into foreign and local costs. The cost of time inputs shall be estimated on a realistic basis for foreign and national experts. The RFP may indicate the estimated level of experts' time inputs or the estimated total cost of the contract, but not detailed estimates such as fees.

Advertising

2.5 For all projects the Recipient is required to prepare and submit to CDB a General Procurement Notice (GPN). CDB will arrange for its publication in *UN Development Business online (UNDB online)* and on CDB's external website¹⁹. The Recipient shall include a list of expected consulting assignments in the GPN, and shall advertise a request for expressions of interest (REOI) for each contract for consulting firms in the national gazette provided that it is of wide circulation or in at least one newspaper or technical or financial magazine of national circulation in the Recipient's country, or in a widely used electronic portal with free national and international access in English or at the option of the Recipient, in the National Language as defined under paragraph 1.22. In addition, assignments expected to cost more than US\$150,000 shall be advertised in *UNDB online*²⁰. Recipients may also in such cases advertise REOIs in an international newspaper or a technical or financial magazine. The information requested shall be the minimum required to make a judgment on the firm's suitability and not be so complex as to discourage consultants from expressing interest. REOIs shall at a minimum include the following information applicable to the assignment: required qualifications and experience but not individual experts' bio data; short-listing criteria; and conflict of interest provisions. Not less than 14 days from date of publication or posting on *UNDB online* shall be provided for responses, before preparation of the short list. The late submission of a response to a REOI shall not be a cause for its rejection unless the Recipient has already prepared a short list, based on received Expression of Interest (EOIs), that meets the conditions set below in paragraph 2.6. CDB will arrange the publication for notification, on CDB's external website, of all REOIs prepared and submitted by the Recipients that that are for assignments estimated to cost less than US\$150,000 and were therefore not advertised on *UNDB Online*.

Short List of Consultants

2.6 The Recipient is responsible for preparing short lists. The Recipient shall give first consideration to those firms expressing interest that possess the relevant qualifications. Short lists shall comprise not less than three nor more than six firms with representation from at least two member countries, and at least one firm from a developing country, unless no qualified firms from developing countries could be identified. When any of the above requirements cannot be met on the basis of received EOIs, the

¹⁹ UNDB is a publication of the United Nations. Subscription information is available from: Development Business, United Nations, GCPO Box 5850, New York, NY 10163-5850, USA (Website: www.devbusiness.com; e-mail: dbsubscribe@un.org). CDB External Website: <http://www.caribank.org>

²⁰ Exceptionally when CDB has agreed to the shortlist comprising of all Nationals for contracts above \$150,000, there may be no need to publish in the *UNDB on line* up to that ceiling amount. US Dollar thresholds indicated throughout these Guidelines include all taxes and duties, if applicable.

Recipient may directly solicit interest from qualified firms based on its own knowledge, or request Bank assistance in accordance with paragraph 1.17. Exceptionally, CDB may agree to short lists comprising a smaller number of firms, in no case less than 2, when there are not enough qualified firms having expressed interest for the specific assignment, when enough qualified firms could not be identified, or when the size of the contract or the nature of the assignment does not justify wider competition. Once CDB has issued a no objection to a short list, the Recipient shall not modify it without CDB's no objection. Firms that expressed interest, as well as any other firm that specifically requests so, shall be provided the final short list of firms by the Recipient.

2.7 The short list may comprise entirely national consultants (firms registered or incorporated in the country), if the assignment is below the ceiling (or ceilings) established in the Procurement Plan approved by CDB²¹, a sufficient number of qualified national firms is available for having a short list of firms with competitive costs, and when competition including foreign consultants is prima facie not justified or foreign consultants have not expressed interest. However, if foreign firms express interest, they shall be considered.

2.8 The short list should normally comprise consultants of the same category with similar business objectives, corporate capacity, experience and field of expertise, and that have undertaken assignments of a similar nature and complexity. Government-owned enterprises or institutions and not-for-profit organizations (NGOs, Universities, UN Agencies, etc.) should not normally be included in the same short list along with private sector firms, unless they operate as commercial entities meeting the requirements of paragraphs 1.13 (b) and 1.13 (c) of these Guidelines. If mixing is used, the selection should normally be made using Quality-Based Selection (QBS) or Selection Based on the Consultants' Qualifications (CQS) (for small assignments)²². The short list shall not include Individual Consultants. Finally, if the same firm is considered for inclusion in short lists for concurrent assignments, the Recipient shall assess the firm's overall capacity to perform multiple contracts before including it in more than one short list.

Preparation and Issuance of the Request for Proposals (RFP)

2.9 The RFP shall include (a) a LOI, (b) Instructions to Consultants and Data Sheet, (c) the TOR, and (d) the proposed type of contract. Recipients shall use the applicable standard RFPs issued by CDB with minimal changes, acceptable to CDB, as necessary to address project-specific conditions. Any such changes shall be introduced only through the RFP data sheet. Recipients shall list all the documents included in the RFP. The Recipient may use an electronic system to distribute the RFP, provided that CDB is satisfied with the adequacy of such system. If the RFP is distributed electronically, the electronic system shall be secure to avoid modifications to the RFP and shall not restrict the access of short listed consultants to the RFP.

²¹ Dollar ceilings shall be determined in each case, taking into account the nature of the project, the capacity of national consultants, and the complexity of the assignments. The ceiling (or ceilings) shall normally not exceed the amount defined in the Country Procurement Assessment Report for the Country of the Recipient or other similar assessments conducted by CDB. The dollar ceilings for each borrowing country will be posted on CDB's external website. CDB may agree, if requested by the Recipient, that the RFPs for such assignments include a clause rendering ineligible for Bank financing a firm of the Recipient country that is under a sanction of debarment from being awarded a contract by the appropriate judicial authority of the Recipient country and pursuant to its relevant laws, provided that CDB has determined that the firm has engaged in fraud or corruption and the judicial proceeding afforded the firm adequate due process.

²² Dollar thresholds defining "small" shall be determined in each case, taking into account the nature and complexity of the assignment, but shall not exceed USD75,000 other than in exceptional cases such as emergency situations declared by the Recipient and recognized by CDB.

Letter of Invitation (LOI)

2.10 The LOI shall state the intention of the Recipient to enter into a contract for the provision of consulting services, the source of funds, the details of the client and the date, time, and address for submission of proposals.

Instructions to Consultants and Data Sheet (ITC)

2.11 The ITC shall contain all necessary information that would help consultants prepare responsive proposals, and shall bring as much transparency as possible to the selection procedure by providing information on the evaluation process and by indicating the evaluation criteria and factors and their respective weights and the minimum passing quality score. Consultants, however, shall be free to prepare their own estimates of experts' time to carry out the assignment and to offer the corresponding cost in their proposals. When, under time-based contracts, the services are of a routine nature or do not require an innovative approach, the Recipient may, subject to CDB's no objection, require the consultants to include in their proposal the same level of experts' time inputs as indicated in the RFP, failing which their financial proposal shall be adjusted for the purpose of comparison of proposals and decision for award. The ITC shall specify the proposal validity period, which should be adequate for the evaluation of proposals, decision on award, Bank review, and finalization of contract negotiations. A detailed list of the information that should be included in the ITC is provided in Appendix 2.

Contract

2.12 Section IV of these Guidelines briefly outlines the most common types of contracts. Recipients shall use the appropriate Standard Form of Contract issued by CDB²³ with minimum changes, acceptable to CDB, as necessary to address specific country and project issues. Any such changes shall be introduced only through Contract Data Sheets or through Special Conditions of Contract and not by introducing changes in the wording of the General Conditions of Contract included in CDB's Standard Form. These forms of contract cover the majority of consulting services. When these forms are not appropriate (for example, for pre-shipment inspection, procurement services, training of students in universities, advertising activities in privatization, or twinning) Recipients shall use other contract forms acceptable to CDB.

Receipt and Opening of Proposals

2.13 The Recipient shall allow enough time for the consultants to prepare their proposals. The time allowed shall depend on the assignment, but normally shall not be less than four weeks or more than three months (for example, for assignments requiring establishment of a sophisticated methodology, preparation of a multidisciplinary master plan). During this interval, the firms may request clarifications about the information provided in the RFP. The Recipient shall provide these clarifications in writing and copy them to all firms on the short list (who have indicated their intention to submit proposals). If necessary, the Recipient shall extend the deadline for submission of proposals. The technical and financial proposals shall be submitted at the same time. No amendments to the technical or financial proposal shall be accepted after the deadline, although amended proposals may be submitted before such deadline. To safeguard the integrity of the process, the technical and financial proposals shall be submitted in separate sealed envelopes. A committee of officials drawn by the Recipient from the

²³The Standard Forms of Contract are included in the Standard Request for Proposals – Selection of Consultants.

relevant departments (technical, finance, legal, as appropriate), shall open all technical proposals received by the deadline for the submission of proposals at the designated place stipulated in the RFP irrespective of the number of proposals received by such deadline. At the opening of technical proposals, in the presence of consultants wishing to attend, the Recipient shall neither reject nor discuss the merits of any proposal. All proposals received after the deadline shall be declared late and rejected and promptly returned unopened. The committee shall read aloud the names of the consultants that submitted proposals, the presence or absence of duly sealed financial envelopes, and any other information deemed appropriate. The financial proposals shall remain sealed and shall be deposited with a reputable public auditor or independent authority²⁴ until they are opened publicly. Recipients may use electronic systems permitting consultants to submit proposals by electronic means, provided the Bank is satisfied with the adequacy of the system, including, inter alia, that the system is secure, maintains the integrity, confidentiality and authenticity of proposals submitted, uses an electronic signature system or equivalent to keep consultants bound to their proposals.

Clarification or Alteration of Proposals

2.14 Except as otherwise provided in paragraphs 2.27 to 2.29 of Section II and paragraph 1 (p) of Appendix 2 of these Guidelines, consultants shall neither be requested nor permitted to alter their proposals in any way after the deadline for the submission of proposals. While evaluating proposals, the Recipient shall conduct the evaluation solely on the basis of the submitted technical and financial proposals, and shall not ask consultants for clarifications, except for perfunctory queries with the prior no objection of CDB.

Evaluation of Proposals: Consideration of Quality and Cost

2.15 The evaluation of the proposals shall be carried out in two stages: first the quality, and then the cost. Evaluators of technical proposals shall not have access to the financial proposals until the technical evaluation, including any Bank reviews and no objection, is concluded. Financial proposals shall be opened only thereafter. The evaluation shall be carried out in full conformity with the provisions of the RFP.

Evaluation of the Quality

2.16 Given the need for high quality services, the quality of the evaluation of technical proposals is paramount. The Recipient shall evaluate each technical proposal using an evaluation committee of at least three, and normally no more than seven, members including qualified specialists in the sector of the assignment under consideration. Each member of the committee shall not be in a conflict of interest situation as per paragraph 1.9 (c), and certify to that effect before participating in the evaluation. When CDB determines that the technical evaluation is inconsistent with the RFP or does not properly evaluate the strengths or weaknesses of the proposals, and the committee fails to address the situation in a timely manner, CDB may advise the Recipient to form a new evaluation committee, including international experts in the sector of the assignment, if necessary.

2.17 The technical evaluation shall take into account the criteria indicated in paragraph 2.18 and the sub-criteria indicated in paragraphs 2.19 and 2.20 as reflected in the RFP. The RFP shall describe each such

²⁴The public auditor or the independent authority shall have no direct or indirect interest or involvement with the assignment in question.

criterion and sub-criterion along with their relative maximum scores and disclose the overall minimum technical score below which a proposal will be rejected as non-responsive. The indicative range for the overall minimum technical score is 70 to 85 on a scale of 1 to 100. The maximum score for each criterion and the minimum overall technical score shall be determined based on the nature and complexity of the specific assignment.

2.18 The criteria shall include: (a) the consultant’s relevant experience for the assignment, (b) the quality of the methodology proposed, (c) the qualifications of the key experts proposed, (d) transfer of knowledge, if required in the TOR, and (e) the extent of the participation of nationals among key experts in the performance of the assignment. They shall be within the indicative range of scores specified below, except with the no objection of CDB. The maximum score for the “Participation by national experts” as indicated below shall not exceed ten (10).

Consultant’s specific experience:	0 to 10
Methodology:	20 to 50
Key experts:	30 to 60
Transfer of knowledge ²⁵ :	0 to 10
Participation by national experts ²⁶ :	0 to 10
Total:	100

2.19 The Recipient shall normally divide these criteria into sub-criteria. Each criterion shall then be scored on the basis of the weights assigned to respective sub-criteria. For example, sub-criteria under methodology might be *innovation* and *level of detail*. However, the number of sub-criteria should be kept to the essential. CDB recommends against the use of exceedingly detailed lists of sub-criteria that may render the evaluation a mechanical exercise more than a professional assessment of the proposals. The weight given to experience can be relatively modest, since this criterion has already been taken into account when short listing the consultant. More weight shall be given to the methodology in the case of more complex assignments (for example, multidisciplinary feasibility or management studies).

2.20 Only the key experts should be evaluated. Since they ultimately determine the quality of performance, more weight shall be assigned to this criterion if the proposed assignment is complex. The Recipient shall review the qualifications and experience of proposed key experts in their *curricula vitae*, which must be accurate, complete, and signed by an authorized official of the consulting firm and the individual proposed. The individuals shall be rated in the following three sub-criteria, as relevant to the task:

- (a) general qualifications: general education and training, length of experience, positions held, previous assignments as team expert, experience in developing countries, and so forth;

²⁵Transfer of knowledge may be the main objective of some assignments; in such cases, it shall be indicated in the TOR and, only with Bank prior no-objection may be given a higher weight to reflect its importance.

²⁶As reflected by the participation of nationals among key experts (whether presented by foreign or national firms), and calculated as the ratio of key national experts’ time (in person-months) to the total number of key experts’ time (in person-months) in the proposal.

- (b) adequacy for the assignment: education, training, and experience in the specific sector, field, subject, and so forth, relevant to the particular assignment; and
- (c) experience in the region: knowledge of the local language, culture, administrative system, government organization, and so forth.

2.21 Recipients shall evaluate each proposal on the basis of its responsiveness to the TOR. A proposal shall be considered unsuitable and shall be rejected at this stage if it fails to comply with important aspects described in the RFP. Technical proposals containing any material financial information shall be declared non-responsive.

2.22 The members of the evaluation committee shall evaluate proposals in accordance with the evaluation criteria specified in the RFP, independently of each other, and without any external influence from any person or entity. A proposal shall be rejected if it fails to achieve the overall minimum technical score specified in the RFP. At the end of the evaluation process, the Recipient shall prepare a Technical Evaluation Report using CDB's standard form of evaluation report or another report acceptable to CDB. The report shall substantiate the results of the evaluation and justify the total technical scores assigned to each proposal by describing the relative strengths and weaknesses of the proposals. Large differences in the individual scores given to a proposal for the same criterion or sub-criterion by different members shall be addressed and a justification shall be provided in the technical evaluation report. In the case of contracts subject to prior review, the technical evaluation report including the detailed evaluation sheets of each committee member shall be submitted to CDB for its review and no objection. All records relating to the evaluation, such as individual score sheets, shall be retained in accordance with paragraphs 2(k) and 5 of Appendix 1.

Opening of Financial Proposals and Evaluation of Cost

2.23 After the Technical Evaluation Report is completed (and for prior review contracts after CDB has issued its no objection), the Recipient shall inform consultants whose proposals did not meet the minimum qualifying technical score or were considered nonresponsive to the RFP and TOR that their financial proposals will be returned unopened after the signature of the contract. In addition the Recipient shall inform each of the above consultants of their overall technical score as well as scores obtained for each criterion and sub-criterion if any. The Recipient shall simultaneously notify the consultants that have secured the minimum overall technical score of the date, time, and place set for opening the financial proposals. The opening date shall be set allowing sufficient time for consultants to make arrangements to attend the opening of the financial proposals. The financial proposals shall be opened in the presence of representatives of the consultants who choose to attend. The name of the consultant, the technical scores, including the break-down by criterion, and the offered total prices shall be read aloud and recorded when the financial proposals are opened. The Recipient shall also prepare the minutes of the opening and a copy of this record shall be promptly sent to CDB and to all consultants whose technical proposals were considered responsive and achieved the minimum qualifying technical score.

2.24 The Recipient shall then evaluate and compare the financial proposals in accordance with the following procedures. Prices shall be converted to a single currency selected by the Recipient (local currency or fully convertible foreign currency) as stated in the RFP. The Recipient shall make this conversion by using the selling (exchange) rates for those currencies quoted by an official source (such as the Central Bank) or by a commercial bank or by an internationally circulated newspaper for similar transactions. The RFP shall specify the source of the exchange rate to be used and the date of that exchange rate, provided that the date shall not be earlier than four weeks prior to the deadline for

submission of proposals, nor later than the original date of expiration of the period of validity of the proposal. For a time-based contract²⁷, any arithmetical errors shall be corrected, and prices shall be adjusted if they fail to reflect all inputs that are included in the respective technical proposals. For a lump-sum contract, the consultant is deemed to have included all prices in its financial proposal, so neither arithmetical corrections nor price adjustments shall be made, and the total price, net of taxes understood as per paragraph 2.25 below, included in the financial proposal shall be considered as the offered price.

2.25 For the purpose of evaluation, the offered prices shall exclude local identifiable indirect taxes²⁸ on the contract and income tax payable to the country of the Recipient on the remuneration of services rendered in the country of the Recipient by non-resident experts and other personnel of the consultant. In exceptional circumstances, when indirect taxes cannot be fully identified by the Recipient when evaluating the financial offers, CDB may agree that prices, for the purpose of evaluation only, include all taxes payable to the country of the Recipient. The offered total price shall include all consultants' remuneration and other expenses such as travel, translation, report printing, or secretarial expenses. The proposal with the lowest offered total price may be given a financial score of 100 and other proposals given financial scores that are inversely proportional to their prices. The methodology to be used shall be described in the RFP.

Combined Quality and Cost Evaluation

2.26 The total score shall be obtained by weighting the quality and cost scores and adding them. The weight for the "cost" shall be chosen, taking into account the complexity of the assignment and the relative importance of quality. Except for the type of services specified in Section III, the weight for cost shall normally be 20 points out of a total score of 100. The proposed weightings for quality and cost shall be specified in the RFP. The firm obtaining the highest total score shall be invited for negotiations.

Negotiations and Award of Contract

2.27 Negotiations shall include discussions of the TOR, the methodology, Recipient's inputs, and special conditions of the contract. These discussions shall not substantially alter the original scope of services under the TOR or the terms of the contract, lest the quality of the final product, its price, and the relevance of the initial evaluation be affected. Major reductions in work inputs should not be made solely to meet the estimated cost or available budget. The final TOR and the agreed methodology shall be incorporated in the "Description of Services" which shall form part of the contract.

2.28 The selected firm should not be allowed to substitute key experts, unless both parties agree that undue delays in the selection process make such substitution unavoidable or that such changes are critical to meet the objectives of the assignment.²⁹ If this is not the case and if it is established that key experts were included in the proposal without confirming their availability, the firm may be disqualified and the process continued with the next ranked firm. The key experts proposed for substitution shall have qualifications equal to or better than the key experts initially proposed³⁰.

²⁷Refer Section IV on forms of contracts

²⁸All indirect taxes levied on the contract invoices, at National, State (or Provincial) and Municipal levels, such as sales tax, VAT, excise tax, and similar taxes and levies.

²⁹Defining realistic proposal validity periods in the RFP and carrying out an efficient evaluation minimizes this risk.

³⁰Refer to Appendix 2 paragraph 1 (p) for more details.

2.29 Financial negotiations shall include clarification of the consultants' tax liability in the Recipient's country (if any) and how this tax liability has been or would be reflected in the contract. As lump-sum contracts payments are based on delivery of outputs (or products), the offered price shall include all costs (experts' time, overhead, travel, hotel, etc.). Consequently, if the selection method for a lump-sum contract included cost as a factor in evaluation, the offered price shall not be negotiated. In the case of time-based contracts, payment is based on inputs (staff experts' time and reimbursables) and the offered price shall include experts' rates and an estimation of the amount of reimbursables. When the selection method includes cost as a factor in evaluation, negotiations of experts' rates shall not take place, except in special circumstances, like for example, experts' rates offered are much higher than typically charged rates by consultants for similar contracts. Consequently, the prohibition of negotiation does not preclude the right of the client to ask for clarifications, and, if the fees are very high, to ask for their change, after due consultation with CDB. Reimbursables are to be paid on actual expenses incurred at cost upon presentation of receipts and therefore are not subject to negotiations. However, if the Recipient wants to define ceilings for unit prices of certain reimbursables (like travel or hotel rates), they should indicate the maximum levels of those rates in the RFP or define a per diem in the RFP.

2.30. If the negotiations with the highest ranked consultant fail, the Recipient shall inform the concerned consultant in writing of all pending issues and disagreements, and provide them a final opportunity to respond in writing. Contract negotiations shall not be terminated only for budget considerations. If there is still disagreement, the Recipient shall inform the consultant in writing of its intention to terminate negotiations. Negotiations may then be terminated after obtaining CDB's no objection, and the next ranked consultant invited for negotiations. The Recipient shall furnish to CDB for review the minutes of negotiations and all relevant communications, as well as the reasons for such termination. Once negotiations have commenced with the next ranked firm, the Recipient shall not reopen the earlier negotiations. After negotiations are successfully completed and CDB has issued its no objection to the initialed negotiated contract, the Recipient shall promptly notify other firms on the short list that they were unsuccessful.

Publication of the Award of Contract

2.31 The procedure for publication of award of contracts is specified in paragraph 7 of Appendix 1.

Debriefing by the Recipient

2.32 In the publication of contract award referred to in paragraph 2.31, the Recipient shall specify that any consultant who wishes to ascertain the grounds on which its proposal was not selected, should request an explanation from the Recipient. The Recipient shall promptly provide in writing an explanation of why such proposal was not selected. If a consultant requests a debriefing meeting, it shall bear all their costs of attending such a debriefing meeting.

Rejection of All Proposals and Re-invitation

2.33 The Recipient will be justified in rejecting all proposals only if: (i) all proposals are nonresponsive because they fail to respond to important aspects of the TOR or present major deficiencies in complying with the TOR in accordance with paragraph 2.21; or (ii) all proposals fail to achieve the minimum technical score specified in the RFP; or (iii) if the offered price of the successful proposal is substantially higher than the available budget or a recently updated cost estimate. In the latter case, as an alternative to re-invitation, the feasibility of increasing the budget, or scaling down the scope of services with the firm

should be investigated in consultation with CDB. However, in accordance with paragraph 2.27, any substantial reduction in the scope of services will not be acceptable and will require a re-invitation. If cost is a factor in the evaluation for a time-based contract, the number of person-months proposed by the consultant may be negotiated, provided that it does not compromise quality or adversely affect the assignment. Even in such cases, the experts' rates shall not normally be negotiated, as per paragraph 2.29.

2.34 Before all the proposals are rejected and new proposals are invited, the Recipient shall notify CDB, indicating the reasons for rejection of all proposals, and shall obtain CDB's no objection before proceeding with the rejection and the new process. The new process may include revising the RFP, including the TOR, the short list and the budget. These revisions shall be agreed upon with CDB.

Confidentiality

2.35 Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the consultants who submitted the proposals or to other persons not officially concerned with the process, until the publication of the award of contract, except as provided in paragraphs 2.23 and 2.30.

III. OTHER METHODS OF SELECTION

General

3.1 This section describes the selection methods other than QCBS, and the circumstances under which they are acceptable. All provisions of Section II (QCBS) shall apply for other methods of selection under section III unless a different provision has been specifically identified in Section III, in which case, the latter shall apply³¹. Recipients shall use the applicable standard RFP issued by CDB with minimal changes, acceptable to CDB, as necessary to address project-specific conditions, except as otherwise provided in paragraphs 3.8, 3.12, and 3.13, 3.14, and 3.15 of this Section.

Quality-Based Selection (QBS)

3.2 QBS is appropriate for the following types of assignments:

- (a) complex or highly specialized assignments for which it is difficult to define precise TOR and the required input from the consultants, and for which the client expects the consultants to demonstrate innovation in their proposals (for example, country economic or sector studies, multisectoral feasibility studies, design of a hazardous waste remediation plant or of an urban master plan, financial sector reforms);
- (b) assignments that have a high downstream impact and in which the objective is to have the best experts (for example, feasibility and structural engineering design of such major infrastructure as large dams, policy studies of national significance, management studies of large government agencies); and
- (c) assignments that can be carried out in substantially different ways, such that proposals will not be comparable (for example, management advice, and sector and policy studies in which the value of the services depends on the quality of the analysis).

3.3 In QBS, the RFP may request submission of a technical proposal only (without the financial proposal), or request submission of both technical and financial proposals at the same time, but in separate envelopes (two-envelope system). The RFP shall provide either the estimated budget or the estimated time of key experts, specifying that this information is given as an indication only and that consultants shall be free to propose their own estimates.

3.4 If technical proposals alone were invited, after evaluating the technical proposals using the same methodology as in QCBS, the Recipient shall ask the consultant with the highest ranked technical proposal to submit a detailed financial proposal. The Recipient and the consultant shall then negotiate the financial proposal³² and the contract. All other aspects of the selection process shall be identical to those

³¹For example a Recipient: (i) selecting a consultant under the Use of Country Systems (UCS) procedures as per paragraph 3.12; (ii) using a one envelope rather than a two envelope procedure under the QBS method; (iii) not using an EOI under a SSS method or not advertising EOIs on UNDB under the CQS method; (iv) using a higher than 20% price factor when hiring a procurement agent, an Inspection agent, an Investment Bank, or an Auditor; (v) conducting price negotiations as allowed under a QBS, CQS or SSS method, or Commercial Practices; (vi) not indicating in the RFP the estimated number of person-months under a FBS method; (vii) not following QCBS procedures under Commercial Practices; (viii) not using CDB's standard RFP and form of contract for very small value contracts under methods such as CQS, etc.

³²Financial negotiations under QBS includes negotiations of all consultant's remuneration and other expenses.

of QCBS, including the publication of the Award of Contract as described in paragraph 2.31 and paragraph 7 of Appendix 1 except that only the contract price of the winning firm is published. If consultants were requested to provide financial proposals initially together with the technical proposals, safeguards shall be built in as in QCBS to ensure that the financial proposal of only the selected firm is opened and the rest returned unopened, after the negotiations are successfully concluded.

Selection under a Fixed Budget (FBS)

3.5 This method is appropriate only when the assignment is simple and can be precisely defined and when the budget is fixed. The RFP shall indicate the available budget and request the consultants to provide their best technical and financial proposals in separate envelopes, within the budget. TOR should be particularly well prepared to make sure that the budget is sufficient for the consultants to perform the expected tasks. The RFP should clearly indicate whether the budget includes taxes or levies payable in the Recipient country, and the price of any inputs provided by the client. The evaluation of all technical proposals shall be carried out first as in the QCBS method. Then the financial proposals shall be opened as stipulated in paragraph 2.23. Proposals that exceed the indicated budget shall be rejected. The Consultant who has submitted the highest ranked technical proposal among the rest shall be selected and invited to negotiate a contract. The award of the Contract shall be published as described in paragraph 7 of Appendix 1.

Least-Cost Selection (LCS)

3.6 This method is generally appropriate for selecting consultants for assignments of a standard or routine nature (audits, engineering design of noncomplex works, and so forth) where well-established practices and standards exist. Under this method, a “minimum” qualifying mark for the “quality” is established. Proposals, to be submitted in two envelopes, are invited from a short list. Technical proposals are opened first and evaluated. Those securing less than the minimum qualifying mark³³ are rejected, and the financial proposals of the rest shall be opened as stipulated in paragraph 2.23. The firm with the lowest price shall then be selected. Under this method, the minimum qualifying mark shall be established, understanding that all proposals above the minimum compete only on “cost.” The minimum qualifying mark shall be stated in the RFP. The award of Contract shall be published as per paragraph 7 of Appendix 1.

Selection Based on the Consultants’ Qualifications (CQS)

3.7 This method may be used for small³⁴ assignments for which the need for issuing an RFP, and preparing and evaluating competitive proposals is not justified. In such cases, the Recipient shall prepare the TOR and obtain expressions of interest that include information on their experience and qualifications, through a REOI or by invitation as may be needed, from as many firms as possible, and at least three qualified, firms with relevant experience. Firms having the required experience and competence relevant to the assignment shall be assessed and compared, and the best qualified and experienced firm shall be selected. Only the selected firm shall be asked to submit a combined technical and financial proposal and, if such proposal is responsive and acceptable, be invited to negotiate a

³³This method shall not be used as a substitute for QCBS and shall be used only for the specific cases of very standard and routine technical nature where the intellectual component is minor. For this method the minimum qualifying mark shall be 70 points or higher.

³⁴Dollar thresholds defining “small” shall be determined in each case, taking into account the nature and complexity of the assignment, but shall not exceed US\$75,000.

contract. Both technical and financial aspects of the proposal may be negotiated. If the negotiations fail with the selected firm, the provisions of paragraph 2.30 apply. The minutes of negotiations should be prepared and signed by both parties. Awards of Contracts shall be published as per paragraph 7 of Appendix 1.

Single-Source Selection (SSS)

3.8 SSS of consultants does not provide the benefits of competition in regard to quality and cost, lacks transparency in selection, and could encourage unacceptable practices. Therefore, single-source selection shall be used only in exceptional cases. The justification for SSS shall be examined in the context of the overall interests of the client and the project, and CDB's responsibility to ensure economy and efficiency and provide equal opportunity to all qualified consultants.

3.9 SSS may be appropriate in the following cases, and only if it presents a clear advantage over competition: (a) for tasks that represent a natural continuation of previous work carried out by the firm (see next paragraph), (b) in exceptional cases, such as in response to natural disasters and for emergencies both declared by the Recipient and recognized by CDB³⁵, (c) for very small³⁶ assignments, or (d) when only one firm is qualified or has experience of exceptional worth for the assignment. In all such cases, the Recipient is not required to issue an RFP and shall submit to CDB for its review and no objection the TOR of the assignment, a sufficiently detailed justification including the rationale for single source selection instead of a competitive selection process, and the basis for recommending a particular firm in all such cases, except for contracts below a threshold defined on the basis of risks and the scope of the project, and set forth in the Financing Agreement and/or Procurement Plan.

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

3.11 If the initial assignment was not awarded on a competitive basis or if the downstream assignment is substantially larger in value, a competitive process acceptable to CDB shall normally be followed in which the consultant carrying out the initial work is not excluded from consideration if it expresses interest. CDB will consider exceptions to this rule only under special circumstances and only when a new competitive process is not practicable. The award of Contract shall be published as per paragraph 7 of Appendix 1.

³⁵Under Paragraph 4.42 of CDB's Disaster Management Strategy and Operational Guidelines, competitive selection of consultants without restriction on country eligibility for consultancy services contracts which are estimated to not exceed US\$200,000 is permitted. Single Source Selection of consultants under these procedures is permitted without restriction on country eligibility for consultancy services contracts which are estimated to not exceed US\$25,000.

³⁶Dollar thresholds defining "very small" shall be determined in each case, taking into account the nature and complexity of the assignment, but shall only exceed US\$10,000 in exceptional cases and shall be limited to a maximum of US\$50,000 per Financing Agreement.

Use of Country Systems (UCS)

3.12 UCS refers to the methods for selecting consultants (including individuals) contemplated in the public procurement system in place in the country of the Recipient that have been determined to be acceptable to CDB.

Selection of Consultants in Financing to Financial Intermediary Institutions

3.13 When the Financing provides funds to a financial intermediary institution to be on-lent to beneficiaries (institutions or individuals) for the partial financing of subprojects, the selection of consultants is usually undertaken by the respective beneficiaries in accordance with well-established private sector methods and commercial practices that shall be acceptable to CDB. Consideration shall also be given to the use of competitive procedures outlined earlier, particularly for large assignments.

Selection of Consultants under Financing Guaranteed by CDB

3.14 If CDB guarantees the repayment of a loan made by another lender, the consulting services financed by the said loan shall be procured with due attention to principles and procedures that meet the requirements of paragraph 1.8. CDB shall conduct a review of the procurement transactions under the loan upon its completion.

Selection of Particular Types of Consultants

3.15 *Selection of UN Agencies.* Agencies of the UN³⁷ may be contracted directly by Recipients when they are uniquely or exceptionally qualified to provide technical assistance and advice in their area of expertise. CDB may agree that UN agencies follow their own procedures for: (a) the selection of their sub-consultants and individual experts, and the supply of the minimum necessary goods to perform the contract; (b) small assignments as defined in footnote 22-34 of paragraph 3.7 of these Guidelines; and (c) under certain circumstances in response to natural disasters and for emergencies both declared by the Recipient and agreed by CDB. The Recipient shall submit to CDB for its no objection a complete justification and the draft form of the proposed agreement with the UN agency before signing it. They shall not receive any preferential treatment when they participate in a competitive selection process, except that Recipients may accept the privileges and immunities granted to UN agencies and their staff under existing international conventions and may agree with UN agencies on special payment arrangements required according to the agency's charter, provided these are acceptable to CDB. To neutralize the privileges of UN Agencies, as well as other advantages such as tax exemption and facilities, and special payment provisions, the QBS method, or the CQS method for small assignments, shall be used.

3.16 *Use of NGOs.* NGOs are not for profit organizations that may be uniquely qualified to assist in the preparation, management, and implementation of projects, essentially because of their involvement and knowledge of local issues, community needs, and/or participatory approaches. NGOs may be included in the short list if they express interest and provided that the Recipient and CDB are satisfied with their qualifications. For assignments that emphasize participation and considerable local knowledge, the short

³⁷An agency of the United Nations refers to the United Nations departments, specialized agencies and their regional offices, such as the PanAmerican Health Organization, funds and programmes.
The Recipient shall submit to CDB for its no objection a complete justification and the draft form of agreement with the UN agency.

list may comprise entirely NGOs. If so an appropriate selection method (QCBS, FBS, LCS, or CQS), based on the nature, complexity and size of the assignment, shall be followed, and the evaluation criteria shall reflect the unique qualifications of NGOs, such as local knowledge, scale of operation, and reputation. Recipients may select the NGO on a single-source basis, provided the criteria outlined in paragraph 3.9 of these Guidelines are fulfilled.

3.17 *Procurement Agents (PAs)*. When a Recipient lacks the necessary organization, resources, or experience, it may be efficient and effective for it to employ, as its agent, a firm that specializes in handling procurement. When PAs are specifically used as “agents” handling the procurement of specific items and generally working from their own offices, they are usually paid a percentage of the value of the procurements handled, or a combination of such a percentage and a fixed fee. In such cases PAs shall be selected using QCBS procedures with cost being given a weight up to 50 percent. However, when PAs provide only advisory services for procurement or act as “agents” for a whole project in a specific office for such project they are usually paid on a time basis, and in such cases, they shall be selected following the appropriate procedures for other consulting assignments using QCBS procedures and time-based contract, specified in these Guidelines. The agent shall follow all the procurement procedures outlined in the Financing Agreement and in the Procurement Plan approved by CDB on behalf of the Recipient, including use of CDB’s *Standard Request for Proposals*, review procedures, and documentation.

3.18 *Inspection Agents*. Recipients may wish to employ inspection agencies to inspect and certify goods prior to shipment or on arrival in the Recipient country. The inspection by such agencies usually covers the quality and quantity of the goods concerned and reasonableness of price. Inspection agencies shall be selected using QCBS procedures giving cost a weight up to 50 percent and using a contract format with payments based on a percentage of the value of goods inspected and certified.

3.19 *Banks*. Investment and commercial banks, financial firms, and fund managers hired by Recipients for the sale of assets, issuance of financial instruments, and other corporate financial transactions, notably in the context of privatization operations, shall be selected under QCBS. The RFP shall specify selection criteria relevant to the activity—for example, experience in similar assignments or network of potential purchasers—and the cost of the services. In addition to the conventional remuneration (called a “retainer fee”), the compensation includes a “success fee”; this fee can be fixed, but is usually expressed as a percentage of the value of the assets or other financial instruments to be sold. The RFP shall indicate that the cost evaluation will take into account the success fee, either in combination with the retainer fee or alone. If alone, a standard retainer fee shall be prescribed for all short listed consultants and indicated in the RFP, and the financial scores shall be based on the success fee. For the combined evaluation (notably for large contracts), cost may be accorded a weight higher than recommended in paragraph 2.26. The RFP shall specify clearly how proposals will be presented and how they will be compared.

3.20 *Auditors*. Auditors typically carry out auditing tasks under well-defined TOR and professional standards. They shall be selected according to QCBS, with cost as a substantial selection factor (40–50 points) or by the “Least-Cost Selection” outlined in paragraph 3.6. For small³⁸ assignments, the CQS method may be used.

3.21 *Service Delivery Contractors*. Projects may involve hiring large numbers of individuals who deliver services on a contract basis. Their selection, as individual consultants or through a firm, shall be carried out in accordance with Section V of these Guidelines. The job descriptions, minimum

³⁸See footnote 22

qualifications, terms of employment, the selection procedures when through a contract with a firm, and the extent of CDB review of this documentation and procedures shall be described in the project documentation and the contract shall be included in the Procurement Plan to be reviewed by CDB.

IV. TYPES OF CONTRACTS AND IMPORTANT PROVISIONS

Types of Contracts

4.1 *Lump Sum Contract*³⁹. This type of contract is used mainly for assignments in which the scope and the duration of the services and the required output of the consultants are clearly defined. It is widely used for simple planning and feasibility studies, environmental studies, detailed design of standard or common structures, preparation of data processing systems, and so forth. Payments are linked to outputs (deliverables) such as reports, drawings, bills of quantities, bidding documents, and software programs. The contract shall include a fixed price for the activities to be carried out by the consultant and shall not be subject to any price adjustment, except as provided in paragraph 4.7 of these Guidelines. Lump sum contracts are easy to administer because they operate on the principle of fixed price for a fixed scope, and payments are due on clearly specified outputs and milestones.

4.2 *Time-Based Contract*⁴⁰. This type of contract is appropriate when it is difficult to define or fix the scope and the duration of the services, either because they are related to activities carried out by others for which the completion period may vary, or because the input of the consultants required for attaining the objectives of the assignment is difficult to assess. It is widely used for complex studies, supervision of construction, advisory services, and most training assignments. Payments are based on agreed hourly, daily, weekly, or monthly rates for experts (who are normally named in the contract) and on reimbursable items using actual expenses and/or agreed unit prices. The rates for experts include remuneration, social costs, overhead, profit, and, where appropriate, special allowances. The contract shall include a ceiling amount of total payments to be made to the consultants. This ceiling amount should include a contingency allowance for unforeseen services and duration, and a provision for price adjustment for inflation as provided in paragraph 4.7 of these Guidelines. Time-based contracts need to be closely monitored and administered by the client to ensure that the assignment is progressing satisfactorily and that payments claimed by the consultants are appropriate.

4.3 *Retainer and/or Contingency (Success) Fee Contract*. Retainer and contingency fee contracts are widely used when consultants (banks or financial firms) are preparing companies for sales or mergers of firms, notably in privatization operations. 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.

4.4 *Percentage Contract*. These contracts are commonly used 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. The contracts are negotiated on the basis of market norms for the services and/or estimated person-month costs for the services, or competitively bid. It should be borne in mind that in the case of architectural or engineering services, percentage contracts implicitly lack incentive for economic design and are hence discouraged. Therefore, the use of such a contract for architectural services is recommended only if it is based on a fixed target cost and covers precisely defined services (but not for example works supervision).

4.5 *Indefinite Delivery Contract (IDCs) or Price Agreement*. IDCs are used when Recipients need to have quick and continuing access to “on call” specialized advisory services for a particular activity, the

³⁹Standard form of *Contract for Consultants' Services (Lump Sum Remuneration)*.

⁴⁰Standard form of *Contract for Consultants' Services (Complex Time-Based Assignments)*.

extent and timing of which cannot be defined in advance. IDCs are commonly used to retain “advisers”, expert adjudicators, members of panels, or experts to participate in the design or implementation of sub-projects or complex tasks during the execution of CDB-financed projects (for example dam panel, dispute resolution boards institutional reforms, procurement advice, technical troubleshooting, evaluation of safeguard issues, and so forth), normally for a period of at least a year. The services are offered by qualified firms through a list of proposed experts they commit to make available in letters of intent in response to a REOI setting selection criteria focusing on the relevant qualifications and expertise of the required experts. Recipients shall then establish a long list of qualified experts. The Recipient and the firms agree on pre-established fee rates to be paid for the experts and on standard contract conditions, and payments are made on the basis of the time actually spent. Experts shall be selected from the long list on the basis of a “call off” request with specific TOR for the assignment, based on the qualitative evaluation/comparison of the CVs of the proposed experts or the fees level, and a specific contract is signed for each assignment.

Important Provisions

4.6 *Currency.* RFPs shall clearly state that firms may express the price for their services in any fully convertible currency where applicable. If the consultants wish to express the price as a sum of amounts in different foreign currencies, they may do so, provided the proposal includes no more than three foreign currencies. The Recipient may require consultants to state the portion of the price representing local costs incurred in the currency of the Recipient’s country. Payment under the contract shall be made in the currency or currencies in which the payment is requested in the proposal.

4.7 *Price Adjustment.* To adjust the remuneration rates in a Time-based Contract for foreign and/or local inflation, a price adjustment provision shall be included in the contract if its duration is expected to exceed 18 months. Time-based Contracts of a shorter duration may include a provision for price adjustment when local or foreign inflation is expected to be high and unpredictable. Lump-sum Contracts shall not generally be subject to automatic price adjustment when their duration is expected to be less than eighteen months, except for small-value multi-year contracts (for example with auditors). The price of a lump-sum contract may be exceptionally amended when the scope of the services is extended beyond what was contemplated in the original TOR and contract.

4.8 *Payment Provisions.* Payment provisions, including amounts to be paid, schedule of payments, and payment procedures, shall be agreed upon during contract negotiations. Payments may be made at regular intervals (as under time-based contracts) or for agreed outputs (as under lump sum contracts). Payments for all advances (for example, for mobilization costs) shall be secured by an advance payment security or guarantee, except in the case of small value contracts as defined in footnote 22. If the amount of the advance is ten percent of the contract amount or less, the Recipient may decide not to require such a security or guarantee, ~~in~~ in which case this should be specified in the draft contract included in the RFP.

4.9 Payments shall be made promptly in accordance with the contract provisions. To that end,

- (a) consultants can be paid directly by CDB at the request of the Recipient or exceptionally through a Letter of Credit;
- (b) only disputed amounts shall be withheld, with the remainder of the invoice paid in accordance with the contract; and

- (c) the contract shall provide for the payment of financing charges if payment is delayed due to the client's fault beyond the time allowed in the contract; the rate of charges shall be specified in the contract.

4.10 *Proposal and Performance Securities, and Liquidated Damages.* Proposal and performance securities are not recommended for consultants' services. Their enforcement is often subject to judgment calls, they can be easily abused, and they tend to increase the costs to the consulting industry without evident benefits, which are eventually passed on to the Recipient. In addition, because the timely delivery of services of an intellectual and advisory nature is contingent in many ways upon actions by the client, thereby rendering difficult establishing the sole responsibility of the consultant, when there are delays, the application of liquidated damages is not recommended for consulting services.

4.11 *Recipient's Contribution.* The Recipient may assign members of its own professional staff to the assignment in different capacities. The contract between the Recipient and the consultant shall give the details governing such staff, known as counterpart staff, as well as facilities that shall be provided by the Recipient, such as housing, office space, secretarial support, utilities, materials, and vehicles. The contract shall indicate measures the consultant can take if any of the items cannot be provided or have to be withdrawn during the assignment, and the compensation the consultant will receive in such a case.

4.12 *Conflict of Interest.* The consultant shall not receive any remuneration in connection with the assignment except as provided in the contract. The consultant and its affiliates shall not engage in consulting or other activities that conflict with the interest of the client under the contract. The contract shall include provisions limiting future engagement of the consultant for other services resulting from or directly related to the firm's consulting services in accordance with the requirements of paragraphs 1.9 and 1.10 of the Guidelines.

4.13 *Professional Liability.* The consultant is expected to carry out its assignment with due diligence and in accordance with prevailing standards of the profession. As the consultant's liability to the Recipient will be governed by the applicable law, the contract need not deal with this matter unless the parties wish to limit this liability. If they do so, they should ensure that (a) there must be no such limitation in case of the consultant's gross negligence or willful misconduct; (b) the consultant's liability to the Recipient may in no case be limited to less than a whole-number multiplier of the total value of the contract to be indicated in the RFP and in the special conditions of the contract (the amount of such limitation will depend on each specific case);⁴¹ and (c) any such limitation may deal only with the consultant's liability toward the client and not with the consultant's liability toward third parties.

4.14 *Substitution of Experts.* During an assignment, if substitution is necessary (for example, because of ill health or because an expert proves to be unsuitable or becomes otherwise ineligible), the consultant shall propose other experts of at least the same level of qualifications for approval by the Recipient.

4.15 *Applicable Law and Settlement of Disputes.* The contract shall include provisions dealing with the applicable law and the forum for the settlement of disputes. Consultants' contracts shall always include a clause for settlement of disputes. International commercial arbitration in a neutral venue has practical advantages over other methods for the settlement of disputes. Therefore, CDB requires that Recipients use this type of arbitration in contracts awarded to foreign consultants unless CDB has specifically agreed

⁴¹The Recipient is encouraged to secure insurance for potential risks above these limits. The multiplier should be more than one. Where there may be no need for professional liability requirements, the Recipient shall explain the reasons in seeking CDB's no objection to the RFP.

to waive this requirement for justified reasons such as equivalent national regulations and arbitration procedures. CDB shall not be named an arbitrator or be asked to name an arbitrator.

V. SELECTION OF INDIVIDUAL CONSULTANTS

5.1 Individual consultants are employed on assignments for which (a) a team of experts is not required, (b) no additional outside (home office) professional support is required, and (c) the experience and qualifications of the individual are the paramount requirement. When coordination, administration, or collective responsibility may become difficult because of the number of individuals, it would be advisable to employ a firm. When qualified individual consultants are unavailable or cannot sign a contract directly with a Recipient due to a prior agreement with a firm, the Recipient may invite firms to provide qualified individual consultants for the assignment.

5.2 Advertisement for seeking expressions of interest (REOI) is encouraged, particularly when the Recipient does not have knowledge of experienced and qualified individuals or of their availability, or the services are complex, or there is potential benefit from wider advertising, or if it is mandatory under national law. It may not, however, be required in all cases, and should not take place for small-value contracts⁴². All invitations for EOIs should specify selection criteria that are solely based on experience and qualifications. When firms are invited to propose individual consultants, EOIs shall clarify that only the experience and qualifications of individuals shall be used in the selection process, and that their corporate experience shall not be taken into account, and specify whether the contract would be signed with the firm or the proposed individuals.

5.3 Individual consultants are selected on the basis of their relevant experience, qualifications, and capability to carry out the assignment. They do not need to submit proposals and shall be considered if they meet minimum relevant requirements which shall be determined by the Recipient on the basis of the nature and complexity of the assignment, and assessed on the basis of academic background and relevant specific experience, and, as appropriate, knowledge of local conditions such as national language, culture, administrative systems and government organization. The selection shall be carried out through the comparison of the relevant overall capacity of at least three qualified candidates among those who have, directly or through a firm, expressed interest in the assignment or have been approached directly by the Recipient. Individuals selected to be employed by the Recipient shall be the most experienced and best qualified, and shall be fully capable of carrying out the assignment. The Recipient shall negotiate a contract with the selected individual consultant or the firm as the case may be, after reaching agreement on satisfactory terms and conditions of the contract, including reasonable fees and other expenses.

5.4 The selection of individual consultants is normally not subject to prior review. The Recipient shall, however, obtain CDB's no objection: (a) when it has not been able to compare at least three qualified candidates before hiring, in which case it shall provide the reasons; (b) before it invites firms to offer the services of individual consultants as per paragraph 5.1 of these Guidelines; (c) in case negotiations with the selected individual fail before proceeding to negotiate with the next best individual or firm as the case

⁴²Advertising for REOIs shall not normally take place for individual contracts below USD25,000. Such threshold shall, however, be determined in each case, taking into account the nature, complexity and risks of the assignment. CDB may agree, if requested by the Recipient, that such assignments be subject to ineligibility for Bank financing of individuals of the Recipient country who are under a sanction of debarment from being awarded a contract by the appropriate judicial authority of the Recipient country and pursuant to its relevant laws, provided that CDB has determined that the individual has engaged in fraud or corruption and the judicial proceeding afforded the individual adequate due process.

may be; and (d) in case of single-source selection as per paragraph 5.6 of these Guidelines. CDB also requires prior review of the selection of certain categories of individual consultants⁴³.

5.5 When a contract is signed with a consulting firm to provide individual consultants, either its permanent staff or associates or other experts it may recruit, the conflict of interest provisions described in these Guidelines shall apply to the parent firm. No substitution of any individual who was initially proposed and evaluated shall be permitted, and in such a case, the contract will be signed with the next ranked consultant.

5.6 Individual consultants may be selected on a single-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 six months; (c) urgent situations; and (d) when the individual is the only consultant qualified for the assignment. The Recipient shall submit to CDB for its review and no objection the TOR of the assignment, a sufficiently detailed justification, including the rationale for single source selection instead of a competitive selection process and the basis for recommending a particular individual consultant in all such cases, except for contracts below a threshold defined on the basis of risks and the scope of the project, and set forth in the Financing Agreement and/or Procurement Plan. An individual consultant may also be engaged by single-source selection and paid a limited honorarium⁴⁴ when his/her services, in subject areas where he/she is an acknowledged expert, are required at fora such as workshops, seminars or conferences. In such cases, there will be no need for the inclusion of the assignment(s) in the Financing Agreement and/or Procurement Plan.

⁴³Those being hired for long-term technical assistance or advisory services for the duration of the project (above the prior review threshold set forth in the Legal Agreement or Procurement Plan), and (without regard to the prior review threshold) those being hired for legal work or project-related procurement activities. The prior review of TOR of individual consultants by CDB is mandatory except as may be determined for limited, simple and low-value assignments.

⁴⁴The honorarium shall not exceed USD5,000.

**REVIEW BY CDB OF THE SELECTION OF CONSULTANTS
AND PUBLICATION OF AWARDS OF CONTRACTS**

Scheduling the Selection Process

1. CDB shall review⁴⁵ Procurement Plans and their updates prepared by the Recipients in accordance with provisions under paragraph 1.25. They shall be consistent with the Project Implementation Plan, the Financing Agreement and these Guidelines.

Prior Review

2. With respect to all contracts⁴⁶ that are subject to CDB's prior review:
- (a) Before inviting proposals, the Recipient shall furnish to CDB for its review and no objection the proposed cost estimate and RFP (including the short list). The Recipient shall make such modifications to the short list and the documents as CDB reasonably requests. Any further modification shall require CDB's no objection before the RFP is issued to the short-listed consultants⁴⁷.
 - (b) After the technical proposals have been evaluated, the Recipient shall furnish to CDB, in sufficient time for its review, a technical evaluation report (prepared, if CDB shall so request, by experts acceptable to CDB pursuant to paragraph 2.16) and a copy of the proposals, if requested by CDB. If CDB determines that the technical evaluation is inconsistent with the provisions of the RFP, it shall promptly inform the Recipient and state the reasons for its determination; otherwise, CDB shall issue a no objection to the technical evaluation. The Recipient shall also request CDB's no objection if the evaluation report recommends rejection of all proposals.
 - (c) The Recipient may proceed with the opening of the financial proposals only after receiving CDB's no objection to the technical evaluation. When cost is a factor in the selection of the consultant, the Recipient may then proceed with the financial evaluation in accordance with the provisions of the RFP. The Recipient shall furnish to CDB, for its information, the final evaluation report along with its recommendation of the successful consultant. The Recipient shall notify the firm that received the highest total score in the final evaluation of its intention to award the contract to the firm and shall invite the firm for negotiations. If CDB notes any discrepancies in the financial evaluation pursuant to its own review or due to a complaint, it shall promptly notify the Recipient which shall address promptly all

⁴⁵Paragraphs 10 to 14 of Appendix 3 set forth the actions taken by CDB in response to communications from bidders, including bidder complaints, and bidder requests for debriefing.

⁴⁶The total value of the contract including all taxes and duties (if applicable) shall be the basis to determine whether a contract should be subject to prior or post review by CDB.

⁴⁷In the case of contracts to be awarded under para. 3.11 where a new competitive process is not practicable, the Recipient shall not initiate negotiations without first furnishing to CDB for its consideration the required justification and receiving CDB's "no objection," and shall otherwise follow the requirements of this paragraph 2 in all relevant respects.

issues raised to the satisfaction of CDB before proceeding for negotiations with the successful consultant or suspend negotiations if already commenced. In such cases, further action shall not be taken until CDB has given its no objection to the Recipient's recommendation.

- (d) If the Recipient requires an extension of the validity of the proposals to complete the evaluation, obtain necessary internal clearances or CDB's no objection, or make the award, it should seek CDB's prior no objection for the first request of extension if such is for a period longer than four weeks, and for all subsequent requests for extension, irrespective of the duration of the period.
- (e) If the Recipient receives complaints from consultants, it shall promptly send to the complainant an acknowledgment, and to CDB for review and comments a copy of the complaint, the Recipient's comments on each issue raised in the complaint, and a copy of the proposed response to the complainant.
- (f) If as a result of the analysis of a complaint, or any other reason, the Recipient changes its contract award recommendation, the reasons for such decision and a revised evaluation report shall be submitted to CDB for no objection. The Recipient shall provide a republication of the contract award in the format of paragraph 7 of this Appendix. If the negotiations fail with the successful consultant, the Recipient shall furnish to CDB for review the minutes of negotiations and reasons for failure. After completion of the procedure outlined in paragraph 2.30 of these Guidelines, and obtaining CDB's no objection, the negotiations may be terminated and the next ranked firm be invited for negotiations.
- (g) After negotiations are completed, or in the case of direct contracting, the Recipient shall furnish to CDB, in sufficient time for its review, a copy of the negotiated contract proposed to be signed by the Recipient which has been initialed by the successful consultant. If the negotiated contract resulted in substitution of key experts or any changes in the TOR and original proposed contract, the Recipient shall highlight the changes and provide an explanation of why these changes are necessary and acceptable to the Recipient.
- (h) If CDB determines that the final evaluation report, the recommendation for award, and/or the negotiated contract are inconsistent with the provisions of the RFP, it shall promptly inform the Recipient and state the reasons for its determination. Otherwise, CDB shall provide its final no objection to the contract award. The Recipient shall confirm the award and sign the contract only after receiving the no objection from CDB.
- (i) One conformed copy of the contract shall be furnished to CDB promptly after its signing and prior to the submission to CDB of the first application for withdrawal of funds from the financing account in respect of such contract.
- (j) The description and amount of the contract, together with the name and address of the consultant, except if an individual, shall be subject to public disclosure by CDB

upon the Recipient's receipt of the signed copy of the contract and transmission to CDB.

- (k) The Recipient shall retain all documentation with respect to each contract during Project implementation until two years after the Terminal Disbursement Date (TDD) of the CDB Financing Agreement or for such other period indicated in the Financing Agreement. This documentation would include, but not be limited to: (i) the signed original of each contract and all subsequent amendments or addenda; (ii) original proposals, all documents and correspondence related to the selection of and implementation of the contract, including those in support of the evaluation of the proposals (including individual score sheets), and the recommendation for award made to CDB; and (iii) payment invoices or certificates. For contracts awarded on the basis of a SSS method, the documentation shall include the justification for using the method, the qualifications and experience of the selected consultant, and the signed original of the contract. The Recipient shall furnish such documentation to CDB upon request for examination by CDB or by its consultants/auditors.

3. *Modification of the Signed Contract.* In the case of contracts subject to prior review, before agreeing to: (a) an extension of the stipulated time for performance of a contract; (b) any substantial modification of the scope of services, substitutions of key experts, or other significant changes to the terms and conditions of the contract; or (c) the proposed termination of the contract, the Recipient shall seek CDB's no objection. If CDB determines that the proposed modifications would be inconsistent with the provisions of the Financing Agreement and/or Procurement Plan, it shall promptly inform the Recipient and state the reasons for its determination. A copy of all amendments to the contract shall be furnished to CDB for its record.

4. *Translations.* If a contract is subject to prior review and is written in the National Language⁴⁸, a certified translation of the technical and combined evaluation reports and the initialed negotiated draft contract in the internationally used language specified in the RFP (English) shall be furnished to CDB for facilitating the review. Certified translation shall also be furnished to CDB for any subsequent modifications of such contracts.

Post Review

5. Post reviews are carried out by CDB on those contracts indicated in the Procurement Plan. The Recipient shall retain all documentation with respect to each contract not governed by paragraph two of this Appendix during project implementation and up to two years after the TDD of the Financing Agreement or for such other period as indicated in the Financing Agreement. This documentation would include, but not be limited to, the signed original of the contract and all subsequent amendments or addenda, the original proposals, the technical evaluation report and the combined evaluation report, the recommendation for award, and the payment invoices or certificates for examination by CDB or by its consultants/auditors. For contracts awarded on the basis of single-source selection, it shall include the record of justification, the qualifications and experience of the consultants, and the signed original of the contract. The Recipient shall also

⁴⁸Refer to para 1.22

furnish such documentation to CDB upon request. CDB may declare misprocurement for any of the reasons provided in paragraph 1.19 of these Guidelines, including if it determines that the contract was not awarded in accordance with the agreed procedures and methods reflected in the Financing Agreement and further elaborated in the Procurement Plan to which CDB gave its no objection, or the contract itself is not consistent with such procedures. CDB shall promptly inform the Recipient of the reasons for such determination.

Change from Post Review to Prior Review

6. A contract whose cost estimate was below CDB's prior review threshold indicated in the Procurement Plan shall fall under prior review rather than post review if the financial offer of the selected firm exceeds such threshold. All related procurement documentation already processed, including the evaluation report and recommendation for award, shall be submitted to CDB for its prior review and no objection before award of the contract. When, to the contrary, the financial offer of the selected firm falls below the prior review threshold, the prior review process shall continue. Under certain circumstances, CDB may require the Recipient to follow a prior review process for a contract under the prior review threshold set in the Procurement Plan, for example in the case of a complaint that CDB has determined to be of a serious nature. Also, when the selection method requires change due to higher or lower cost estimates than previously assessed, the procurement plan shall be modified by the Recipient and submitted to CDB for review and no objection.

Publication of Awards of Contracts

7. The Recipient shall publish information on *UNDB online* for all contracts when the short list included any foreign firm and all single source selection contracts awarded to foreign firms, and in the *National press*⁴⁹ all contracts where the short list comprises only National firms and all single source selection contracts awarded to National firms. Such publication shall be within two weeks after receiving CDB's no-objection for award of the contract as per paragraphs 2(h) and 2(j) of this Appendix for contracts subject to CDB's prior review, and within two weeks of successful negotiations with the selected firm for contracts subject to CDB's post review. Publications shall include the following information as relevant and applicable for each method: (a) the names of all consultants in the short list as well as of those that submitted proposals; (b) the overall technical scores and scores assigned for each criterion and sub-criterion to each consultant; (c) the prices offered by each consultant as read out and as they have been evaluated; (d) the final combined scores and the final ranking of the consultants; (e) the name of the successful consultant and the total price, duration, and summary scope of the contract. The same information shall be sent to all consultants who have submitted proposals. CDB will publish the award of contracts under prior review on its external web-site upon receipt from the Recipient of a conformed copy of the signed contract.

⁴⁹In a national newspaper of wide circulation and/or in the official gazette provided that it is of wide circulation, or on a widely used website or electronic portal with free national and international access, in the National Language as defined under paragraph 1.22.

Due Diligence concerning Bank's Sanctions Policies and Procedures

8. When conducting the evaluation of proposals, the Recipient shall check the eligibility of consultants from the lists of firms and individuals debarred and suspended, pursuant to paragraph 1.23(d) of these Guidelines and/or paragraph 1.1615(d) of the ~~Procurement~~ Guidelines for Procurement. The Recipient shall apply additional due diligence by closely supervising and monitoring any on-going contract (whether under prior or post review) executed by a firm or individual which has been sanctioned by CDB after such contract was signed. The Recipient shall neither sign any new contracts nor sign an amendment, including any extension of time for completion, to an on-going contract with a suspended or debarred firm or individual after the effective date of the suspension or debarment without CDB's prior review and no objection. CDB will only finance additional expenditures if they were incurred before the completion date of the original contract or the completion date as revised: (i) for prior review contracts, in an amendment to which CDB has given its no objection; and (ii) for post review contracts, in an amendment signed before the effective date of suspension or debarment. CDB will not finance any new contract, or any amendment or addendum introducing a material modification to any existing contract that was signed with a firm or individual suspended or debarred by CDB on or after the effective date of suspension or debarment.

INSTRUCTIONS TO CONSULTANTS AND DATA SHEET

1. The Recipient shall use the standard RFPs issued by CDB, which include the ITC, covering relevant instructions as applicable for most of the methods of selection. If under exceptional circumstances, the Recipient needs to amend the standard ITC, it shall do so through the technical data sheet and not by amending the main text. The ITC shall include adequate information on the following aspects of the assignment:

- (a) a very brief description of the assignment;
- (b) standard formats for the technical and financial proposals;
- (c) the names and contact information of officials to whom clarifications shall be addressed and with whom the consultants' representative shall meet, if necessary;
- (d) details of the selection procedure to be followed, including (i) a description of the two-stage process, if appropriate; (ii) a listing of the technical evaluation criteria and weights given to each criterion; (iii) the details of the financial evaluation; (iv) the relative weights for quality and cost in the case of QCBS; (v) the minimum pass score for quality; and (vi) the details on the public opening of financial proposals;
- (e) at the option of the Recipient, an estimate of the level of key experts' inputs (in person-months) required of the consultants or the total budget, but not both;
- (f) indication of minimum experience, academic achievement, and so forth, expected of key staff;
- (g) details and status of any external financing;
- (h) information on negotiations; and financial and other information that shall be required of the selected firm during negotiation of the contract;
- (i) the deadline for submission of proposals;
- (j) currency(ies) in which the costs of services shall be expressed, compared, and paid;
- (k) reference to any laws of the Recipient's country that may be particularly relevant to the proposed consultants' contract;
- (l) a statement that the firm and any of its affiliates shall be disqualified from providing downstream goods, works, or services under the project if, in CDB's judgment, such activities constitute a conflict of interest with the services provided under the assignment;
- (m) the method in which the proposal shall be submitted, including the requirement that the technical proposals and financial proposals be sealed and submitted separately in a manner that shall ensure that the technical evaluation is not influenced by price;

- (n) a request that the invited firm (i) acknowledges receipt of the RFP and (ii) informs the Recipient whether or not it will be submitting a proposal;
- (o) the short list of consultants being invited to submit proposals and whether or not associations between short-listed consultants are acceptable;
- (p) the period for which the consultants' proposals shall be held valid and during which the consultants shall undertake to maintain, without change, the proposed key experts, and shall hold to both the proposed rates and total price; in case of extension of the proposal validity period, the right of the consultants not to maintain their proposal. If the consultants agree to extend the validity of their proposal, they shall do so without any change in their original proposals and also confirm the availability of all key experts as originally proposed except as provided hereunder. If any of the key experts is unavailable at this time and the consultants, while extending the validity of their proposal, request to replace such expert with another one, they shall provide adequate justification and evidence to the satisfaction of the Recipient. The proposal shall be rejected if it is established that the unavailable expert was proposed without his/her confirmation, if the provided reasons for the replacement or the justification is unacceptable, or the qualifications and experience of the replacement expert are not equal or better to those of the originally proposed expert. If acceptable, no other changes in the technical or financial proposal shall be permitted. The technical evaluation scores based on key experts, the financial proposals and other details of the original proposal shall remain unchanged;
- (q) the anticipated date on which the selected consultant shall be expected to commence the assignment;
- (r) a statement indicating (i) whether or not the consultants' contract and personnel shall be tax-free or not; if not, (ii) what the likely tax burden will be or where this information can be obtained on a timely basis and a statement requiring that the consultant shall include in its financial proposal a separate amount clearly identified, to cover taxes;
- (s) if not included in the TOR or in the draft contract, details of the services, facilities, equipment, and staff to be provided by the Recipient;
- (t) phasing of the assignment, if appropriate; and likelihood of follow-up assignments;
- (u) the procedure to handle clarifications about the information given in the RFP; and
- (v) any conditions for subcontracting part of the assignment.

GUIDANCE TO CONSULTANTS

Purpose

1. This appendix provides guidance to consultants wishing to participate in CDB-financed consulting services.

Responsibility for the Selection of Consultants

2. The responsibility for the implementation of the project, and therefore for the payment of consulting services under the project, rests solely with the Recipient. CDB, for its part, is required by the Agreement Establishing the Bank to ensure that disbursements under a Financing Agreement are made only as expenditures are incurred. Disbursements of the proceeds of a Financing Agreement are made only at the Recipient's request. The Recipient submits withdrawal applications to CDB together with required supporting documentation to demonstrate that the funds have been or are being used in accordance with the Financing Agreement and/or Procurement Plan. As emphasized in paragraph 1.4 of these Guidelines, the Recipient is responsible for the selection and employment of consultants. It invites, receives, and evaluates proposals and awards the contract. The contract is between the Recipient and the Consultant. CDB is not a party to the contract.

Bank's Role

3. As stated in these Guidelines (Appendix 1) CDB reviews the RFP, the evaluation of proposals, award recommendations, and contract to ensure that the process is carried out in accordance with agreed procedures, as required in the Financing Agreement and further elaborated in the Procurement Plan. For all contracts subject to Bank's prior review, CDB reviews the documents before they are issued, as described in Appendix 1. Also, if at any time in the selection process (even after the award of contract) CDB concludes that the agreed procedures were not followed in any substantial respect, CDB may declare misprocurement, as described in paragraph 1.19. However, if a Recipient has awarded a contract after obtaining CDB's "no objection," CDB will declare misprocurement only if the no objection was issued on the basis of incomplete, inaccurate, or misleading information furnished by the Recipient. Furthermore, if CDB determines that corrupt or fraudulent practices were engaged in by representatives of the Recipient or of the consultant, CDB may impose the applicable sanctions set forth in paragraph 1.23 of the Guidelines.
4. CDB publishes standard RFPs and contracts for different types of consulting services. As stated in paragraphs 2.9 and 2.12 of these Guidelines, it is mandatory for the Recipient to use these documents, with minimum changes acceptable to CDB to address project-specific issues. The Recipient finalizes and issues these documents as part of the RFP.

Information on Consultant Services

5. Information on consultant services, including a brief description of the nature of services, timing, identification of the client agency, and so forth, will be, in the first instance, included in a General Procurement Notice on the CDB external website and in the *United Nations Development*

Business (UNDB online).⁵⁰ In the case of larger-value contracts⁵¹, this will be followed by a specific notice seeking “expression of interest” on the CDB external website, national newspapers and, as required, in *UNDB online* which will provide yet more detailed information.

Consultants’ Role

6. When consultants receive the RFP, and if they can meet the requirements of the TOR and the commercial and contractual conditions, they should make the arrangements necessary to prepare a responsive proposal (for example, visiting the country of the assignment, seeking associations, collecting documentation, setting up the preparation team). If the consultants find in the RFP documents—especially in the selection procedure and evaluation criteria—any ambiguity, omission or internal contradiction, or any feature that is unclear or that appears discriminatory or restrictive, they should seek clarification from the Recipient, in writing, within the period specified in the RFP for seeking clarifications.

7. In this connection, it should be emphasized that the specific RFP issued by the Recipient governs each selection, as stated in paragraph 1.2 of these Guidelines. If consultants feel that any of the provisions in the RFP are inconsistent with the Guidelines, they should also raise this issue with the Recipient.

8. Consultants should ensure that they submit a fully responsive proposal including all the supporting documents requested in the RFP. It is essential to ensure accuracy in the *curricula vitae* of key experts submitted with the proposals. The *curricula vitae* shall be signed by the consultants and the individuals and dated. Noncompliance with important requirements will result in rejection of the proposal. Once technical proposals are received and opened, consultants shall not be required nor permitted to change the substance, the key experts, and so forth. Similarly, once financial proposals are received, consultants shall not be required or permitted to change the quoted fee and so forth, except at the time of negotiations carried out in accordance with the provisions of the RFP. If an extension of validity of proposals was the reason that key experts were not available for a company, a change of key experts with equivalent or better qualification might be possible as per paragraph 2.28 and Appendix 2, sub-paragraph 1(p) of these Guidelines.

⁵⁰ UNDB is a publication of the United Nations. Subscription information is available from: Development Business, United Nations, GCPO Box 5850, New York, NY 10163-5850, USA (Website: www.devbusiness.com; e-mail: dbsubscribe@un.org).

⁵¹ Contracts expected to cost more than USD150,000 equivalent for firms or USD50,000 for individuals, except when the shortlist may comprise entirely national consultants (see para 2.7 and footnote 20 of these Guidelines)

Confidentiality

9. As stated in paragraph 2.35, the process of proposal evaluation shall be confidential until the publication of contract award, except for the disclosure of the technical points as indicated in paragraphs 2.23 and 2.30. Confidentiality enables the Recipient and CDB's reviewers to avoid either the reality or perception of improper interference. If, during the evaluation process, consultants wish to bring additional information to the notice of the Recipient, CDB, or both, they should do so in writing.

Action by CDB

10. If consultants wish to raise issues or questions about the selection process, they may send CDB copies of their communications with the Recipient, or they may write to CDB directly when the Recipient does not respond promptly or when the communication is a complaint against the Recipient. All such communications should be addressed to the ~~Division Chief, Project Services Division, with a copy to the~~ Director, Projects Department.

11. Communications received by CDB from short listed consultants prior to the closing date for submission of the proposal shall be, if appropriate, referred to the Recipient with CDB's comments and advice, for action or response.

12. Communications, including complaints that CDB receives from consultants after the opening of the technical proposals will be handled as follows. In the case of contracts not subject to prior review by CDB, any communication or its relevant extracts, as deemed appropriate, will be sent to the Recipient for due consideration and appropriate action. The Recipient shall provide to CDB all relevant documentation for review and comments. In the case of contracts subject to prior review, CDB shall examine the communication, in consultation with the Recipient, and if it needs additional information, shall request it from the Recipient. If additional information or clarification is required from the consultant, CDB shall ask the Recipient to obtain it and comment on or incorporate it, as appropriate, in the evaluation report. CDB's review will not be completed until the communication is fully examined and considered. Communications received from consultants involving allegations of fraud and corruption may warrant a different treatment due to reasons of confidentiality. In such cases, CDB shall apply due care and discretion in sharing information deemed appropriate with the Recipient.

13. Besides acknowledging receipt of communications, CDB shall not enter into discussion or correspondence with any consultant during the selection and review process, until award of the contract is published.

Debriefing by CDB

14. If after contract award, a consultant wishes to ascertain the grounds on which its proposal was not selected, it should address its request to the Recipient as indicated in paragraph 2.32. If the consultant is not satisfied with the written explanation given and/or debriefing by the Recipient, and wishes to seek a meeting with CDB, it may address ~~the Director, Projects Department~~ ~~the Division Chief, Project Services Division~~, who will arrange a meeting at the appropriate level and with the relevant staff. The purpose of such meeting is only to discuss the Consultant's proposal,

| and neither to reverse CDB's position that has been conveyed to the Recipient nor to discuss the proposals of competitors.

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- 4 Barbados
- 5 Belize
- 6 British Virgin Islands
- 7 Cayman Islands
- 8 Dominica – Commonwealth of
- 9 Grenada
- 10 Guyana – Cooperative Republic of
- 11 Haiti – Republic of
- 12 Jamaica
- 13 Montserrat
- 14 Saint Kitts and Nevis – Federation of
- 15 Saint Lucia
- 16 Saint Vincent and the Grenadines
- 17 Trinidad and Tobago – Republic of
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- 3 Germany
- 4 Italy
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