



MINISTRY OF AGRICULTURE,
LIVESTOCK, FISHERIES AND IRRIGATION
STATE DEPARTMENT FOR CROPS DEVELOPMENT



Kenya Climate Smart
Agriculture Project

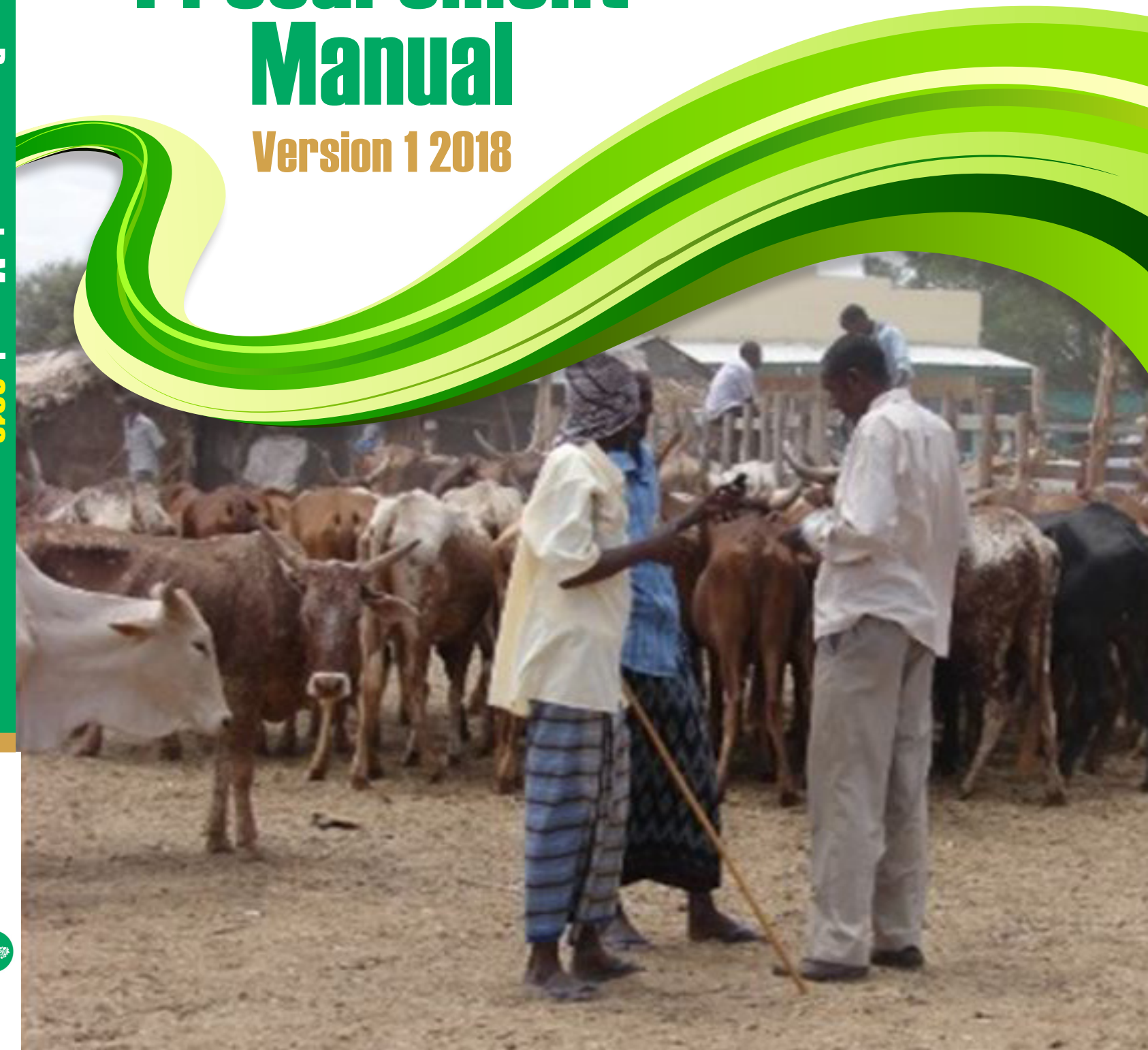
Procurement Manual

Version 1 2018

Procurement Manual 2018

KENYA CLIMATE SMART AGRICULTURE PROJECT (KCSAP)

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Agriculture Project

KCSAP | Kenya Climate-Smart Agriculture Project

KENYA CLIMATE SMART AGRICULTURE PROJECT (KCSAP)

PROCUREMENT MANAGEMENT MANUAL

VERSION 1

2018

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ABBREVIATIONS AND ACRONYMS

AWP/B	Annual Work Plan and Budget
DA	Designated Account
EFT	Electronic Funds Transfer
EOI	Expression of Interest
EXW	Ex-Works
FA	Framework Agreement
FY	Fiscal Year
GPA	General Purpose Account
GPN	General Procurement Notice
ICT	Information Communication Technology
ITC	Instructions to Consultant
KENAO	Kenya National Audit Office
LCB	Limited Competitive Bidding
LCS	Least Cost Selection
LIB	Limited International Bidding
MoALF	Ministry of Agriculture, Livestock and Fisheries
M & E	Monitoring & Evaluation
NCB	National Competitive Bidding
NGO	Non-Governmental Organization
O&M	Operations and Maintenance
PAD	Project Appraisal Document
PC	Project Coordinator
PCU	Project Coordinating Unit
PIU	Project Implementation Unit
PIM	Project Implementation Manual
PP	Procurement Plan
PQ	Prequalification
PSC	Project Steering Committee
PPP	Public Private Partnership

PPRA	Public Procurement Regulatory Authority
PPOB	Public Procurement Oversight Board
PPAR	Public Procurement Administrative Review
QCBS	Quality & Cost Based Selection
QBS	Quality Based Selection
FP	Request for Proposal
RFQ	Request for Quotations
SBD	Standard Bidding Document
SoE	Statement of Expenditures
SPN	Specific Procurement Notice
TA	Technical Assistance
TC	Technical Committee
ToR	Terms of Reference
UNDB	United Nations Development Business



SECTION 1

1.0 INTRODUCTION

1. Agriculture is a major driver of the Kenyan economy and the dominant source of employment for about half of the population. The sector employs over 80 percent of the rural work force and accounts for more than 20 percent of formal employment therefore playing a key role in poverty reduction. In 2016, agriculture, forestry and fishing sector contributed 32.6 percent to the national gross domestic product (GDP). The Kenya Vision 2030 recognizes the importance of transforming smallholder subsistence agriculture into an innovative, commercially oriented, and modern sector. It identifies the major challenges as low productivity, underutilized land, inefficient markets and limited value addition. Addressing these challenges is crucial in attaining the Sustainable Development Goals (SDGs) 1 ending poverty and 2 of eradicating hunger in Kenya. The Government's efforts to address these challenges were articulated in a number of policy and strategies which includes Agriculture Sector Development Strategy (ASDS) 2010–2020, National Agricultural Research Systems (NARS) and National Agricultural Sector Extension Policy (NASEP).
2. The Center for Global Development ranks Kenya 13th out of 233 countries for “direct risks” from “extreme weather and 71st for “overall vulnerability” to climate change (KCSAP PAD). The country is active in the international and regional dialogue on mainstreaming climate change into agricultural policies, plans and actions and is a signatory to the UNCCD and UNFCCC. Kenya is also implementing the Compressive Africa Agriculture Development Program (CAADP) Framework (2010) and the East African Community Climate Change Policy (EACCCP), Master plan and Strategy, which also informs Kenya's National Climate Change Policy. At national level, the Kenya Climate-Change Act, 2016 envisions “a climate resilient and low carbon growth sustainable agriculture that ensures food security and contributes to the national development goal. Further, Kenya Climate-Smart Agriculture Strategy (KCSAS, 2017-2026) provides framework for action on effects of climate change. The KCSAP project focuses on increasing agricultural productivity, enhancing resilience to impacts of climate change and reduction in GHG emissions.
3. The Project Development Objective (PDO) is “to increase agricultural productivity and build resilience to climate change risks in the targeted smallholder farming and pastoral communities in Kenya, and in the event of an Eligible Crisis or Emergency, to provide

immediate and effective response.” To achieve this objective the project will support:

- (i) Improving water/soil management, especially within smallholder maize systems in the marginal rainfall zones—specifically, in smallholder mixed crop-livestock, crop-livestock-tree (agro-silvo- pastoral) production systems and in crop forest (agro-forestry) production systems;
 - (ii) Promoting sustainable, community-driven rangeland management and improved access to quality livestock services in ASALs—specifically, in pastoral/extensive livestock production systems; Supporting the generation and dissemination of improved agricultural Technology, Innovation, Management Practices (TIMPs) and building sustainable seed systems
4. The project interventions will be concentrated in 24 selected counties in Arid Areas, Semi-Arid Areas and Medium-to-High Rainfall Areas (Table 1). Each county will select four to six wards in up to three sub-counties using the following criteria: (i) poverty level of ward; (ii) vulnerability to climate risks; (iii) presence of priority value chains; (iv) geographic proximity and contiguity of wards; (v) absence of similar initiatives to avoid duplication; and (vi) presence of ward-level technical department officials.

Table 1: Project Counties

	Arid Counties		Semi-Arid Counties		Non-ASAL Counties
1	Marsabit	1	West Pokot	1	Busia
2	Isiolo	2	Baringo	2	Siaya
3	Tana River	3	Laikipia	3	Nyandarua
4	Garissa	4	Nyeri	4	Bomet
5	Wajir	5	Tharaka Nithi	5	Kericho
6	Mandera	6	Lamu	6	Kakamega
		7	TaitaTaveta	7	UasinGishu
		8	Kajiado	8	Elgeyo Marakwet
		9	Machakos	9	Kisumu

5. The direct beneficiaries of the project are estimated at about 521,500 households of smallholder farmers, agro-pastoralists, and pastoralists. These beneficiaries include members of Common Interest Groups (CIGs,) Vulnerable and Marginalized Groups (VMGs,) or PPPs, including POs, and thus recipients of grants, as well as beneficiaries that benefit from landscape-level investments implemented by counties. Of these, 163,350

represent households organized into about 4,950 CIGs and 18,150 represent households organized into 1,100 VMGs. All these groups will also benefit from community CSA micro projects. About 240,000 and 100,000 households will benefit from the county-level and public-private partnership (PPP) investments (subprojects), respectively. More than 600 micro small- and-medium enterprises (MSMEs) will also benefit directly from project interventions.

6. The total project cost is estimated at US\$279.7 million, of which the International Development Association (IDA) will finance US\$250 million under an Investment Project Financing (IPF) instrument. The estimated project cost takes into account GoK counterpart funds (US\$15.9 million equivalent), county governments (US\$8.3 million), and beneficiary contributions (US\$5.5 million equivalent) for a total of US\$29.75 million equivalent.
7. This Procurement Management Manual (PMM) is a subset or part of the Project Implementation Manual (PIM). The PIM provides a description of the operational procedures to be followed during the implementation of the Project, including the project objectives, and the general framework of the financing and project design. The operational procedures cover Financial Management, Monitoring, Evaluation and Reporting Frameworks, Procurement Management and Environmental and Social safeguards. Thus, the PIM contains various guidelines and procedures related to planning, budgeting, monitoring and evaluation, procurement, financial management (accounting, disbursements and audits), and reporting modalities.
8. The procedures described in the PIM are consistent with the World Bank guidelines on Procurement and Financial Management and they follow the generally accepted standards and principles. The procedures are also based on relevant guidelines, legislations, complementary regulations, and directives of the government, taking into account fiduciary principles for proper accounting, auditing and reporting on the usage of funds. Furthermore, efforts were taken to include and reflect in the PIM good practices and lessons learnt from implementation of past projects in the Ministry and other sectors with similar operations.
9. The PIM would be made available for reference purposes to auditors and other parties who may be interested in monitoring and evaluation of the project activities. The PIM aims to:
 - (i) Promote greater understanding of the processes so that working relationships among implementing units are enhanced;

- (ii) Establish procedures and criteria that would enable the Ministry and oversight bodies to avoid or mitigate internal risks; and
 - (iii) Establish internal control procedures so that the Ministry can be fully accountable to the national government, the public, Development Partners and other stakeholders.
10. The PIM is a “living document”. To this end, every effort would be made to maintain the procedures as current as possible. The Ministry would monitor its use and assess its effectiveness during the period of implementation. Also, stakeholders would be urged to provide feedback to the Project Coordinator on the various procedures and lessons learnt from experiences.
 11. This Procurement Management Manual describes the detailed procurement procedures to be followed under the project and outlines the various steps to help the Ministry staff to carry out efficiently and economically the acquisition of goods, works and selection of consultants.
 12. It is primarily intended for public procurement practitioners, providing them with a suitable tool to ensure an efficient and consistent practice of the public procurement procedures. It also should help contracting entities to better and faster grasp procurement procedures in the day-to-day course of their activities.

1.2. Purpose and Objectives of the Manual

13. The purpose of this manual is to provide the project with guidelines on the standards for procurement management in order to ensure effective use of resources. The basic objectives of the manual are to:
 - (i) Describe financial management guidelines that affect the activities of the project
 - (ii) Provide an outline of key internal control requirements to be established by the project
 - (iii) Safeguard the project resources and assets.
 - (iv) Ensure consistency in recording and classifying of procurement transactions
 - (v) Ensure consistency of procurement reporting by the project from one period to another.
 - (vi) Provide quick reference for project management, other staff members and partners including donors and government agencies including internal and external auditors.
 - (vii) Ensure efficiency and effectiveness in operations, accuracy and timeliness in

producing procurement reports.

- (viii) To provide procurement guidelines to the management at all levels and to assist the various project implementers in running the project activities.
- (ix) To assist and guide the beneficiaries of KCSAP to operate procedurally, ensure uniformity of procurement procedures and practices.

1.3. Scope of the Manual

- 14. This manual outlines the procurement management policies, procedures and guidelines for use by the project HQ, county and sub county project offices, community projects, farmers, partner agencies, and other stakeholders who may have an interest or input into the project.

1.4. Arrangement of the Manual

- 15. This manual is divided into sections. Relevant annexes are provided at the end of this manual.

1.5 Responsibilities of the National Project Coordinator (NPC)

- 16. The NPC is responsible for all aspects of the procurement management, integrity, control and procurement compliance for all aspects of procurement management of the Project. The NPC has the following responsibilities in respect to the procurement management;
 - (i) To ensure that the Project complies with the legal and regulatory requirements of the country, particularly in respect to procurement.
 - (ii) To ensure adherence to the Project's Procurement Policies and Procedures as well as procurement reporting and other instructions applicable to their areas of responsibility.
 - (iii) To ensure the integrity of information, for both internal and external purposes.
 - (iv) To ensure that the internal control structures are operating effectively and are constantly monitored.

1.6 Responsibility for the Manual

- 17. The Procurement Unit is responsible for maintaining the accuracy of the information in the manual and for ensuring that it is updated as and when necessary.

1.7 Revisions to the Manual

18. Revisions to the Manual will be issued as and when necessary to take account of:
- (i) Changes in legislation
 - (ii) Changes in the Project's Procurement Policies
 - (iii) When revisions to the manual are made, the replaced sections of the manual should be removed and destroyed. To ensure completeness of revisions an index of changes since the beginning of the year will be issued with each set of revisions.

1.8 The Project Management Structure

19. The project management structure presented in figure 1 should always be considered when the procurement management arrangements are being put in place, and particularly when any amendment is to be made to the policies and procedures.

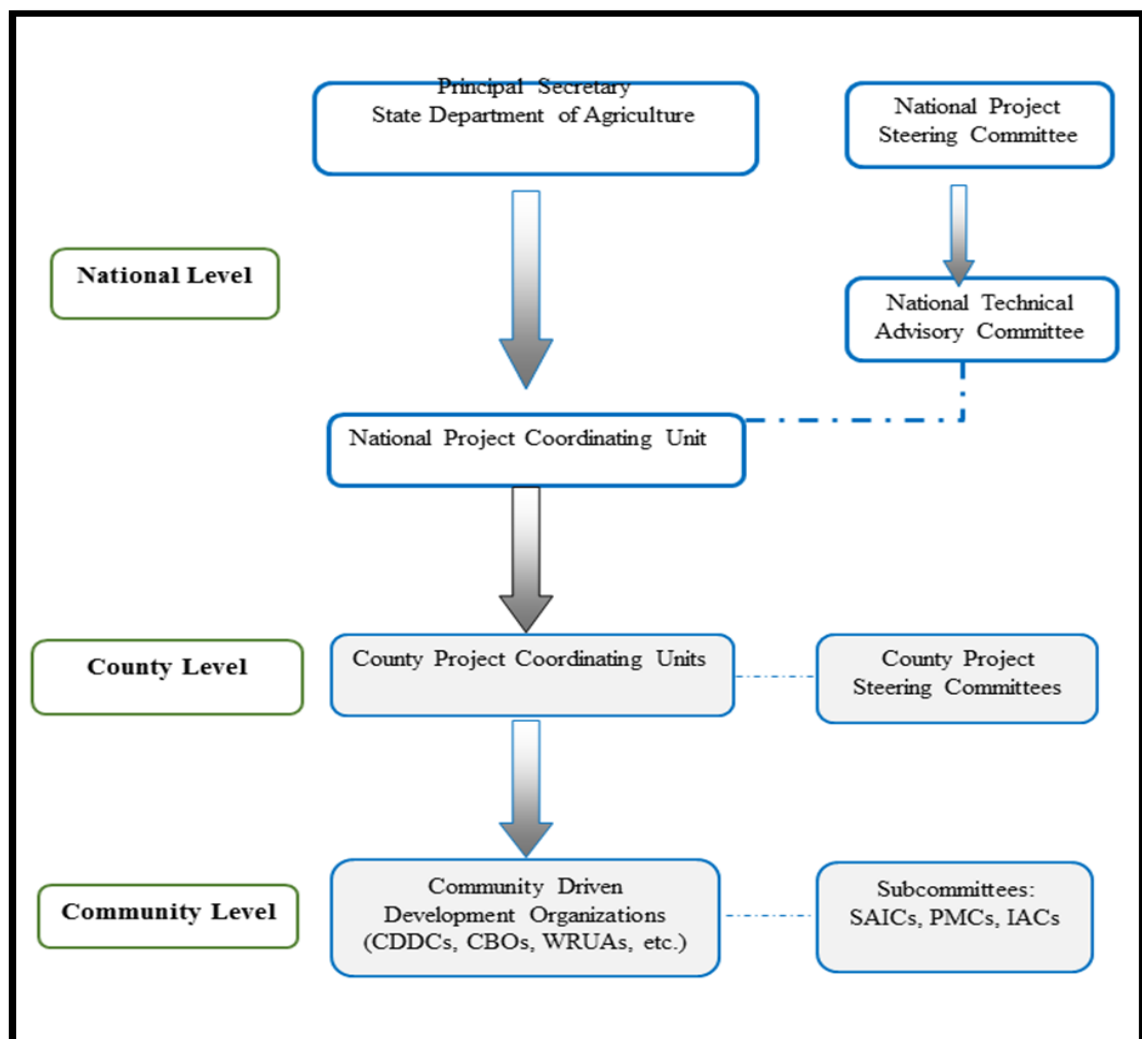


Figure 1: KCSAP Institutional Arrangements



SECTION 2

PROCUREMENT POLICY

20. In order to ensure that the proceeds of the World Bank loans are used only for specified purposes, with due attention to economy and efficiency and without regard to political and other non-economic influences and considerations, it is the responsibility of the Bank, The National Treasury, PS – State Department of Agriculture, KCSAP Secretariat, County Steering Committee, County Coordinating Unit and the value Chain Members to ensure proper administration of the procurement process.

2.1 Eligibility and Qualification

21. Evaluating eligibility and qualification of goods, suppliers, contractors and consultants is an important function in the procurement process to ensure that the contract is implemented without risks or hitches.

1.1.1 Eligibility of goods

22. Goods that are blacklisted by the National Environmental Protection Agency are not eligible. Other ineligibility conditions are spelt out in the Bank Guidelines. Request for Bids, Goods (One Envelope Bidding Process). Request for Bids (Two Envelope Bidding Process) July 2016.

1.1.2 Eligibility of Suppliers, Contractors and Consultants.

23. The Procurement Unit must ensure that procurement contracts are not awarded to suppliers, contractors and consultants who are not eligible for award of contracts, that is firms and individuals who are debarred from participating and award of public contracts. Public Procurement Regulatory Authority (PPRA) and World Bank have lists of debarred firms and individuals which are posted on their respective websites. Firms and individuals who have no legal capacity to enter into a contract for the procurement and those who are bankrupt insolvent or are under in receivership or in the process of being wound up are ineligible for award of contracts. Other issues on ineligibility include conflicts of interest. Preference and Reservations in national public procurement procedures may cause ineligibility but these are not allowed under World Bank-financed projects. Government-owned enterprises or institutions in Kenya may be eligible 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 Government (Refer to the Bank's Guidelines.)
- (iv) Request for Bids, Goods (One Envelope Bidding Process). Request for Bids (Two Envelope Bidding Process) July 2016.

24. It is generally accepted that Government Institutions can be used for holding training seminars and workshops, provided they are assessed to be more economical than private institutions (Hotels and Conference facilities).

1.1.3 Qualification of Suppliers, Contractors and Consultants

25. In the context of participating and being awarded a procurement contract means a person is able to perform the expected contract because the person has the necessary knowledge/skill experience and resources that are needed to perform. It is very important for the Procurement Unit to ensure that contracts are awarded to suppliers, contractors and consultants who have the necessary qualifications, capability, experience, resources, equipment and facilities to perform the contract successfully. The short-listing process ensures that only qualified consultants are invited to submit proposals. The qualification criteria must be provided in the bidding documents for goods and works, so that via a post qualification evaluation, only a qualified supplier or contractor is awarded the contract. Prequalification is used to ensure only qualified bidders are invited to bid for goods and works contracts.

1.2 Ineligibility of firms Blacklisted due to Fraudulent and Corrupt Practices

26. It is the GoK's and the Bank's policy not to tolerate any fraud and corruption in the procurement of contracts. It is therefore required that the suppliers, Contractors, and Consultants should uphold high standards of ethical behaviour from time to time. Fraudulent or corrupt practices include: payment or receipt of bribes, gratuities or kickbacks, etc. Accordingly, any supplier, contractor or consultant firm, contracted to supply and deliver goods, or provide services and found to have engaged in a corrupt or fraudulent practice will be declared ineligible and blacklisted to bid for any other procurement contracts.

1.3 Legal Framework

27. KCSAP Project procurement procedures shall be guided by:

- (i) The Constitution of Kenya 2010,

- (ii) The World Bank Procurement Manual,
- (iii) The World Bank's "Guidelines: Procurement of Goods, Works, and Non-

28. Consulting Services under IBRD Loans and IDA Credits & Grants, January 2011, Revised July 2014" and "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011. The NPCU will be responsible for procurements under Components 2, 3, and part of Component 4; the CPCUs will spearhead execution of procurement under Component 1 and part of Component 4. At the community level, the Community-Driven Development Organizations (CDDOs) will guide beneficiaries in procurement. Annex 3, Table A3.3 summarizes thresholds for procurement and prior review. Further, the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants," dated October 15, 2006 and revised January 2011, shall apply. Bank's Standard Bidding Documents and Standard Evaluation forms for goods/works under International Competitive Bidding (ICB) and Bank's Standard Request for Proposals (RFP) and Sample Evaluation form for consulting services would be used for where applicable. Public Procurement and Asset Disposal Act, 2015 and its envisaged Regulations, 2016, will also be complied with.

1.4 Handling Procurement Complaints

1.4.1 Inquiries and Complaints from Bidders

29. Procurement related inquiries and complaints from suppliers, contractors or consultants which may occur from time to time, will be dealt with in accordance with the laid down Procurement Policy legal framework.

1.4.2 Responding to Allegations of Fraud or Corruption

30. Fraud or corruption issues such as unexplained transactions, allegations of favored bidders, bid-rigging, and other suspicious circumstances may also be dealt with in accordance with the PPADA, 2015 Sections (176 – 178).

1.5 Misprocurement

31. Misprocurement is triggered when a contract is awarded to the "wrong" bidder (i.e., is not awarded in accordance with the agreed procedures). The Bank does not finance expenditures under a contract for goods, works, or services (consulting and non-consulting) if the Bank concludes that such contract:

- (i) Has not been awarded in accordance with the agreed provisions of the Grant Agreement and as further elaborated in the Procurement Plan to which the Bank provided no objection;
 - (ii) Could not be awarded to the bidder otherwise determined successful due to willful dilatory conduct or other actions of the Borrower resulting in unjustifiable delays, the successful bid being no longer available, or the wrongful rejection of any bid; or
 - (iii) Involves the engagement of a representative of the Government, or a recipient of any part of the grant proceeds, in fraud and corruption.
32. In such cases, whether under prior or post review, the Bank will declare misprocurement, and it is the Bank's policy to cancel that portion of the loan allocated to the goods, works, or non-consulting services that have been misprocured. The Bank may, in addition, exercise other remedies provided for under the Grant Agreement. Even once the contract is awarded after obtaining a no objection from the Bank, the Bank may still declare misprocurement and apply in full its policies and remedies regardless of whether of the loan has closed or not, if it concludes that the no objection was issued on the basis of incomplete, inaccurate, or misleading information furnished by the Government or the terms and conditions of the contract had been substantially modified without the Bank's no objection.

1.6 Disposal

33. Disposal of unserviceable stores equipment and assets; while disposal of surplus/ obsolete supplies and equipment and unserviceable equipment is a normal function of the Ministry, no provision for disposal has been made in the Grant Agreement; but is a reasonable conclusion that during project implementation, some items financed by the project will need to be disposed. Disposal is a function that is necessary to safeguard the public resources from being applied to useless or obsolete stores, equipment and assets and also guarantee that once disposed of, they are done so at the best achievable value in the market. Disposal has a residual value that may contribute to the cost of renewal. The decision as to when to dispose of certain items is important and may also involve health and safety standards issues. Disposals will follow the procedures established in the PPADA, 2015.

SECTION 3

PROCUREMENT PLANNING

1.1 Introduction to Procurement Planning

34. Procurement Planning is a mandatory feature of a World Bank-financed project; it is not optional. A Procurement Plan has to be prepared in time and submitted to the Bank for clearance before any contracts can be processed. In any case it is not feasible to carry out project implementation without a Procurement Plan, given procurement constitutes over 75 percent of project costs. The Procurement Plan should reflect activities contained in the Work Plan and should cover a period of 12 months following Government budgeting cycle of July 1 to June 30, but completion dates of some contracts may flow into the following year(s). A Procurement Plan should be well articulated and fully developed, and should (for operational and budget needs) contain any contracts flowing from a previous year, even though these may not need a non-objection from World Bank, if already provided. The Procurement Plan defines the work to be carried out, cost estimates of the proposed contracts, procurement method to be followed, and lays out a logical sequence of the dates for completing key processing steps (i.e. preparation of bid/proposal documents, bid/proposal opening, contract signature and completion).
35. The Project Coordinator must ensure very early that (a) the user departments are informed in good time to ensure their timely inputs (specifications any commercial considerations), and (b) adequacy of the human skills required for processing procurement contracts and their supervision. The plan should be prepared by the Procurement Unit following the format provided in Annex 2 – Procurement Planning Template with modifications as deemed necessary. Splitting of contracts to enable use of less rigorous procurement methods is not allowed.
36. The preparation of the procurement plan should begin when the 1st draft work plan/ budget estimates is prepared by PCU and Counties on or about February/March and updated by end of June upon confirmation of Budget estimates by Parliament or the beginning of the fiscal year. This is necessary in order to allow sufficient time for a realistic and accurately costed procurement plan to be made available by the Procurement Unit to Ministry and counties, sub-counties, and the World Bank. The Procurement Unit will compile the following data and information:

- (i) The items to be procured (separately for goods, works and services, estimated quantity and identification of source, etc.);
 - (ii) The date when the services or goods would be required (a month, a year);
 - (iii) The identification of individuals that would be involved in the procurement process, at what level and the area of responsibility;
 - (iv) The best procurement method that should be used, and whether the contract requires World Bank prior review;
 - (v) The expected start of the procurement process based on the proposed completion date of the activity so that the time to process the procurement step can be determined; and
 - (vi) The manner in which the goods would be transported, stored and how other logistics would be managed.
- 37.** The procurement plan should be posted by the Procurement Unit on the World Bank's public website (<http://imagebank.worldbank.org>) after the World Bank clearance. Thereafter, the plan should be updated annually or when revisions are made. In order to maintain the confidentiality of the estimated value of each contract, the estimated Costs must be deleted from the procurement plan before it is submitted for publication. The procurement plan would be displayed in the Bank's project database. The Plan should also be submitted to the Ministry for onward submission to PPRA for its publication on its website.
- 38.** The Procurement Plan should have realistic dates for completing procurement processes (e.g. completion dates for completing bidding documents, bid evaluation, etc.). Contracts procured following the Request for Quotation (RFQ) or CQ take much shorter time as indicated below on Table 2 - Procurement processing times based on Request for Quotation for Goods and works contracts. Single Source and CQ contracts have no formal structure. The Lead times depend on the diligence of the Procurement Unit and the content/complexity of the contract. In order to ensure realistic estimation, start and completion dates for procurement processes, the Procurement Unit will utilise the lead times Tables 2 -4- on Procurement processing.

Table 2: Procurement Processing Lead Times Based On ICB - Goods Contracts

	Procurement activity	Responsible Office	Estimated lead time in weeks
1	Prepare specifications and other user requirements	User Department/ Procurement Unit	2
2	Prepare Bidding Documents	Procurement Unit	2
3	WB's no objection to Bidding Documents	Procurement Unit/WB	1
4	Advertise and receive bids and open bids	Procurement Unit	5
5	Evaluate bids	Bid/Proposal Evaluation Committee/ Procurement Unit	2
6	Professional Opinion/Advise	Procurement Unit	
7	Approval of the bid by the Accounting Officer	Accounting Officer / Procurement Unit	2
8	WB's no objection to bid evaluation report	Procurement Unit/WB	1-2
9	Notification of proposed contract award and prepare contract documents (done simultaneously)	Procurement Unit	2
10	Sign contract	Accounting Officer (MoALF)/ Procurement Unit	1
11	Mobilize supplier	User Department/ Procurement Unit	3
12	Contract implementation to completion	User Department/ Procurement Unit	4-36
13	Inspection and acceptance	Department/ Procurement Unit	1-2
	Total period	31-61	

Note: The Procurement Plan is already finalized.

Table 3: Procurement Processing Times Based On QCBS - Consultant Contracts

	Procurement activity	Responsible Office	Estimated lead time in weeks
1	Prepare TORs, cost estimates and other user requirements	User Department/ Procurement Unit	2
2	Advertise for EOI/prepare RFP (simultaneously)	Procurement Unit	3
3	Short listing of firms	Procurement Unit	1
4	WB's no objection to RFP	Procurement Unit/WB	1-2
5	Invite for proposals	Procurement Unit	4
6	Prepare technical evaluation report	Procurement Unit/WB	2
7	WB's no objection to technical evaluation report	Procurement Unit	2
8	Open financial proposals, prepare a combined technical/price evaluation report	Proposal Evaluation Committee/ Procurement Unit	1-2
9	WB's no objection to a combined technical and price evaluation and contract negotiations	Procurement Unit/WB	2
10	Contract negotiations leading to a proposed contract award	Proposal Evaluation Committee/ Procurement Unit	1
11	Approval of the negotiated contract by the Accounting Officer	Accounting Officer/ Procurement Unit	2
12	WB's no objection to the negotiated contract	Procurement Unit/WB	2
13	Notification of proposed contract award and prepare contract documents (done simultaneously)	Procurement Unit	2
14	Sign contract	Accounting Officer (State Dept of Agriculture)/ Procurement Unit	1
15	Mobilize consultant	User Department/ Procurement Unit	3
16	Contract implementation to completion	User Department/ Procurement Unit	4-36
17	Inspection and acceptance/finalization	Department/ Procurement Unit	2
18	Total period	40-76	

Note - Consider time needed to make an advance payment or open a Letter of Credit. QCBS can be a lengthy process, but can still be accomplished within the fiscal year.

Table 4: Procurement Processing Times Based On Request For Quotation For Goods And Works Contracts.

	Procurement activity	Responsible Office	Estimated lead time in weeks
1	Prepare specifications and other user requirements	User Department/ Procurement Unit	2
2	Prepare an RFQ document	Procurement Unit	1
3	Invite for quotations	Procurement Unit	1
4	Evaluate Quotations	Bid Evaluation Committee/ Procurement Unit	1
5	Approval of the bid evaluation report by the Procurement or Accounting Officer	Accounting Officer	2
6	Approval of the negotiated contract by the Accounting or Procurement Committee	Accounting or Procurement Committee/ Procurement Unit	2
7	Sign contract/place order and Mobilize contractor or supplier	Accounting Officer (MoALF) / Procurement Unit	1
8	Contract implementation to completion and Inspection and acceptance	User Department/ Procurement Unit	2-12
	Total period	10-22	

Note: The Table indicates the longest time for RFQ.

1.2 Procurement Plan Implementation Monitoring.

39. The Procurement Plan should be monitored regularly to compare the actual versus the planned. Monthly monitoring is recommended as it enables the Procurement Unit identify and take timely action to remedy any shortcomings. The Project Coordinator should take the lead in convening monthly meetings to monitor implementation and to agree with the End Users and the Procurement Unit on required actions in case of delayed, inadequate

or poor implementation. The essence is to see how actual performance compares with the planned activities and to make changes in the plan if necessary. If slippage occurs in the execution, every effort should be taken to try and make up lost time. The purpose of monitoring is to complete the details of what has actually been executed, to note whether there are major discrepancies with what was anticipated, and give a complete picture of procurement performance. Care should be taken not to change the plan as this may be done to justify the actual. The Planned column should be changed only to accommodate new items and or to remove the no-longer needed items, otherwise the Project may lose the original intention of the Procurement Plan. A full revision and update of the Procurement Plan should be done mid- and end of year by the Accounting Officer, Steering Committee and forwarded to the World Bank for review and comments/ approval. In any case, a new Procurement Plan is required at the beginning of the fiscal year which incorporates any contracts carried over to the next fiscal year.

1.3 Procurement Planning Process

40. Planning is an essential process to increase efficiency, and reduce costs, staff time and time needed to complete contracts, each one within the expected time. Time frame for completing procurement contracts is an important consideration; given contracts need to be completed and paid for within the financial year. There are three critical time frames that need to be taken into account in preparing procurement planning:
- (i) The Government Financial Year (July to June) is also the planning and operational year of the Project, given that project funds will be utilized as per the Government budget.
 - (ii) A Procurement Plan (PP) is a subset of an Annual Work Plan and Budget (AWP/B). The Project Coordinator is required to prepare an AWP/B which must in this case coincide with preparation of Government Budget Estimates for Parliamentary approval. Schedules of procurement requirements are derived from the AWP/B. The AWP/B and Procurement plan should be completed by April 30, and finalized by July 31.
 - (iii) While some contracts run over more than one year, the majority of contracts should be completed within the fiscal year of the plan. Processing contracts can start earlier than July 1, but contracts can only be signed after July 1 when the budget is approved by Parliament. To the extent possible, contracts should be completed and final payments made by June 30 (end of fiscal year).

1.4 Procurement Planning Phases

41. There are four (4) stages to be followed by the Procurement Unit while planning for the procurement function.

- (i) Stage 1: Planning Phase. At this stage Procurement Unit prepares a schedule of requirements from the AWP/B (if any) or from budget estimates, desegregating the contract packages for goods, works and services, including confirming the estimated costs, by cross checking the same against the first 18 month Procurement Plan already agreed with the Bank.
- (ii) Stage 2: Procurement Processing Phase. Starting with preparation and issuing of advertisement notices, from preparation of bidding and/or proposal documents, evaluation to contract award. This process can be time consuming, particularly for NCB and ICB contracts, and major consulting service contracts.
- (iii) Stage 3: Contract Implementation Phase. Where the main function is to ensure the supplier, contractor or consultant delivers in time as per contract terms. At this stage, the Procurement Unit ensures payments are made in time as per contract agreement and any disputes are resolved in time so as not to stall contract implementation.
- (iv) Stage 4: Evaluation Phase. Where the Project Coordinator assembles a team to evaluate how each procurement contract on the Procurement Plan progressed. At this stage, the Project Coordinator will analyse the shortcomings, any irregularities and bottlenecks, and identify patterns, “any red flags”, and potential deviations. Some of the important areas on which Project Coordinator should focus at this stage are:
 - (a) Adherence to the procurement plan,
 - (b) Capacity of the Procuring Unit in handling procurement work,
 - (c) Risk Assessment, which would include inherent risks associated with inefficiency and inappropriate practices, questionable decisions/actions and possible evidence of compromise that affect the procurement function, and
 - (d) Mitigating actions to correct any deficiencies identified and lessons learnt to inform on improvements.

42. The time-frame for the four stages is reflected in Table 5. The planning phases should be rolled seamlessly from year to year.

Table 5: Time-Frame for the Four Planning Stages.

		Previous Fiscal Year	Current Fiscal Year of PP	Follow-up year								
	Quarter	1	2	3	4	1	2	3	4			
	Months	Sept- Oct	Nov-Dec	Jan-Mar	Apr-Jun	Jul-Sept.	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sept.	Oct-Dec	Jan-Mar
	Year e.g.	2016	2016	2017	2017	2017	2017	2018	2018	2018	2018	2019
1	Stage 1- Planning Phase											
2	Stage 2- Proc. processing phase											
3	Stage 3 - Contract implementation phase											
4	Stage 4- Evaluation phase											

43. The most efficient way of preparing annual schedules of procurement requirements is extracting them from an Annual Procurement Plan. This is a critical step in the planning process that leads into preparation of a Procurement Plan. The Project should prepare AWP/B, following the format provided in Annex 1 – Work Planning template, with modifications as deemed necessary.

SECTION 4

GENERAL PROCUREMENT PRINCIPLES

1.1 Procurement Objectives

44. The major objectives in implementing procurement activities under the project include:

i) Economy

Items should be procured in a manner that would ensure the best value for money. For example, goods should be procured from the supplier that offers the lowest responsive offer, taking into account quality of the goods and efficiency of the supplier.

ii) Efficiency

Public procurement should be simple, swift, and should produce positive results without protracted delays. Thus, the Ministry should ensure that administrative processes, resources, professional capabilities and competent candidates (suppliers, contractors and consultants) are utilized in the best way possible so that costly delays in the procurement process can be minimized or avoided altogether.

iii) Fairness

Prospective suppliers, contractors and consultants should be allowed to compete across a level playing field during the bidding process. Applying fair rules encourages good competition from eligible and competent bidders.

iv) Transparency

The rules and procedures contained in the bidding documents should be clearly stated and should not be ambiguous. This principle helps avoid misinterpretation of the rules of the bidding process and avoid costly delays due to unnecessary disputes that could arise as a result of unclear or vague statements in the bid documents.

v) Accountability and Ethical Standards

Procurement should be credible and should be enforced in a manner that would help deter fraud, collusion and corruption.

1.2 Procurement Categories

45. Procurement under this project involves contract packages for the following categories:

- i) Goods & Non-Consulting Services; these include (but not limited to) office equipment and supplies, IT equipment, specialized equipment, vehicles etc. In addition, other operational services, maintenance or similar obligations related to the supply of the goods are included in this category.
- ii) Works; the Project envisages constructions, rehabilitation, technical services such as repair and maintenance of equipment fall in this category.
- iii) Consultancy Services; these are intellectual and advisory services provided by consultants using their professional skills to study, design and organize specific aspects of the project, conduct training and knowledge transfer.

1.3 Procurement Thresholds

46. The thresholds for applicable procurement methods and prior review by the World Bank are summarized in Table 6.

47.

Table 6: Thresholds for Procurement Methods and Prior Review

Expenditure Category	Procurement / Selection Method	Procurement/ Selection Method Threshold (US\$)	Bank's Review Requirements (US\$)
Works	ICB	≥15 m	≥5 m
	NCB	<15 m	≥5 m
	Shopping	<0.2 m	None
	Direct Contracting	All Values	≥0.1 m
Goods	ICB	≥3 m	≥1.5 m
	NCB	<3 m	≥1.5 m
	Shopping	<3 m	≥1.5 m
	Direct Contracting	All Values	≥0.1 m
Non-Consulting Services	ICB	≥3 m	≥1.5 m
	NCB	<3 m	≥1.5 m
	Shopping	<0.1 m	None
	Direct Contracting	All Values	≥0.1 m
Consulting Services (Firms)	QCBS/QBS/least cost selection (LCS)/fixed budget selection (FBS)	All Values	≥0.5 m
	CQS	≥0.3 m	≥0.1m
	SSS	All Values	≥0.2 m
Individual Consultants	IC	All Values	≥5 m

1.4 Notification and Advertising

48. Timely notification of bidding opportunities is essential in competitive bidding. The Procurement staff is required to prepare and submit to the Bank a GPN using the format of Annex 3 - Sample General Procurement Notice. The Bank will arrange for its publication in UN Development Business online (UNDB online) and on the Bank's external website. The GPN shall contain information concerning the Project, amount and purpose of the Credit/grant, scope of procurement reflecting the Procurement Plan, and the name, telephone (or fax) number, and address (es) of the Ministry responsible for procurement, and on the website/electronic portal in the e-procurement platform provided by the National Treasury, which has free national and international access, where the subsequent Specific Procurement Notices will be posted. If known, the scheduled date for availability of prequalification or bidding documents should be indicated. The related prequalification or bidding documents, as the case may be, shall not be released to the public earlier than the date of publication of the GPN. Invitations to prequalify or to bid, as the case may be, and Expressions of Interest (EOI) shall be advertised as Specific Procurement Notices (SPN) at least once in at least two newspapers of national circulation in Kenya, and on the website/electronic portal in the e-procurement platform provided by the National Treasury, which has free national and international access, in English. Such invitations shall also be published in UNDB online. SPN and EOI shall be prepared using the format of Annex 4 - Sample SPN and Annex 5- Sample EOI. Notification shall be given in sufficient time to enable prospective bidders to obtain prequalification or bidding documents and prepare and submit their responses. The Bank will arrange the simultaneous publication of all Specific Procurement Notices prepared and submitted by the Procurement staff on the Bank's external website.
49. Advertisement for expression of Interest should be published in a national newspaper of wide circulation, and if need be regional newspapers and international technical Journals. The complete text of advertisement shall also be published on the website/electronic portal in the e-procurement platform provided by the National Treasury, which has free national and international access.
50. Short listing; preparation of the shortlist shall give first consideration to those firms expressing interest, and which possess the relevant qualifications. The shortlists shall comprise of six firms with a wide geographic spread, i.e. as per Guidelines for Selection of Consultants. The shortlist can comprise of entirely national consultants if the value of assignment is less than US\$300,000. However, if foreign firms have expressed interest, they shall not be excluded from consideration.

1.5 Publication of Award of Contract

51. Procurement staff shall publish information on UNDB online for all contracts awarded under ICB, LIB, Framework Agreements, QCBS, QBS, and all direct contracts. Such publication shall be within two weeks of receiving the Bank's no objection to the award recommendation for contracts subject to the Bank's prior review, and within two weeks of the Borrower's award decision for contracts subject to the Bank's post review. Publications shall include the tender description, and the following information, as relevant and applicable for each method:

a) For goods and works contracts

- i) The name of each bidder that submitted a bid;
- ii) Bid prices as read out at bid opening;
- iii) Evaluated prices of each bid that was evaluated;
- iv) The names of bidders whose bids were either rejected as non-responsive or not meeting qualification criteria, or not evaluated, with the reasons thereof; and
- v) The name of the winning bidder, the final total contract price, as well as the duration and summary scope of the contract.

b) For Consulting services

- i) The names of all consultants in the short list, specifying those that submitted proposals;
- ii) The overall technical scores assigned for each criterion and sub-criterion to each consultant;
- iii) The prices offered by each consultant as read out and as they have been evaluated;
- iv) The final combined scores and the final ranking of the consultants; and
- v) The name of the successful consultant and the total price, duration, and summary scope of the contract.

52. The Bank will arrange for the publication of the awards of contract under prior review on its external website upon receipt from the Procurement Unit of a conformed copy of the signed contract and the performance security if applicable. The detailed procedure for the publication of the award of contract is described in Annex 3 of the Guidelines.

1.6 Publication by PPRA

53. The PPADA, 2015 requires Procuring Entities to submit to PPRA on a regular basis

the reports on contracts awards of a value exceeding Kenya shillings five million shillings (US\$ 50,000), contracts awarded on basis of direct procurement of a value exceeding Kenya shilling five hundred thousand (US\$ 5,000). This provides that PPRA shall publish notices of the contracts awarded by procuring entities together with such other information as may be prescribed. The Act further provides that PPRA shall issue directions governing the publication of notices under this section, including directions specifying what must be included in a notice and how it must be published. The Procurement unit shall liaise with PPRA to ensure compliance with these requirements that enhance transparency.

1.7 Procurement Records

54. The Procurement Unit shall keep records for each procurement activity, even if no contract resulted after the procurement proceedings were terminated. Each contract should have a separate file (manual and/ or electronic). The Unit shall maintain a proper filing system with clear links between procurement and expenditure files. The procurement records for a procurement contract include:
- (i) A brief description of the goods, works or services to be procured, or of the procurement need for which the procurement entity invited proposals or offers;
 - (ii) The names and addresses of suppliers or contractors that submitted tenders, proposals, offers or quotations, and the name and address of the supplier or contractor with whom the procurement contract is entered;
 - (iii) Information relating to the qualifications, or lack of qualifications of suppliers or contractors that submitted tenders, proposals, offers or quotations;
 - (iv) The price, or the basis for determining the price and a summary of the other principal terms and conditions of each tender, proposal, offer or quotation and of the procurement contract if these are known to the procurement entity;
 - (v) A summary of the evaluation and comparison of tenders, proposals under, offers or quotations including the application of any margin of preference;
 - (vi) A statement to the effect and the grounds for the rejection tenders, proposals, offers or quotations;
 - (vii) A statement to the effect and the reasons for procurement proceedings involving methods of procurement other than tendering, and those proceedings that did not result in a procurement contract;
 - (viii) The information required, if a tender, proposal, offer or quotation was rejected;

- (ix) A statement of the grounds and circumstances on which the procurement entity relied to justify the selection of the method of procurement used;
- (x) In the procurement of services, the statement on the grounds and circumstances on which the procurement entity relied to justify the selection procedure used;
- (xi) In procurement proceedings involving direct invitation of proposals for a statement of the grounds and circumstances on which the procurement entity relied to justify the direct invitation;
- (xii) In procurement proceedings reasons for limiting participation on the basis of nationality, a statement of the grounds and circumstances relied upon for the limitation;
- (xiii) A summary of any requests for clarification of the prequalification or invitation documents, the responses received as well as a summary of any modification of the documents;
- (xiv) A record of any complaints received from suppliers, contractors or consultants and the responses received.

1.1.1 Overall records

55. These include: the procurement plan and its updates, advertising notices, bidding and proposal documents, minutes of pre-bid conferences, communications with tenderers or stakeholders, bid opening minutes, actual bids and proposals, bid/proposal evaluation reports, minutes of Accounting Officer approvals, records of contract award publications, signed contracts, Form D1 -Material Requisitions (Annex 10) , Form D2 – Beneficiary Certification Report (Annex 11), Form D3 –Distribution of Materials (Annex 12), procurement related reports, Pre-shipment inspection, delivery and acceptance reports, testing reports, records of payments, procurement audit reports, contract completion certificates and any other relevant document relating to the particular contract.

1.1.2 Disclosure of information from procurement records

56. The records referred to in items (i) and (ii) above shall, on request, be made available to any person after a tender, proposal, offer or quotation has been accepted or after procurement proceedings have been terminated without resulting in a procurement contract. The records referred to in items (iii) to (vii) and (xiii) above shall, on request, be made available to suppliers, contractors or consultants that submitted tenders, proposals, offers or quotations, or applied for prequalification after a tender, proposal, offer or quotation has been accepted or procurement proceedings

have been terminated without resulting in a procurement contract. No other disclosure shall be made. The Procurement Unit may charge a fee for making the records available but the fee shall not exceed the costs of making the records available.

1.8 E-procurement

57. E-procurement is the process of conducting procurement proceedings using electronic media instead of manual or paper system. E-procurement is not a procurement method but an advanced way of using computers in the communication between the Procuring Entity and the bidders and also with contractors, suppliers and consultants at any stage of the procurement process. E-procurement is not recognized by the PPADA, 2015 as written communication, but provides that electronic communication may be used instead of written communication. Already there is a lot of e-communication between the Project and the World Bank. The Bank allows e-procurement except for submission of bids and proposals unless security is guaranteed. The Government requires all Procuring Entities to use IFMIS ports for procurement processes and management. An e-procurement system manages tenders through a web site which can be accessed from anywhere nationally and internationally. E-procurement consists of an electronic system for procurement management that includes advertisements/publication, tendering, auctioning, selection of bidders, ordering, invoicing, payment, and contract management. It also includes administrative approval and technical sanctions that are obtained in electronic format. Elements of e-procurement include request for information, request for proposals and quotations and posting of summaries of bid and proposal evaluation reports and signed contracts. Procuring Entities use e-procurement to achieve benefits such as increased efficiency and cost savings because the system is faster and cheaper than manual systems and it improves transparency (to reduce corruption) in procurement services. The Procurement Unit will make every effort to use e-procurement as directed.

1.9 Contract Management

58. Contract Management is best performed when there is significant collaboration between the Project staff, suppliers, contractors and Consultants to enable successful performance of contracts. The project staff is expected to maintain adequate supplier relationship to improve contract performance. Each party should strive to ensure it complies with its obligations under the contract. Any strained relationship will undermine performance and may lead to unnecessary delays and/or terminations. Any contractor, supplier or consultant who underperforms in their contractual obligations undermines the performance of the project. Any contractor, supplier or consultant who engages in unethical behavior to

downplay the need to perform as per contract should be dealt with firmly, including recommendation for termination. The Project Coordinator shall monitor and ensure contracts are managed professionally and they are fully discharged, through adherence to timelines, quality and cost, including mitigation of inherent and emerging risks and avoidance of disputes. He/she will ensure each contract has a Contract Management Plan which includes background information to the contract, contract management team (including their responsibilities), scope of management policies and procedures to be complied with, mode of review and reporting requirements, and basis against which contract performance will be evaluated. Procurement files should contain full information on contract management matters and records. Contract Management activities include (but not limited to) the following activities: -

- i) Regular monitoring of the implementation and performance of contracts, with due care to timelines. This aspect includes ensuring suppliers, contractors and consultants act in accordance with the provisions of the contract agreements.
- ii) Address and mitigate against all performance risks. This aspect of contract management includes taking timely action on poor or inadequate performance, timely resolve of disputes, and termination (where necessary).
- iii) Timely payments to suppliers, contractors and Consultants.
- iv) Adequate cost, quality and time controls, with prudent issuance of variation orders.
- v) Maintain adequate contract management records and timely reporting.
- vi) Taking over completed contracts without undue delay.

1.10 Contract Amendments

59. Changes to Contracts shall be sufficiently justified and controlled. The contract changes and amendments would either be in the form of variation orders which is change of scope of the characteristics of a contract (such as additions and omissions) and other contractual conditions and obligations, all of which have cost implications, including timely availability of goods, works facilities and other deliverables. In case the variations are on the agreed prices the contractor will be expected to provide documentary evidence to support the requested price increase as stipulated in the contract. All variations will require Accounting Officer or World Bank approval before they are undertaken. Delayed payments will very often trigger delayed completion times and demand for payment of interest. It should be noted that payment for interest due to delayed payment is not eligible for financing from the World Bank proceeds.

60. Procurement generated by Operating Costs; during project implementation, various expenditures will be incurred either through the payment of eligible expenditures associated with various contracts for goods and consulting services or payment of “Operating Costs”. Operating Costs are incremental expenses incurred on account of project implementation, management, monitoring and supervision, consisting of office supplies and consumables, communication, operation and maintenance of office vehicles, per diem and travel costs for project staff, reasonable bank charges, and allowances and salaries of contracted staff (excluding salaries of the government employees). Operating costs are based on the annual work plan and budgeting approved by the Bank. Operating costs will be processed and accounted for using Government administrative, operational and financial procedures, including following government procurement procedures for any items that need to be procured following public procurement procedures. When identified under operating costs, such items requiring procurement following government procedures need to be assembled by users early in the year (preferably by August, including indicating time of requirement) and reported to the procurement unit in time for necessary procurement action.

1.11 Procurement Roles and Responsibilities

61. Regarding procurement responsibility, there are three (3) entities that are responsible for the procurement function at various stages; that is the sub counties, counties, and the Project Coordination Unit in collaboration with the Ministry’s Procurement Unit. It is assumed that the Procurement staff already knows the roles and responsibilities of the Principal Secretary (as the Accounting Officer of the Ministry), the Procurement Unit, Evaluation Committee, Procurement Committee, Inspection and Acceptance Committee, and the Disposal Committee; so there is no need to re-state them in this Manual. The roles and responsibilities are summarized in Table 7 except for Community which are discussed separately.

Table 7: Roles in the Procurement Function

No	Activity	Responsible entity/unit	Supervisor	Comments
1	Prepare Annual work plan and Budget.	M &E ,Counti MoALF - State Department of Agriculture MoALF	NPC/ MoALF - State Department of Agriculture	

No	Activity	Responsible entity/unit	Supervisor	Comments
2	Prepare Schedules of procurement requirements, including their specifications, TORS and cost estimates.	Procurement Unit, relevant departments & Finance Unit	NPC	
3	Preparation of the Procurement Plan	Procurement Unit	NPC.	
4	Prepare and publish procurement notices.	Procurement Unit, MoALF - State Department of Agriculture &WB	NPC	
5	Prepare tenders/proposal documents and have them cleared as required.	Procurement Unit, MoALF - State Department of Agriculture &WB	NPC	
6	Constitute tender / proposal evaluation Committee	Project Coordinator/ MoALF - State Department of Agriculture	Principal Secretary/	
7	Open tenders/proposals	Procurement Unit, MoALF - State Department of Agriculture.	NPC	
8	Evaluate tenders/proposals	Tender evaluation Committee	NPC / MoALF - State Department of Agriculture	
9	Approve award of contract	Accounting Officer	PS	
10	Prepare and issue notification of proposed contract award	Procurement Unit, MoALF - State Department of Agriculture	NPC	
11	Notify contract award and prepare contract documents for signature.	Procurement Unit, MoALF - State Department of Agriculture	NPC	
12	Mobilize Supplier, contractor, Consultant	Procurement Unit, MoALF - State Department of Agriculture	NPC	
13	GOODS/WORKS: Place orders and supervise delivery	Procurement Unit, MoALF - State Department of Agriculture	NPC	
14	Receive goods and certify delivery	Procurement Unit,	NPC	
15	Certify payments	Procurement Unit, MoALF - State Department of Agriculture.	NPC	
16	Make payments	Finance	Head of Finance	

No	Activity	Responsible entity/unit	Supervisor	Comments
17	Deal with Disputes	Procurement Unit, PCU , MoALF - State Department of Agriculture	NPC	
18	Certify Contract completion	Procurement Unit and the relevant department	NPC	
19	CONSULTANT SERVICES: Place order and supervise delivery	Procurement Unit,	NPC	
20	Receive, evaluate and certify consultant's deliverables	Procurement Unit, MoALF - State Department of Agriculture	NPC	
21	Certify payments	Procurement Unit, MoALF - State Department of Agriculture	NPC	
22	Deal with Disputes	Procurement Unit, PCU, MoALF - State Department of Agriculture	NPC	
23	Certify Contract completion	Procurement Unit, relevant departments & MoALF - State Department of Agriculture	NPC	
24	Prepare a performance evaluation Report	M & E, Procurement Unit, MoALF - State Department of Agriculture	NPC	

62. From the Bank's perspective, the roles of the World Bank and the Ministry can be summarized as follows.

(a) The Ministry:

- (i) Prepares the procurement plan.
- (ii) Prepares and issues tender and proposal documents.
- (iii) Invites bids/proposals.
- (iv) Receives and evaluates bids/proposals.
- (v) Awards contracts.

(vi) Supervises implementation of contracts.

(vii) Resolves disputes

(b) The World Bank is not a party to the contract.

Contracting parties are the Ministry, contractors, suppliers and consultants. However, the Bank supervises the procurement process, assists the Ministry in preparation of the project, and provides procurement training.

The Bank reviews and provides comments and/or no objections to the following:

(i) Procurement plan.

(ii) Advertisement notices.

(iii) Tender and proposal bidding documents.

(iv) Tender and proposal evaluation reports.

(v) Proposed contract awards.

(vi) Draft contracts.

(vii) Contract amendments.

(viii) Other procurement matters to ensure compliance with Grant Agreement.

The Bank also carries out the following activities:

(i) Prior reviews to contracts subject to this.

(ii) Post procurement reviews.

(iii) Verifies withdrawal applications prior to disbursements.

(iv) Monitors procurement through MIS (forms 384).

(v) Comments and provides guidance on performance on contracts.

(vi) Addresses complaints from firms on procurement matters.

(vii) Declares misprocurement.

63. The National Project Coordinator provides overall management supervision of and oversight on the project implementation (including on the procurement function) and oversees the preparation of the annual work plan and the procurement Plan and prepares a monitoring and evaluation report of the implementation of the Procurement Plan. More specifically, the National Project Coordinator is responsible for:

(i) The overall coordination of and reporting on the project, including submitting project reports to the Ministry and to the World Bank.

(i) Convening meetings with the Ministry and the World Bank as scheduled.

- (ii) Ensuring that adequate coordination exists with the implementing entities and the Steering Committee as required.
 - (iii) Ensuring that safeguard policies are adhered to.
 - (iv) Keeping and maintaining project records, reports and information.
 - (v) Facilitating information sharing and discussions among implementing entities of the project.
 - (vi) Assisting and coordinating the preparation of Terms of Reference and specifications of goods.
 - (vii) Coordinating the acceptance and quality inspection for goods and services procured for the Project.
 - (viii) Monitoring the work of consultants to assure quality and consistency with the agreed terms of reference and expected deliverables for the assignment.
 - (x) Conducting, commissioning, or coordinating monitoring and evaluation activities related to project implementation.
- 64.** The Procurement Unit plays a central role in all procurement related activities for the Project. In this context, the Head of Procurement Unit should carry out (but not limited to) the following tasks:
- (i) Preparing and updating the procurement plan based on the annual work plans received from the Project Management Units.
 - (ii) On procurement matters, providing leadership, coaching and training to all staff involved in project implementation, including liaison with the World Bank and implementing units in the other agencies of the Ministry and County teams.
 - (iii) Preparing advertisement notices, bidding and proposal documents, prequalification documents and requests for proposals and submitting them to Bank for no-objection, where required.
 - (iv) Publishing/advertising notices (GPN, SPN, and EOI) as required.
 - (v) Ensuring safe custody of received bids, expressions of interest and proposals from consultants.
 - (vi) Facilitating formation of short listing committees, bid and proposal evaluation committees, and ensuring the completion of short listing and bid/proposal evaluations in a timely manner.
 - (vii) Facilitating the approvals of proposed contracts by the Tender Committee, including any contract negotiations.

- (viii) Preparing short listing, bid and proposal evaluation reports and submitting them to the Bank (where required), and responding to Bank queries or comments.
 - (ix) Preparing contract documents for signature by the Principal Secretary.
 - (x) Facilitating issuance of letters of contract award and ensuring publication of contract awards as required.
 - (xi) Supervising and managing contracts for supply of goods and ensuring that the other types of contracts, e.g. construction, consultancies, etc. are being supervised by the relevant users.
 - (xii) Ensuring that any received contractual disputes are resolved in a timely manner.
 - (xiii) Working closely with other relevant departments to ensure they play their roles in providing all procurement related information and supervision of contracts.
 - (xiv) Preparing procurement progress reports, including those required for triggering disbursements.
 - (xv) Responding to procurement audit queries from any source.
 - (xvi) Even though payments are processed by the Finance Unit, the Procurement Unit must follow-up with the Finance to ensure payments to contractors, suppliers and consultants and made in a timely manner.
 - (xvii) Carrying out any other assignments given by the Project Coordinator.
- 65.** The Project also takes cognisance of other bodies that are involved directly in the public procurement function of the project. The Public Procurement Regulatory Authority deals with the general interpretation and implementation of the public procurement law by offering advice, guidance, directions and monitoring the public procurement system as well as initiating policy matters on public procurement and disposal among other functions. The Public Procurement Oversight Advisory Board is the political/policy arm of the Authority responsible for providing policy guidelines and advice on the various functions of the Authority. The Public Procurement Administrative Review Board assists candidates who may have cause to believe that a breach has occurred in the procurement process and may lead to their suffering, loss or damage.

SECTION 5

PROCUREMENT COMPLIANCE MONITORING

66. It is the responsibility of the Procurement entity to comply with the agreed procurement procedures. The Project Coordinator shall arrange for procurement compliance monitoring reviews (often referred to as procurement audits) to check on the extent to which the procurement function complies with the agreed procurement procedures and performance standards. Ensuring compliance with the overall framework for procurement (the laws, regulations, performance standards, prescribed procedures and accountability frameworks, etc.) is a fundamental function of a procurement governance framework. Compliance monitoring is therefore a system of checking the extent to which the unit responsible for the procurement function and other stakeholders comply with the procurement procedures and achieve acceptable levels of performance and risk in the procurement function. A strategic outcome of compliance monitoring is to promote transparency in public procurement and trigger improvements in the procurement function. The review is often carried out on not less than 30% of all contracts signed and/or completed with a given period by the Procurement Unit. In the case of contracts by the Procurement Unit, all contracts can be reviewed.

1.1 Compliance Reviews

67. The review can follow the procedures established in a “Compliance Monitoring Manual” prepared and issued by (Public Procurement Regulatory Authority) PPRA. The Compliance Monitoring Manual has about fifteen (15) compliance monitoring methods. The Procurement Review method is recommended for this project. It is the most commonly used method for compliance monitoring, and it is often the default method used by many institutions, as well as by PPRA. More specifically the format of Procurement Review report format in the Manual should be used. The Procurement Review is carried out by reviewing procurement documents and records, making physical checks and interviews. It is involving sampling Procuring Entities and contracts in each Procuring Entity. In the case of this Project, the Entities to be reviewed are the Procurement Unit, Counties, Sub-counties and a few community development projects. The review will include procurement performance and adherence to other requirements such as procurement filing, procurement planning and use of e-procurement. The Procurement Unit and Counties responsible for managing procurement operations shall make available the procurement documents and records to the review consultants and give them full cooperation in the review process.

68. The review should be carried out by independent consultants (not by government staff) to ensure the independence of the task. Procurement Review can be carried out by individual consultants (Procurement Specialists) or by Consulting Firms. The outcome or output of the compliance monitoring review is a “Compliance Monitoring Report” which should contain shortcomings and irregularities identified in the procurement function, and an action plan for improvements. The reviews should be carried out once a year (starting around January) on contracts signed and/or completed in a previous year. The Compliance Monitoring Report is an internal project report that should be shared with the Steering Committee and the World Bank. The Compliance Monitoring Report is not affected by the Bank’s ex-post reviews; the two are complimentary.

1.2 Post Reviews

69. The Procurement Unit and Counties shall retain all procurement documents and records with respect to each contract for examination by the Bank or by its consultants during their ex-post review exercise, which is often scheduled by the Bank. The ex-post review usually involves contracts not subject to Bank review. In some instances, the Bank may discover contracts that are subject to prior review, but which were not submitted to the Bank for no-objection. The Bank shall, if it determines that a contract was not awarded in accordance with the agreed procedures, as reflected in the Grant Agreement and further elaborated in the Procurement Plan approved by the Bank or the contract itself is not consistent with such procedures, promptly inform that Paragraph 1.17 of the Guidelines shall apply and state the reasons for such determination. The Procurement Unit is expected to cooperate fully with the Bank during the ex- post review exercise.



SECTION 6

PROCUREMENT METHODS

6.1 Procurement Methods for Goods, Works and Services

70. The procurement methods that would be adopted to procure goods and works under the project include the following

- International Competitive Bidding (ICB)
- Limited International Bidding (LIB)
- National Competitive Bidding (NCB)
- Shopping (National or International)
- Direct Contracting and
- Framework Agreement
- Force Account
- Any other method prescribed by the public Procurement Assets and Disposal Act (PPADA)

71. ICB is considered the most economic and efficient way to procure goods. ICB procedures require that all invitations to bid or to prequalify be advertised in at least one national newspaper of wide circulation and publication in the Market. Publication in an international publication of wide circulation is also recommended for specialist contracts. The complete text of advertisement shall also be published on the website/electronic portal in the e-procurement platform provided by the National Treasury, which has free national and international access. Bidders are given not less than six (6) weeks to prepare and submit bids. Bank's standard bidding documents are to be used for all ICB contracts. The World Bank's "Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants, January 2011, Revised July 2014's Chapter II, Sections 2.1 to 2.68 provide full information on procedures and processes on use of ICB, including advertising modalities and domestic preferences. Procedures for review by the Bank of procurement decisions and publication of awards of contracts bank are provided in Annex 1 of the Guidelines. There is no room for use of national procedures except for administrative procedures. In this case, proposed contract awards will be subject to approval of the relevant Tender Committee before they are sent to the Bank for non-objection. It is mandatory to use the Bank's Standard Bidding Documents for goods (ICB) which can be downloaded from the Bank's external website (<http://www.worldbank.org>).

1.1.1 Limited International Bidding

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

1.1.2 National Competitive Bidding

73. NCB is the competitive bidding procedure following national procurement procedures for procurement of goods, works, and non-consulting services, set out in the Public Procurement and Asset Disposal Act of 2015 and its envisaged Regulations, 2016. NCB is the most appropriate method of procurement where foreign bidders are not expected to be interested because:

- (a) Of the size and value of the contract,
- (b) Works are scattered geographically or spread over time,
- (c) Works are labour intensive, or
- (d) The goods, works, and non-consulting services are available locally at prices below the international market. NCB procedures will be used where the advantages of ICB are clearly outweighed by the administrative or financial burden involved. The complete text of advertisement shall be published in at least a national newspaper of wide circulation in the English Language, and on the website/ electronic portal in the e-procurement platform provided by the National Treasury, which has free national and international access. Notification shall be given to prospective bidders in not less than 21 days to enable them to obtain relevant documents. The Kenya currency will be used for the purposes of bidding and payment. The Bank's Standard Bidding Documents for goods (ICB) which can be downloaded from the Bank's external website (<http://www.worldbank.org>) will be used for procurement of goods with appropriate modifications.

74. Regarding the use of national public procurement procedures, the following Guidelines may be taken into consideration in this project without modification.

- (i) That the tender submission date shall be set so as to allow a period of at least 21 days from the later of: (i) the date of advertisement, and (ii) the date of availability of the

tender documents.

- (ii) Recipient's government-owned enterprises shall be allowed to participate in the tendering only if they can establish that they are legally and financially autonomous, operate under commercial law and are an independent agency of the recipient's government.
- (iii) The Borrower shall use, or cause to be used, bidding documents and tender documents (containing, inter alia, draft contracts and conditions of contracts, including provisions on fraud and corruption, audit and publication of award) in form and substance satisfactory to the Association.
- (iv) That extension of tender validity shall be allowed once only, and for not more than twenty-one (21) days, unless otherwise previously agreed in writing by the Association.
- (v) That evaluation of tenders shall be based on quantifiable criteria expressed in monetary terms as defined in the tender documents. It shall not be based on a merit points system.
- (vi) That no domestic preference shall be used in the evaluation of tenders. Therefore, as a result of the non-application, contracts shall be awarded to qualified tenderers having submitted the lowest evaluated substantially responsive tender.
- (vii) That notification of contract award shall constitute formation of the contract. No negotiation shall be carried out prior to contract award.
- (viii) That shopping procedure will apply for each low value contracts, in lieu of Direct Procurement, except as otherwise previously agreed in writing by the Association.
- (ix) That the two-envelope bid opening procedure shall not apply.
- (x) The World Bank requires that under NCB the Bank's standard bidding documents for goods and works shall be used with appropriate modifications.

1.1.3 Request for Quotations (RFQ)

75. RFQ (National or International) is referred by the World Bank as "Shopping". It is a procurement method based on comparing price quotations obtained from suppliers or contractors, with a minimum of three to assure competitive prices. It is an appropriate method for procuring readily available off-the-shelf goods or standard specification commodities of small value. Requests for quotations should be in writing and should indicate the description and quantity of the goods, as well as desired delivery time and place. Quotations may be submitted by letter, facsimile or by electronic means. If procurement staff is unable to obtain at least three quotations, it shall provide the Bank

with the reasons and justification why no other competitive method could be considered and obtain a no objection before proceeding on the basis of the only responses already received. The evaluation of quotations should follow the same principles as of open bidding. The terms of the accepted offer should be incorporated in a purchase order or brief contract.

1.1.4 Direct Contracting

76. Direct Contracting, often referred to as sole- or single-source is contracting without competition. The Procurement staff shall submit to the Bank for its review and no objection a sufficiently detailed justification, including the rationale for direct contracting instead of a competitive procurement 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 Procurement Plan. It is appropriate method under the following circumstances:

- i. An existing contract for goods, works, and non-consulting services, awarded in accordance with procedures acceptable to the Bank, may be extended for additional goods, works, and non-consulting services of a similar nature. The Bank shall be satisfied in such cases that no advantage could be obtained by further competition and that the prices on the extended contract are reasonable. Provisions for such an extension, if considered likely in advance, shall be included in the original contract;
- ii. Standardization of equipment or spare parts, to be compatible with existing equipment, may justify additional purchases from the original Supplier. For such purchases to be justified, the original equipment shall be suitable, the number of new items shall generally be less than the existing number, the price shall be reasonable, and the advantages of another make or source of equipment shall have been considered and rejected on grounds acceptable to the Bank;
- iii. The required equipment is proprietary and obtainable only from one source;
- iv. The procurement of certain goods from a particular supplier is essential to achieve the required performance or functional guarantee of an equipment or plant or facility;
- v. In exceptional cases, such as, but not limited to, in response to natural disasters and emergency situations declared by the Borrower and recognized by the Bank; and
- vi. In circumstances that are appropriate to procure from United Nation Agencies.

1.1.5 Framework Agreement (FA)

77. Framework Agreement is not a procurement method passé but an agreement with a supplier, contractor and a service provider of non-consulting services with terms and conditions under which specific procurements can be made over a specified period on a call basis. FAs are generally based on prices that are either pre-agreed, or determined through a competition. FAs may be permitted as an alternative to the Shopping and NCB methods for:
- (i) Goods that can be procured off-the-shelf, or are of common use with standard specifications;
 - (ii) Non-consulting services that are of a simple and non-complex nature and may be required from time to time or
 - (iii) Small value contracts for works under emergency operations.
78. The Ministry shall submit to the Bank for its no objection the circumstances and justification for the use of an FA, the particular approach and model adopted, the procedures for selection and award, and the terms and conditions of the contracts. FAs shall not restrict foreign competition, and should be limited to a maximum duration of 3 (three) years. FAs shall follow all guiding principles and procedures of procurement.

1.1.6 Force Account

79. Force Account is applied to works components of construction, installation of equipment and non-consulting services carried out by a government department using its own personnel and equipment. It is often allowed by the Bank if it is the only practical method of procurement under specific circumstances, but the Bank requires that the force account procedures be carefully aggregated and justified for Bank's no objection. In this project, force account is expected to be applied only by Schools under School Grant by those schools that have internal capacity to use force account.

6.2: Procurement Methods for Selection of Consultants

80. The selection methods for consultants are fully described in the World Bank's "Guidelines: Selection and Employment of Consultants under IBRD Loans & IDA Credits & Grants by World Bank, January 2011, Revised July 2014". The following selection methods are applicable under this project:

- a) Quality and Cost Based Selection (QCBS);
- b) Quality Based Selection (QBS);
- c) Least Cost Selection (LCS);
- d) Selection Based on Consultants Qualifications (SBCQ)
- e) Single Source Selection (SSS)
- f) Selection of Individual Consultants

81. The project will apply two types of contracts for consulting services:

- (i) Lump Sum (Paragraph 4.1 of Consultants Guidelines) contracts are used for assignments in which the content and the duration of the work are clearly defined. Payment is made upon delivery of outputs. The main advantage of this type of contract is that it is easy to administer.
- (ii) Time-Based (Paragraph 4.2 of Consultants Guidelines) contracts are used for assignments in which it is difficult to define the scope and the duration of the work to be performed. Payment is based upon an hourly, daily, or monthly rate, plus reimbursable expenses using actual expenses or agreed- upon unit prices. This type of contract provides for a maximum total payable amount that includes a contingency for unforeseen work and duration, price adjustments etc.

1.1.1 Quality and Cost Based Selection (QCBS)

82. QCBS is a method based on the quality of the proposals and the cost of the services to be provided. It is applied when (i) the scope of work of the assignment can be precisely defined and the TOR is well specified; and (ii) the Ministry and the consultants can estimate with reasonable precision the staff time as well as the other inputs and costs required of the consultants. The following steps are followed:

83. The selection process shall include the following steps: (Preparation of the TOR);

- i) Preparation of cost estimate and the budget, and short-listing criteria;
- ii) Advertising for Expression of Interest (EOI);
- iii) Preparation of the short list of consultants;
- iv) 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);

- v) Receipt of proposals;
- vi) Evaluation of technical proposals: consideration of quality;
- vii) Public opening of financial proposals;
- viii) Evaluation of financial proposal;
- ix) Final evaluation of quality and cost;
- x) Negotiations and award of the contract to the selected firm; and
- xi) Debriefing the consultants who have lost (if so requested).

The Terms of Reference should include:

- (i) Background of the project and specification that the assignment is financed with funds from the WB;
- (ii) A precise statement of objectives;
- (iii) An outline of the tasks to be carried out;
- (iv) A schedule for completion of tasks;
- (v) The support/inputs provided by the client;
- (vi) The final outputs that will be required of the Consultant;
- (vii) List of key positions whose CV and experience would be evaluated. Annex 6 provides a sample format for preparation of Terms of Reference.

84. Cost estimate and the budget should be based on the assessment of the resources needed to carry out the assignment; staff time, logistical support, and physical inputs (for example, vehicles and laboratory equipment). Costs shall be divided into two categories; (a) fee or remuneration and (b) reimbursable items and further divided into foreign and local costs. The budget will not be included in the RFP for QCBS method of procurement.

85. Request for Proposals (RFPs): The RFP prepared using the Banks standard form shall include:

- i) A Letter of Invitation (LOI);
- ii) Information to Consultants;
- iii) Data sheet;
- iv) Forms for the technical proposal;
- v) Forms for the financial proposal;
- vi) The TOR; and
- vii) The proposed contract.

86. It is mandatory to use the Bank’s Standard Request for Proposals (Selection of Consultants QCBS, QBS, LCS) which can be downloaded from the Bank’s external website <http://www.worldbank.org>).

Evaluation of the Technical Proposal

87. Proposals should be evaluated immediately after opening of technical proposals. The Evaluation Committee should be assembled at least a week before the opening of technical proposals. The minutes of opening of proposals shall follow the format of Annex...Evaluation should be done as per criteria specified in the RFP. Evaluation is done by evaluators individually and then their respective scores are brought to an Evaluation Committee meeting, aggregated and averages taken to give final scores. During aggregation, care should be taken to reconcile any individual scores that might be too high or too low compared with other members’ scores. In such cases, an evaluator may be requested to re-evaluate or the committee may decide to take the next highest score in case of too high score or take the next lowest in case of too low a score. The evaluation report should be compiled in the sample format provided by the World Bank (Annex 7 - Sample Form of Proposal Evaluation Report, which can also be downloaded from the Bank’s external website <http://www.worldbank.org>) and forwarded to the World Bank for review, no objection. The no objection will be required initially for the evaluation of the technical proposals and after the combined evaluation for financial and technical is completed. A final selection is made following combined evaluation and the contract is negotiated with selected consultant. The factors given in Table 7 are generally taken into account for evaluation:

Table 8: Technical Evaluation Factors

Evaluation Factors		Points
Quality (Each should have a sub-criteria not exceeding three)	Consultant’s Specific Experience	0 to 10
	Methodology and work plan	20 to 50
	Key Personnel *	30 to 60
	Transfer of Knowledge	0 to 10
	Participation by Nationals in key staff	0 to 10

	Total	100
Combined	Quality	80
	Cost	20

* The individuals shall be rated in the following three sub-criteria, out of 100 points as relevant to the task:

- i) General qualifications: General education and training, length of experience, positions held, time with the consulting firm as staff, experience in developing countries;
- ii) Adequacy for the assignment: Education, training, and experience in the specific sector, field, subject, and so forth, relevant to the particular assignment; and
- iii) Experience in the region: Knowledge of the local language, culture, administrative system, government organization, and so forth

Negotiations and the Award of Contract

88. Negotiations shall include discussions of the TOR, the methodology, Ministry’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. 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. 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 proposed.

89. Financial negotiations shall include clarification of the consultants’ tax liability in the Ministry’s country (if any) and how this tax liability has been or would be reflected in the contract. Payments under lump-sum contracts are based on the delivery of outputs (or products); hence 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 (experts' time and reimbursable costs) and the offered price shall include experts' rates and an estimation of the amount of reimbursable costs. 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 the Bank. Reimbursable costs are to be paid on actual expenses incurred at cost upon presentation of receipts and therefore are not subject to negotiations. However, if the client wants to define ceilings for unit prices of certain reimbursable costs (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.

90. If the negotiations with the highest ranked consultant fail, the Ministry 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 Ministry shall inform the consultant in writing of its intention to terminate negotiations. Negotiations may then be terminated after obtaining the Bank's no objection, and the next ranked consultant invited for negotiations. The Ministry shall furnish to the Bank 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 Ministry shall not reopen the earlier negotiations. After negotiations are successfully completed and the Bank has issued its no objection to the initialed negotiated contract, the Ministry shall promptly notify other firms on the short list that they were unsuccessful. The award shall be published accordingly.

Debriefing by the Ministry

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

1.1.2 Least-Cost Selection (LCS)

92. LCS 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. The selection procedure is similar in all aspects as QCBS, of the firms that qualify on technical proposal, but the firm offering the lowest price will be selected and invited to negotiate a contract.

1.1.3 Quality Based Selection (QBS)

93. QBS is appropriate for the following types of assignments:

- (i) complex or highly specialized assignments for which it is difficult to define precise TOR and the required input from the consultants, and for which the client expects the consultants to demonstrate innovation in their proposals (for example, country economic or sector studies, multi-sector feasibility studies, design of a hazardous waste remediation plant or of an urban master plan, financial sector reforms);
- (ii) 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
- (iii) 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).

94. Note: This method is not likely to be used in this Project. If it has to be used the Procurement Unit will study carefully the detailed procedures provided in the Guidelines.

1.1.4 Consultant's Qualifications Selection (CQS)

95. The CQS method applies to small assignments (i.e. contracts estimated to cost less than USD 300,000) for which the cost of a full-fledged selection process would not be justified. Under CQS the technical specialists would first prepare the TOR; then requests expressions of interest and qualification information on the consultants' experience and competence relevant to the assignment; establish a shortlist; and selects the consultant with the best qualifications and references. The selected consultant would be asked to submit a combined technical and financial proposal and is then invited to negotiate the contract if the technical proposal proves to be acceptable. The CQS method aims at reducing the cost and time needed to hire a consultant. This approach does not, however, disregard quality, since some very small assignments are very important (e.g., highly specialized advisory services with a limited scope and duration, or assignments that,

although small, require consultants with the best possible qualifications).

1.1.5 Selection of Individual Consultants (IC).

96. 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 the Ministry due to a prior agreement with a firm, the Ministry may invite firms to provide qualified individual consultants for the assignment.
97. Advertisement for seeking expressions of interest (EOI) is encouraged, particularly if the services are complex, or there is potential benefits 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 contracts. 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.
98. Individual Consultants do not need to submit proposals and shall be considered if they meet minimum relevant requirements. Minimum relevant requirements shall be determined by the Ministry 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 Ministry. Individuals selected to be employed by the Ministry shall be the most experienced and best qualified, and shall be fully capable of carrying out the assignment. The Ministry shall negotiate a contract with the selected individual consultant or the firm as the case may be, after reaching an agreement on satisfactory terms and conditions of the contract, including reasonable fees and other expenses.

99. The selection of individual consultants is normally not subject to prior review, but under this Project, all assignments exceeding US\$ 200,000 equivalent shall be subject to prior review. The Ministry shall, however, obtain the Bank'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; (c) in case negotiations with the selected individual fail before proceeding to negotiate with the next best individual, or firm as the case may be; and (d) in case of single-source selection. The Bank also requires prior review of the selection of certain categories of individual consultants, but these will be agreed (Ministry/Bank) in advance of beginning the selection process.
100. 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.
101. 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 a total expected duration of less than 6 (six) months; (c) urgent situations; and (d) when the individual is the only consultant qualified for the assignment. The Ministry shall submit to the Bank 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 Procurement Plan.

1.1.6 Single-Source Selection (SSS)

102. Single-source selection of consultants does not provide the benefits of competition in regard to quality and cost, lacks transparency in selection, and could encourage unacceptable practices. Therefore, single-source selection shall be used only in exceptional cases. The justification for single-source selection shall be examined in the context of the overall interests of the client and the project, and the Bank's responsibility to ensure economy and efficiency and provide equal opportunity to all qualified consultants. Single-source selection may be appropriate in the following cases, and only if it presents a clear advantage over competition:

-
- i) For tasks that represent a natural continuation of previous work carried out by the firm (see next paragraph);
 - ii) In exceptional cases, such as, but not limited to, in response to natural disasters and for emergency situations both declared by the Ministry and recognized by the Bank;
 - iii) For very small assignments; or
 - iv) When only one firm is qualified or has experience of exceptional worth for the assignment.

103. In all such cases, the Ministry is not required to issue an RFP and shall submit to the Bank 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, except for contracts below a threshold defined on the basis of risks and the scope of the project, and set forth in the Procurement Plan.

104. 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 Ministry shall ask the initially selected consultant to prepare technical and financial proposals on the basis of the TOR furnished by the Ministry, which shall then be negotiated.

105. If the initial assignment was not awarded on a competitive basis or was awarded under tied financing or if the downstream assignment is substantially larger in value, a competitive process acceptable to the Bank shall normally be followed in which the consultant carrying out the initial work is not excluded from consideration if it expresses interest. The Bank will consider exceptions to this rule only under special circumstances and only when a new competitive process is not practicable.



SECTION 7

PROCUREMENT PROCEDURES UNDER COMMUNITY DRIVEN DEVELOPMENT

7.1 Procurement under “Community Participation in Procurement”

106. Under the Community Driven Development sub-component, it is envisaged that there will be small value contracts for goods, services, and works at the Community level. Commonly used procurement procedures will include request for quotations, local competitive bidding inviting prospective bidders for goods and works located in and around the communities, direct contracting for small value goods, works, and non-consulting services, and the use of community labor and resources. The Matching Grants Manual shall describe in sufficient detail all procurement arrangements, methods, and procedures including the roles and responsibilities, the extent of participation of the community in general (including the critical role of Community Oversight Committees), simplified steps for all applicable methods of procurement, provisions for any technical or other assistance required by the Communities, payment procedures, procedures for record-keeping, simplified forms of contracts to be used, and oversight functions of the County Oversight Committees and Coordinating Units. The Matching Grants Manual will include the format of a simplified Procurement Plan, audit scope and procedure for verification of both quality and quantity of goods, works, and services procured to ensure proper use of funds.

107. As regards to procurement management, staff with required qualifications and experience will be assigned from the implementing agencies or recruited from the open market. With additional TA to strengthen procurement capacity, the institutions can undertake implementation, facilitation, and coordination of the project with reduced risk. At the national level, the NPCU anchored in the State Department of Agriculture (SDA) of MoALF will be responsible for the implementing procurements under Components 2, 3 and 4 of the proposed KCSAP. At the county level, the CPCU to be established within the respective counties' agriculture department will spearhead execution of procurement activities under Component

1. At the community level, the Community Driven Development Organizations (CDDO) with elected leaders (chair, secretary, treasurer and board members) will assist beneficiaries in procurement activities. Wards will be responsible for implementing interventions and related procurement activities that cut across several communities. An independent firm/agency will be enlisted to conduct assessments of selected

CIGs, VMGs, POs, PPP and SACCOs and develop detailed guidelines and simplified procurement procedures; and social accountability structures for use by communities.

1.1.1 Procurement at County Level

- 108.** At county level, the executive arm consists of a Governor, a Deputy Governor, a County Executive Committee (CEC), a County Secretary, Chief Officers, Directors, and operations staff. Each CEC member is in charge of the overall policy and operational responsibility of a specific portfolio of a department or ministry of the county government. The day-to-day operations of each county department or ministry are led by a Chief Officer with the assistance of directors and operations staff. Administratively, the counties have offices at the county headquarters, in sub-counties and wards. Government offices in sub-counties and wards are headed by administrators who are assisted by accountants and procurement staff. In the structure of the executive arm of county governments, each department or ministry is responsible for fiduciary management, including FM and procurement.
- 109.** The overall procurement function in counties is managed by the Head of the Procurement Function, who is supported by an operations team of Supply Chain Management (SCM) officers. Assistant Supply Chain Management officer is attached to each county ministry and 1-2 two sub-counties. The minimum qualifications of the procurement team is a Diploma in SCM.
- 110.** In most counties the procurement staff are conversant with the Public Procurement & Asset Disposal Act (PPADA, 2015), and have some basic understanding of consolidated annual Procurement Plans. The procurement units are equipped with adequate ICT equipment and internet connectivity. Due to availability of reliable internet connectivity at county headquarters, the procurement officers have access to the PPRA website, from which they can download standard bidding documents to initiate and administer procurement processes.
- 111.** In conformity with the PPADA (2015), counties have established a County Procurement Function (CPF), and an Inspection and Acceptance Committee (IAC). Bid opening and bid evaluation committees are appointed on an ad hoc basis. Upon the recommendations of the Head of CPF, the Accounting Officer awards contracts to successful bidders; and signs the contract with them on behalf of the county government.

1.1.2 Procurement at community level

112. At the community level, it is proposed that CDDCs with elected leaders will oversee procurement in the targeted communities. An independent firm/agency will be enlisted to conduct assessments of selected CIGs, VMGs, POs and SACCOs; and develop detailed guidelines and simplified procurement procedures, as well as social accountability mechanisms.

113.

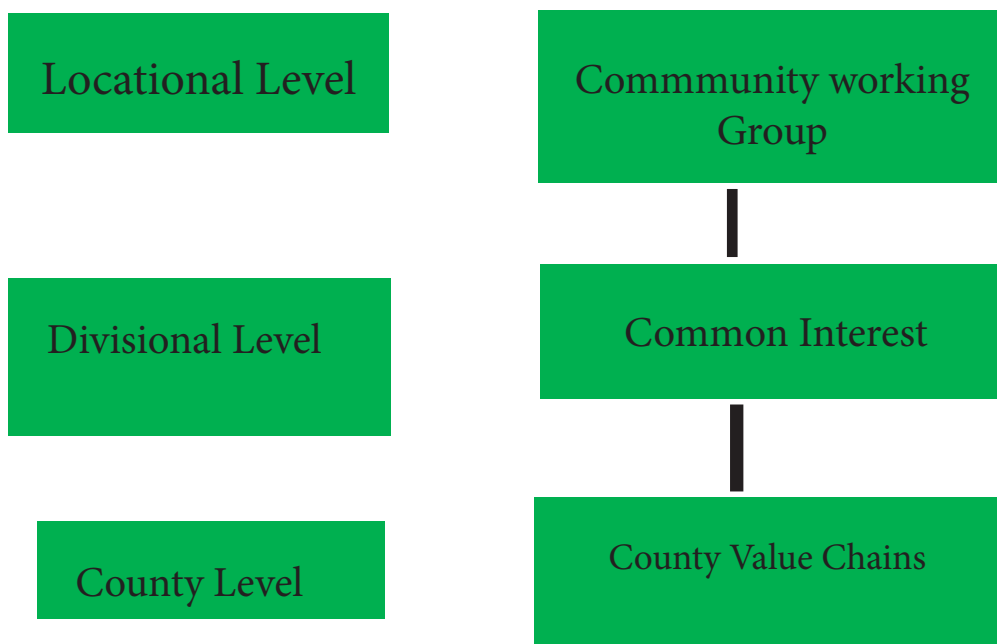


Figure 2: Institutional Arrangements for Procurement

7.2 Risks Profiling

114. The procurement function is prone to inherent and procedural risks, arising from delayed contract processing, inadequate staff and contract performance. Risk in the project will be mostly people-oriented. There are risks in determining need and planning procurements, developing specifications, selecting the appropriate procurement methods, preparing solicitation documents and calling for offers, evaluation and selection of firms and individuals, negotiating the contract, and contract administration. Procurement management is about solving problems and managing risks. Users Ministry, County and sub- counties teams needs goods and services to meet their project implementation obligations under the project. Unlike the Procurement Unit,

they (Users) usually have little understanding and unrealistic expectations about of the procurement function. Procurement planning and strategy development are important to reduce risk in the procurement process. A comprehensive understanding of the procurement process, principles and guidelines is also important to finding appropriate solutions and minimizing risks. Errors or inconsistencies in conducting procurement processes can lead to accusations that lead to reputational damage of the Procurement Unit and/or the User Agencies.

- 115.** The Project Coordinator should carry out preferably early at the beginning of the Project implementation periodically a simple analysis to find out how well the Procurement Unit, counties and sub-counties would be able to meet their respective responsibilities in an efficient and timely manner as outlined in Section 5, more specifically as outlined in Table 6, by getting answers to the simple questions in Table 8. There after the Coordinator carry the analysis as when he/she deems it necessary, particularly mid- project period would be useful.

Table 9: Profiling Risks That May Impede Project Implementation

No.	PROCUREMENT UNIT	Comment and possible risk	Recommended Action
1	Reputation for good performance under past contracts.		
2	Adequacy of qualified staff to meet the Projects Work load.		
3	Ability to respond quickly to meet user demands.		
4	Mechanism for dealing with poorly-performing staff.		
5	Mobilization of Procurement/ Tender Committee to adjudicate quotations/ tenders in a timely manner.		
6	Timeliness of payments		
Counties, Finance Unit/M&E			
7	Ability to prepare Annual work plan and Budget in an adequate and timely manner.		
8	Ability to prepare Schedules of procurement requirements, including their specifications, TORS and cost estimates Budget in an adequate and timely manner.		

9	Ability to manage consultant contracts, including certifying deliverables in a professional manner:		
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116. Despite the best efforts in the procurement function, there could be (and the possibilities are high) questions raised about the transparency or integrity of the procurement process. Often charges of corruption, whether real or imaginary, may be alleged. The best defense for the Project is to take a proactive approach - to know what to look for as potential indicators of corruptive behavior and to take measures as quickly as possible to prevent corruption from happening. The Compliance monitoring system described in Section 4 Paragraphs 36-37 will identify common indicators of potential corruption, abuse in the procurement system, any shortcomings, possible irregularities, suspicious cases or difficulties in the procurement process, including action plans to make improvements. It is recommendable that the Project Coordinator appoints an independent consultant (a procurement specialist) to use the checklist on Table 9 for each agency (the Procurement Unit, Counties) to map procurement risks and provide remedial measures. It appears that at the outset, key staff of the Project involved in procurement implementation should be given a procurement training seminar to enable them appreciate features of the procurement function and their respective roles in the same.

117. Corruption in project procurement is a frequent occurrence in Kenya and it is the biggest risk to this project. The main activities that are fuels of corruption are tailoring specifications to limit competition or to favor a particular bidder; abusing confidentiality; limiting advertisement and publicity; manipulating the preparation, submission and evaluation of bids; false invoicing; overbilling; receipt of non-existent goods or services, underperforming; failure to meet specifications; contract changes and renegotiations. These activities are identified via common indicators referred to as “red flags”. The Compliance monitoring review determines areas or activities of concern peculiar to normal situation. Any significant risk identified during the review should be considered a “red flags” to deal with. Studies have identified common indicators of potential fraud and corruption in the procurement process. Ten (but not limited to) most common “red flags” include:

- (i) Complaints from bidders and other parties may signal that additional due diligence and investigation may be warranted in a particular procurement.
- (ii) Multiple contracts below procurement thresholds may indicate contract- splitting

schemes used by corrupt officials to avoid higher level review or competitive bidding.

- (iii) Unusual bid patterns such as unexplained inflated bid prices, round or unnatural numbers, apparent rotation of winning bidders and other seemingly irregular activities may be a sign of collusive bidding by at least some of the vendors.
- (iv) Inflated agent fees, or the unnecessary involvement of middlemen or third parties may be used to disguise corrupt payments.
- (v) Fictitious companies or consulting firms may be used by some dubious bidders to submit bids that are unreasonably high so that a real bidder can submit a higher-than-normal bid price and give the appearance it is competitive.
- (vi) Too much time taken in adjudication of bids and rejection of the lowest bidder on unjustifiable grounds may indicate bid rigging with project officials having a hidden interest in a contractor.
- (vii) Sole source awards given over and over to the same bidder should be scrutinized, especially if these requests are made for reasons of urgency and with no other legitimate purpose.
- (viii) Changes in contract terms and value with regards to the price, amount or type of services between the selection and the signing of the contract, while sometimes unavoidable, may nevertheless be an indicator that warrants more review.
- (ix) Contract change orders after the contract has been signed, especially if multiple in nature, can indicate collusion between the client and contractor to increase the value of the contract without delivery of additional product or services.
- (x) Poor performance or deficiencies in the goods or services, or even non-delivery can indicate fraud and corruption.

118. The Project Coordinator should look for possibilities of the above red flags and take timely action before the project is ruined. The Steering Committee should be informed accordingly for action. These red flags are indicative of systemic weaknesses that cause delayed procurement decisions.

1.1.1 Procurement Staff Performance

119. Success in procurement implementation will depend on the efficiency and diligence of the staff of the implementing units, i.e. the Project Coordinating Unit, the Procurement Unit, and the implementing units (counties, sub counties), including the participating staff at County level. The Project Coordinator should ensure that

implementing units are performing optimal. Procurement Performance is an important feature of a well-functioning project procurement system, and by corollary a well implemented project. Research indicates that staff performance has a high bearing on how the project is implemented. Staff performance in the context of the project will be reflected on how much of the procurement plan has been implemented in any fiscal year, and on how long it takes and costs to process and complete contracts, including training programs. Recent studies on public procurement systems worldwide indicates that procurement staff performance is characterized by a combination of any of the following factors (but not limited to); poor professional training, weak procurement systems, inadequate work controls, non-compliance with procurement procedures due to lack of enforcement and discipline, inadequate contract management systems, lack of adequate monitoring, inadequate professional skills, and use of unqualified personnel. The studies attribute the above problems as essentially due to inadequate capacity within the institutions with specific responsibilities for the procurement function. Procurement staff performance will also affect timeliness of payments to contractors, suppliers and consultants. Staff performance is affected by facilities accorded to them, office accommodation, ICT, equipment and a reasonable operating budget. The Project Coordinator will report any lapses in staff performance to senior management of the Ministry for remedial measures. In addition, the Coordinator will prepare a report for the Steering Committee by evaluating staff performance from (a) quarterly progress reports, (b) monthly meetings to monitor progress on implementation of the Procurement Plan to compare the actual versus the planned (c) compliance monitoring reports, (d) Ex-post reviews conducted by the World Bank (e) KENAO Audit Reports, and (f) any review of staff performance sanction by the Steering Committee.

1.1.2 Procurement Oversight and Tracking Systems

120. The project will be managed by Ministry of Agriculture, Livestock and Fisheries (MoALF) (The PAD provides that the Project Steering Committee will provide oversight of the project implementation and result monitoring. Project implementation, includes procurement management, which will be mainstreamed into the government systems. It is expected that the Steering Committee at the higher level provide oversight to ensure procurement does not derail project implementation. Oversight concerns whether, in what way and to what extent and with what means the Steering Committee attempts to detect irregularities, shortcomings, any form of unethical behaviour, and poor performance on the part of the Procurement Unit. The Steering Committee will provide

oversight by taking action on the reports submitted to it by the Project Coordinator. The quarterly progress reports, the monthly meetings to monitor progress on implementation of the Procurement Plan to compare the actual versus the planned, and the compliance monitoring reports are a means of tracking progress on procurement implementation. The PC might wish to develop other tracking systems as need be.

1.1.3 Processing of Payments for Contractors, Suppliers and Consultants

121. The process for financial management, including making payments is described in the financial management section of the PIM. The issue of timely payments to contractors, suppliers and consultants, including to contracted PCU staff has been emphasized in over and over in this Manual. The importance of timely payments and the roles of the Project Coordinator and the Procurement Unit with respect to processing of payments to contractors, suppliers and consultants has been emphasized and described in this Manual.

- (i) To the extent possible, contracts should be completed and final payments made by June 30 (end of fiscal year).
- (ii) At this stage, the Procurement Unit ensures payments are made in time as per contract agreement and any disputes are resolved in time so as not to stall contract implementation.
- (iii) Keeping complete procurement records, including records of payments.
- (iv) Contract management, timely payments to suppliers, contractors and Consultants.
- (v) Contract management, delayed payments will very often trigger delayed completion times and demand for payment of interest. It should be noted that payment for interest due to delayed payment is not eligible for financing by World Bank proceeds.
- (vi) Financial negotiations, payments under lump-sum contracts are based on the delivery of outputs (or products); hence the offered price shall include all costs (experts' time, overhead, travel, hotel, etc.).
- (vii) **Table 6** - Roles in the Procurement Function; the table has several references to payments.
- (viii) Even though payments are processed by the Finance Units, the Procurement Unit must follow-up with the Finance to ensure payments to contractors, suppliers and consultants and made in a timely manner.
- (ix) Inflated agent fees, or the unnecessary involvement of middlemen or third parties may be used to disguise corrupt payments.



- (x) Procurement staff performance will also affect timeliness of payments to contractors, suppliers and consultants. Staff performance is affected by facilities accorded to them, office accommodation, ICT, equipment and a reasonable operating budget.
 - (xi) The Training Program (which must be approved by the Steering Committee and World Bank) is a subset of the Project Work Plan. Once a seminar or workshop is declared, the Procurement Unit is required to package its (Seminar/Workshop) requirements in an efficient manner, get all required approvals, place orders and have payments made in a timely manner so as not to delay the start-up of the seminar/workshop.
- 122.** Timely payments are the key words. Even though payments are processed by the Finance Units, Project Coordinator the Procurement Unit must follow-up with the Accounts to ensure payments to contractors, suppliers and consultants are made in a timely manner.

SECTION 8

TRAINING AND CAPACITY DEVELOPMENT

- 123.** Training is teaching or development of skills and knowledge that relate to specific competencies. Training has specific goals of improving peoples' capability, capacity, productivity and performance. In addition to the basic training required for a profession or trade, there is need to continue training beyond initial qualifications to maintain, upgrade and update skills throughout working life. This sort of training is referred to as professional development. On-the-job training is a globally recognized method of training that takes place in a normal working situation, using the actual tools, equipment, documents or materials that trainees use at the place of work. Off-the-job training method also involves employee training at a site away from the actual work environment, in a workshop or seminar set-up. It often utilizes lectures, case studies, role playing and simulation, and has the advantage of allowing people to get away from work and concentrate more thoroughly on the training itself.
- 124.** The project would provide support for training courses and carry out development activities to enable staff acquires specific skills, knowledge and capacity required to perform adequately in their current and future tasks. Training may include in-house and external courses, seminars, workshops, day release courses, study tours and conferences. The Project does not prescribe the exact modalities of training and capacity building, but there is general understanding that training and capacity building at PCU, county and sub-counties is an important deliverable of the Project. In order to ensure effectiveness, training would be based on identified training needs included in the work program and procurement plan of the project. Any other training needs arising during the course of the year due to operational deficiencies would only be considered after being reviewed by the Steering Committee and recommended to World Bank for its no objection.
- 125.** The following procedures should be followed when seeking funds for training from the project:
- (i) The staff training cost would normally cover the full cost of studies and essential maintenance of the course of studies either locally or outside Kenya;
 - (ii) An approved course of study included in the annual work plan shall be directly relevant to the responsibilities and duties of the identified staff.
 - (iii) Full time training especially outside Kenya would be extremely expensive

to the project budget. It is, therefore, necessary that there is no automatic entitlement to such training and the Steering Committee would only consider such training for World Bank's approval after making a full assessment of its value relative to long-term capacity building requirements of the department concerned; and

- (iv) Short-term courses, training seminars and workshops, and on-the- job training will be considered at all levels of project implementation and will be appropriately incorporated in the Projects Work plans and the Procurement Plan.

126. Except for formal institutional training and study tours (where perhaps only air tickets are procured via a procurement process), training seminars and workshops attract a lot of procurement activities. For instance, in the case of a seminar or workshop, procurement would acquire the venues, catering (if not included in the cost of venue), training materials, equipment, resource persons, transport, etc. It is not possible to identify all those items in advance and include them in the project's Procurement Plan. The Training Program (which must be approved by the Steering Committee and World Bank) is a subset of the Project Work Plan. Once a seminar or workshop is declared, the Procurement Unit is required to package its (Seminar/Workshop) requirements in an efficient manner, get all required approvals, place orders and have payments made in a timely manner so as not to delay the start-up of the seminar/workshop.

127. A unit requiring a seminar or a workshop should advise the Procurement Unit in a timely manner to avoid complications of last-minute rush. The user should provide the Procurement Unit with preferred locations, resource personnel required (preferably already selected and basic ToR and contract terms agreed), and all other required items. These procurements succeed when the User and the Procurement Unit work in a collaborative manner.

SECTION 9



ANNEXES

ANNEX 1 – WORK PLANNING TEMPLATE

Component 1: Upscaling Climate-Smart Agricultural Practices

Component 2: Strengthening Climate-Smart Agricultural Research and Seed Systems

Component 3: Supporting Agro-weather, Market, Climate and Advisory Services

Component 4: Project Coordination and Management

Component 5: Contingency Emergency Response

Introduction

The Ministry identified all the required activities for each component and grouped them into three categories, i.e. (a) Consulting services, (b) Goods and Works, (c) Training, staff development and other operational activities, to support the various activities so as to achieve the required results. It also identified the various User Units within the Ministry that would be responsible for implementation of the various activities. These User Units are expected to have prepared their respective component Work plans based on the three categories. The Ministry believes that by so doing, the User Units will have a clear understanding of what needs to be done and create ownership. The costing must be done in such a way that they are consistent with the disbursement estimates in the PAD, i.e.

Fiscal Year	2016	2017	2018	2019	2020
Annual (US\$ '000)					

The plans are the best sources of the preparing schedules of procurement requirements that this is best practice to enable live-up with estimated annual expenditures of the project.

Component 1: Up-scaling Climate Smart Agricultural Practices

Activities	Objective	Performance indicator	Inputs	Outputs	Estim cost (Ksh '000)	Estim cost (US\$ '000)
		No. training sessions completed.	Workshops (materials, venues, trainers, logistics).			

Component 2: Strengthening Climate – Smart Agricultural Research and Seed Systems

	Activities	Objective	Performance indicator	Inputs	Outputs	Estim cost (Ksh '000)	Estim cost (US\$ '000)
1			No. training sessions completed.	Workshops (materials, venues, trainers, logistics).			
2							

Component 3: Supporting Agro – Weather, Market, Climate and Advisory Services Systems

	Activities	Objective	Performance indicator	Inputs	Outputs	Estim cost (Ksh '000)	Estim cost (US\$ '000)
1			No. training sessions completed.	Workshops (materials, venues, trainers, logistics).			
2							

Component 4: Project Coordination and Management Systems

	Activities	Objective	Performance indicator	Inputs	Outputs	Estim cost (Ksh '000)	Estim cost (US\$ '000)
1			No. training sessions completed.	Workshops (materials, venues, trainers, logistics).			
2							

ANNEX 2: PROCUREMENT PLANNING TEMPLATE

General Information

1. Project information: Kenya Climate Smart Agriculture Project
2. Bank's approval Date of the Procurement Plan:201.
3. Date of General Procurement Notice: GPN Issue No. of
4. Period covered by this procurement plan: Months (.....2015 to).
5. The Initial Procurement Plan in the PAD is tentative, and the PMU is expected to prepare a more detailed Procurement Plan for same period, and update it periodically, in agreement with the Project Team or as required to reflect the actual project implementation needs and improvements in institutional capacity. The general understanding is that the Procurement plan would be consistent with the budget cycle which follows the Government fiscal year (July to June). For this purpose, the detailed Procurement Plan will follow the format below (subject to any necessary modifications). For easy reference and monitoring, the contracts for goods/works can be grouped together (e.g. Vehicle contracts) and those for services are grouped by implementing agencies or users.

Table Summary Costing

ITEM	KSH ('000)	USD ('000)
Goods & Non-Consulting		
Works		
Consultancy Services		
TOTALS	Xxx	xxx

Date of Update.....

A. Contract Packages For Goods And Works.

	GENERAL INFORMATION	KEY PROCESSING DATES								
	Contract Package (Description)	Estimated cost (KSH'000)	Estimated cost (US\$)	Procurement Method	Review by Bank (Prior	Start Date for prep of Bid documents	Expected Bid Opening Date	Expected date of Contract Signature	Expected Contract completion date	
Vehicles										
1.	Planned	1 Bus (52-60 Seater) ³	13,000	142,800	NCB	Post	1/9/2014	30/10/2014	30/11/2014	30/1/2015
	Actual	No Change								
2.	Planned									
	Actual									
3.	Planned									
	Actual									
4.	Planned									
	Actual									
Furniture										
5.	Planned									
	Actual									
6.	Planned									



	Actual									
7.	Planned									
	Actual									
8.	Planned									
	Actual									
Office equipment and appliances										
9.	Planned									
	Actual									
10.	Planned									
	Actual									
11.	Planned									
	Actual									
12.	Planned									
	Actual									
	TOTAL	Xxxxx	xxxxx							

Date of Update

.....



B. Contract Packages For Consulting Services (Technical Assistance).

GENERAL INFORMATION		KEY PROCESSING DATES								
Contract Package (Description)	Estimated cost (KSH'000)	Estimated cost (US\$)	Procurement Method	Review	Start Date	Expected	Expected	Expected		
				by Bank	for prep of	Bid	date of	Contract		
				(Prior / Post)	Proposal documents	Opening Date	Contract Signature	completion date		
PROJECT MANAGEMENT UNIT										
1.	Planned	Consulting Service to train implementing units in Planning, financial management and procurement.	6,000	66,000	CQS	Post	1/10/2013	1/11/2013	1/12/2013	1/3/2014
	Actual	No Change								
2.	Planned									
	Actual									
3.	Planned									
	Actual									
4.	Planned									
	Actual									
	COUNTY)									
5.	Planned									



	Actual									
6	Planned									
	Actual									
7	Planned									
	Actual									
8	Planned									
	Actual									
		TOTAL	Xxxxxx	xxxxxx						

ANNEX 3

SAMPLE GENERAL PROCUREMENT NOTICE

[COUNTRY]

[NAME OF PROJECT]

[insert sector]

GENERAL PROCUREMENT NOTICE

Loan No./Credit No./TF No./

Grant No. Project ID No.

The *[insert name of borrower]* *[has received/has applied for/intends to apply for]* financing in the amount of US\$ *[insert dollar amount]* equivalent from the World Bank toward the cost of the *[insert name of project]*, and it intends to apply part of the proceeds to payments for goods, works, related services and consulting services to be procured under this project. This project will be jointly financed by the *[insert name of co financing agency]*.⁴

The project will include the following components *[describe the main project components, including consulting services, and include a brief description of the goods, works and services to be procured under ICB procedures]*.

Procurement of contracts financed by the World Bank will be conducted through the procedures as specified in the World Bank's *Guidelines: Procurement under IBRD Loans and IDA Credits* (current edition), and is open to all eligible bidders as defined in the guidelines. Consulting services will be selected in accordance with the World Bank's *Guidelines: Selection and Employment of Consultants by World Bank Borrowers* (current edition).⁵

Specific procurement notices for contracts to be bid under the World Bank's international competitive bidding (ICB) procedures and for contracts for consultancy services will be announced, as they become available, in *UN Development Business* and *dgMarket**[and the names of technical magazines, newspapers and trade publications of wide international circulation and in local newspapers]*.⁶

Prequalification of suppliers and contractors will be required for the following contracts *[insert names of contracts]*.¹



⁴ Insert as applicable.

⁵ Occasionally contracts may be financed out of tied trust funds that would further restrict eligibility to a particular group of member countries. When this is the case, it should be mentioned in this paragraph. Also indicate any margin of preference that may be granted as specified in the loan or credit agreement and set forth in the bidding documents.

⁶ If known, the dates of issuance of the specific procurement notices for goods, works, prequalification, and the dates of issuance of requests for expressions of interest for consultants' contracts shall be given.

ANNEX 4
SAMPLE SPECIFIC PROCUREMENT NOTICE

**(PROCUREMENT OF GOODS /
WORKS) PROCUREMENT NOTICE**
[COUNTRY]
[NAME OF PROJECT]

Loan No./Credit No./ Grant No.: _____

Contract Title: _____

Reference No. (as per Procurement Plan): _____

1. The *[insert name of Borrower/Beneficiary/Recipient] [has received/has applied for/ intends to apply for]* financing from the World Bank toward the cost of the [insert name of project or grant], and intends to apply part of the proceeds toward payments under the contract⁷ for *[insert title of contract]*.⁸

The *[insert name of implementing agency]* now invites sealed bids from eligible bidders for *[insert brief description of Goods or Works required, including quantities, location, delivery/construction period, margin of preference if applicable, etc.]*.⁹

2. Bidding will be conducted through the International Competitive Bidding procedures as specified in the World Bank's *Guidelines: Procurement of Goods, Works and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers [insert correct title and date of applicable Guidelines edition as per legal agreement]* ("Procurement Guidelines"), and is open to all eligible bidders as defined in the Procurement Guidelines. *[If applicable, insert the following additional text: In addition, please refer to paragraphs 1.6 and 1.7 setting forth the World Bank's policy on conflict of interest.]*

⁷ Substitute “contracts” where bids are called concurrently for multiple contracts. Add a new para. 3 and renumber paras 3 - 8 as follows: “Bidders may bid for one or several contracts, as further defined in the bidding document. Bidders wishing to offer discounts in case they are awarded more than one contract will be allowed to do so, provided those discounts are included in the Letter of Bid.”

⁸ Insert if applicable: “This contract will be jointly financed by [insert name of cofinancing agency]. Bidding process will be governed by the World Bank’s rules and procedures.”

⁹ A brief description of the type(s) of Goods or Works should be provided, including quantities, location of Project, delivery/ construction period, application of margin of preference and other information necessary to enable potential bidders to decide whether or not to respond to the Invitation. Bidding Documents may require bidders to have specific experience or capabilities; such qualification requirements should also be included in this paragraph.

3. Interested eligible bidders may obtain further information from *[insert name of implementing agency, insert name and e-mail of officer in charge]* and inspect the bidding documents during office hours *[insert office hours if applicable i.e. 0900 to 1700 hours]* at the address given below *[state address at the end of this invitation]*.¹⁰

4. A complete set of bidding documents in *[insert name of language]* may be purchased by interested eligible bidders upon the submission of a written application to the address below and upon payment of a non-refundable fee¹¹ of *[insert amount in Borrower’s currency or in a convertible currency]*. The method of payment will be *[insert method of payment]*.¹² The document will be sent by *[insert delivery procedure]*.¹³

5. Bids must be delivered to the address below *[state address at the end of this invitation]*¹⁴ on or before *[insert time and date]*. Electronic bidding will *[will not]* be permitted. Late bids will be rejected. Bids will be publicly opened in the presence of the bidders’ designated representatives and *[insert time and date]*.

6. All bids must be accompanied by a *[insert “Bid Security” or “Bid-Securing Declaration,” as appropriate]* of *[insert amount and currency in case of a Bid Security]*.

7. The address(es) referred to above is(are): *[insert detailed address(es)]*

[insert name of office, room number]

Attn: *[insert name of officer & title]*

*[insert postal address and/or
street address] [insert postal
code, city, and country]*

Tel: *[include the country and city code]*

Fax: *[include the country and city code]*

E-mail: *[insert electronic address if electronic bidding is permitted]*

Web site:

10 The office for inquiry and issuance of bidding documents and that for bid submission may or may not be the same.

11 The fee chargeable should only be nominal to defray reproduction and mailing costs. An amount between US\$50 and US\$300 or equivalent is deemed appropriate.

12 For example, cashier's check, direct deposit to specified account number, etc.

13 The delivery procedure is usually airmail for overseas delivery and surface mail or courier for local delivery. If urgency or security dictates, courier services may be required for overseas delivery. With the agreement of the World Bank, documents may be distributed by e-mail.

14 Substitute the address for bid submission if it is different from address for inquiry and issuance of bidding documents.

ANNEX 5

SAMPLE EXPRESSIONS OF INTEREST (EOI)

REQUEST FOR EXPRESSIONS OF INTEREST (CONSULTING SERVICES – FIRMS SELECTION)

[COUNTRY]

[NAME OF PROJECT]

Loan No./Credit No./ Grant No.: _____

Assignment Title: _____

Reference No. (As per Procurement Plan): _____

1. The *[insert name of Borrower/Beneficiary/Recipient]* *[has received/has applied for/ intends to apply for]* financing from the World Bank toward the cost of the *[insert name of project or grant]*, and intends to apply part of the proceeds for consulting services. The consulting services (“the Services”) include *[insert brief description, implementation period, etc.]*
2. The *[insert name of implementing agency/client]* now invites eligible consulting firms (“Consultants”) to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services. The shortlisting criteria are: *[insert criteria related to required qualifications and experience of the firm, but not individual experts’ bio data]*.
3. The attention of interested Consultants is drawn to paragraph 1.9 of the World Bank’s *Guidelines: Selection and Employment of Consultants [under IBRD Loans and IDA Credits & Grants] by World Bank Borrowers [insert correct title and date of applicable Guidelines edition as per legal agreement]* (“Consultant Guidelines”), setting forth the World Bank’s policy on conflict of interest. *[If applicable, insert the following additional text:* In addition, please refer to the following specific information on conflict of interest related to this assignment: *[insert information on conflict of interest related to the assignment as per paragraph 1.9 of Consultant Guidelines]*.

-
4. Consultants may associate with other firms in the form of a joint venture or a sub consultancy to enhance their qualifications. A Consultant will be selected in accordance with the [insert selection method] method set out in the Consultant Guidelines. Further information can be obtained at the address below during office hours *[insert office hours if applicable, i.e. 0900 to 1700 hours]*.
5. Expressions of interest must be delivered in a written form to the address below (in person, or by mail, or by fax, or by e-mail) by *[insert date]*.
6. *[insert name of office]*; Attn: *[insert name of officer & title]* *[insert postal address and/or street address]*
[insert postal code, city and country]
Tel: *[include the country and city code]*, Fax: *[include the country and city code]*
E-mail: *[include e-mail address]*

ANNEX 6

AN OUTLINE OF THE TERMS OF REFERENCE

1. Background of the Project. Brief overview and information on the following aspects of the assignment: (a) name of the Hiring Agency; (b) project location; (c) rationale of the project; (d) project history (what has been done so far and by whom); (e) list of relevant studies and basic data; (f) need for assistance in the project with respect to the issues to be resolved; (g) activities to be carried out; (h) source of financing; and (i) supervision arrangements.

2. Objectives of the Consulting Assignment. Objectives and expected results of the assignment.

3. Scope of the assignment. Details of all main activities (or tasks) and expected results. The TOR should describe only the activities and not the approach or the methodology by which the results are to be achieved since these would be the task of the proponents. Nevertheless, the TOR may suggest the approach or the methodology that consultants could or should use to execute the assignment and under certain selection methods the estimated staff-months required can be stated.

4. Methodology. Describe the methods of work, such research and presentations to the client

5. Transfer of Knowledge. If transfer of knowledge is an objective of the assignment, the TOR should provide specific details on the characteristics of the required services and ask consultants to propose training approaches and methods.

6. Reports and Schedule of Deliverables. Estimated duration of the assignment, from the date of commencement to the date the hiring agency receives and accepts the consultant's final report or a specified completion date including the reporting requirements (other dates may be considered such as the date of effectiveness of the contract). Depending on the nature assignment, the following reports are usually required:

- (a) Inception Report. This report should be submitted before the assignment begins to give the hiring agency confidence that the assignment can be carried out as stipulated in the contract. Any major inconsistency in the TOR, staffing problems, or deficiency in the hiring agency assistance that have become apparent during this period should be included;
- (b) Progress Reports. These reports keep the hiring agency regularly informed about the progress of the assignment. They may also provide warnings of anticipated problems or serve as a reminder for payment of invoices due;

-
- (c) Interim Reports (if applicable). If the assignment is phased, interim reports are required to inform the hiring agency of preliminary results, alternative solutions, and major decisions that need to be made; and (d) Final Report. The final report is due at the completion of the assignment.

7. Data, local services, personnel and facilities to be provided by the hiring agency.

Description of the facilities to be provided to the consultant such as office space, vehicles, survey equipment, office and computer equipment, and telecommunication devices. If the Hiring Agency provides support staff to work with the consultant, this should be clearly indicated and the staff appointed should be under the consultants' supervision and work on the same hours but he/she would be not remunerated under the consultants' contract.

8. Institutional Arrangements. Definition of the institutional setup of the assignment, role and responsibilities and type and timing of participation (including those from the hiring agency) of all concerned.

9. Fee and time schedules. Describe the fee structure and time schedules for the assignment.

10. Qualification and experience of consultant. Describe the requisite qualifications of the consultant shall include academic qualifications, minimum experience in the relevant field of work, specific experience, level of communication, teamwork and training skills, track record, and proficiency in computer skills (use of IT, especially MS Word, Excel and related computer packages).

11. Ethical code and professionalism. The Consultant shall carry out the assignment in accordance with the highest standard of ethical competence, integrity and professionalism and having due regard to the nature and purpose of the assignment. The Consultant will at all-time and for all purposes, regard as strictly confidential all knowledge and information not within public domain which may be acquired in the course of carrying out this assignment and shall not be directly or indirectly disclosed to any person whatsoever, except with the written permission of MoALF.

ANNEX 7

SAMPLE FORM OF PROPOSAL EVALUATION REPORT

SELECTION OF CONSULTANTS



The World Bank

Washington, D.C.

October 1999

Preface¹⁵

Consultants¹⁶ employed by Bank Borrowers and financed by the World Bank or under trust funds¹⁷ are hired according to the Bank's *Consultant Guidelines (Guidelines)*.¹⁸ The Guidelines specify the Borrowers' obligations to submit certain reports to the Bank during the selection process:

- (a) For contracts subject to prior review by the Bank (see Appendix 1, para. 2(a), of the Guidelines):
 - (i) A technical evaluation report subject to prior review by the Bank, such as the Bank's no-objection prior to opening the financial proposals; or
 - (ii) A technical evaluation notice for contracts above the prior review threshold but below a higher threshold indicated in the Loan Agreement. In such case, the Borrower needs not wait for the Bank's no-objection to open the financial proposals;

In both cases the Borrower must send to the Bank for prior review the combined technical/financial evaluation report;

- (b) For contracts subject to post-review by the Bank:
 - (i) A combined technical/financial report to be reviewed or audited subsequently.

This document sets out the format of a sample evaluation report. It is provided to Bank Borrowers to facilitate the evaluation of consultants' proposals and the subsequent review of these proposals by the Bank. Its use is strongly recommended but not mandatory.

The evaluation must be in accordance with the criteria spelled out in the Request for Proposals

and carried out by qualified evaluators. The Request for Proposals should be prepared in agreement with the Guidelines (para. 2.8).

15 This preface is not part of the report. It should not appear in the report submitted to the Bank.

16 The term Consultants in this document refers to organizations and not individuals.

17 Trust funds are funds provided by donors and administered by the Bank.

18 All references to the Guidelines made in this report are to Guidelines: Selection and Employment of Consultants by World Bank Borrowers (Washington, D.C.: World Bank, January 1997, revised September 1997 and January 1999). Copies of the Guidelines are available at <http://www.worldbank.org/html/opr/procure/propage.html>.



the evaluation report includes five sections:

- Section I.** A Short Report Summarizing the Findings of the Technical Evaluation;
- Section II.** Technical Evaluation Report—Forms;
- Section III.** A Short Report Summarizing the Findings of the Financial Evaluation;
- Section IV.** Financial Evaluation Report—Forms;
- Section V.** Annexes:
 - Annex I.** Individual Evaluations;
 - Annex II.** Information Data Monitoring;
 - Annex III.** Minutes of the Public Opening of the Financial Proposals;
 - Annex IV.** Copy of the Request for Proposals;
 - Annex V.** Miscellaneous Annexes - Ad Hoc.

The report can be used for all methods of selection described in the Guidelines. Though it mainly addresses Quality- and Cost-Based Selection, each section contains a note indicating the data and forms that are to be provided for the other methods of selection.

The evaluation notice is sent to the Bank after the technical evaluation is completed. It includes only Form IIB and a short explanatory note to flag important aspects of the evaluation. Following the Bank's no-objection to the evaluation notice, the Borrower prepares Forms IVC and IVD and a short explanatory note to highlight the most important aspects of the financial evaluation.

For complex, specialized assignments, Borrowers may wish to obtain assistance from consultants to evaluate proposals. Such consultants or individual consultants may be financed under the relevant loan, credit, or grant.

Users of this sample evaluation report are invited to submit comments on their experience with the document to:

**Procurement Policy
and Services Group
Operational Core
Services Department
The World Bank
1818 H**

Street, N.W.

Washington,

D.C. 20433

U.S.A.

<http://www.worldbank.org/html/opr/procure/contents.html> Fax: (202) 522-3318

CONSULTANT EVALUATION REPORT

Country [insert: name of country]

Project Name [insert:
project name] ***Loan/***

Credit No. [insert: loan/
credit number] ***Title of***

Consulting Services

[insert: title] ***Date of***

Submission [insert: date]

Section I. Technical Evaluation Report - Text¹⁹

<p>1. Background</p>	<p>Include a brief description, context, scope, and objectives of the services. Use about a quarter of a page.</p>
<p>2. The Selection Process (Prior to Technical Evaluation)</p>	<p>Elaborate on information provided in Form IIA.</p> <p>Describe briefly the selection process, beginning with the advertising (if required), the establishment of the shortlist, expressions of interest, and withdrawals of firms before proposal submissions. Describe major events that may have affected the timing (delays, complaints from consultants, key correspondence with the Bank, Request for Proposals (RFP), extension of proposal submission date, and so on).</p> <p>Use about one-half to one page.</p>
<p>3.</p>	<p>Describe briefly the meetings and actions taken by the evaluation committee: formation of a technical evaluation team, outside assistance, evaluation guidelines, justification of sub criteria and associated weightings as indicated in the Standard Request for Proposals; relevant correspondence with the Bank; and compliance of evaluation with RFP.</p> <p>Present results of the technical evaluation: scores and the award recommendation.</p> <p>Highlight strengths and weaknesses of each proposal (most important part of the report).</p> <p>(a) Strengths: Experience in very similar projects in the country; quality of the methodology, proving a clear understanding of the scope of the assignment; strengths of the local partner; and experience of proposed staff in similar assignments.</p> <p>(b) Weaknesses: Of a particular component of the proposal; of a lack of experience in the country; of a low level of participation by the local partner; of a lack of practical experience (experience in studies rather than in implementation); of staff experience compared to the firm’s experience; of a key staffer (e.g., the team</p>

Section II. Technical Evaluation Report - Forms²⁰

Form IIA. Technical Evaluation—Basic Data

Form IIB. Evaluation Summary—Technical

Scores/Ranking Form IIC. Individual

Evaluations—Comparison (Average Scores) Form

IIA. Technical Evaluation - Basic Data

¹⁹ Section I applies to Quality- and Cost-Based Selection (QCBS), Quality-Based Selection (Quality-Based), Fixed-Budget Selection (Fixed-Budget), and Least-Cost Selection (Least-Cost). Provide appropriate information in the case of Selection Based on Qualifications (Qualifications) and Single-Source Selection (SS).

²⁰ Section II applies to Quality- and Cost-Based Selection (QCBS), Quality-Based Selection (Quality-Based), Fixed- Budget Selection (Fixed-Budget), and Least-Cost Selection (Least-Cost). Supply appropriate data in cases of Selection Based on Qualifications (Qualifications) and Single-Source Selection (Single-Source) in Form IIA.

2.1 Name of country Name of Project							
1.2 Client: (a) name (b) address, phone, facsimile							
2.3 Type of assignment (pre-investment, preparation, or implementation), and brief description of sources							
2.4 Method of selection: ²¹	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;">QCBS</td> <td style="width: 50%; border: none;">Quality-Based <input type="checkbox"/></td> </tr> <tr> <td style="border: none;">Fixed-Budget</td> <td style="border: none;">Least-Cost <input type="checkbox"/></td> </tr> <tr> <td style="border: none;">Qualifications</td> <td style="border: none;">Single-Source <input type="checkbox"/></td> </tr> </table>	QCBS	Quality-Based <input type="checkbox"/>	Fixed-Budget	Least-Cost <input type="checkbox"/>	Qualifications	Single-Source <input type="checkbox"/>
QCBS	Quality-Based <input type="checkbox"/>						
Fixed-Budget	Least-Cost <input type="checkbox"/>						
Qualifications	Single-Source <input type="checkbox"/>						



1.5 Prior review thresholds: (a) Full prior review (b) Simplified prior review (notice)	US\$ _____ US\$ _____
2.6 Request for expressions of interest:²² publication in United Nations Development Business (UNDB)²³ publication in national newspaper(s) number of responses	Yes _____ No _____ Yes _____ No _____
1.7 Shortlist: (a) names/nationality of firms/associations (mark domestic firms and firms that had expressed interest)	1. _____ 2. _____ 3. _____ 4. _____
(b) Submission to the Bank for no-objection (c) Bank's no-objection	Date _____ _ Date _____

²¹ See Guidelines.

²² Required for large contracts (see Guidelines).

²³ Indicate whether expressions of interest advertised in Web or hardcopy edition of UNDP.

1.8 Request for Proposals: (a) submission to the Bank for no-objection (b) Bank's no-objection (c) issuance to Consultants	Date _____ Date _____ Date _____
2.9 Amendments and clarifications to the RFP (describe)	
1.10 Contract: (a) Bank Standard Time-Based (b) Bank Standard Lump Sum (c) other (describe)	Yes _____ Price adjustment: Yes _____ No _____ Yes _____ Price adjustment: Yes _____ No _____
1.11 Pre-proposal conference: (a) minutes issued	Yes _____ No _____ Yes _____ No _____
1.12 Proposal submission: (a) two envelopes (technical and financial proposals) (b) one envelope (technical) (c) original submission (d) extensions(s)	Yes _____ Yes _____ Date _____ Time _____ Date _____ Time _____
2.13 Submission of Financial Proposal	Location _____
2.14 Opening of Technical Proposals by selection committee	Date _____ Time _____
2.15 Number of proposals submitted	-



2.16 Evaluation committee:²⁴

Members' names and titles
(normally three to five)

1. _____
2. _____
3. _____
4. _____
5. _____

24 It is important that evaluators be qualified.

<p>1.17 Proposal validity period (days): (a) original expiration date (b) extension(s), if any</p>	<p>Date _____ Time _____ Date _____ Time _____</p>
<p>1.18 Evaluation Criteria/sub criteria: 25</p> <p>(a) Consultants' experience (i) _____ (ii) _____</p> <p>(b) methodology (i) _____ (ii) _____</p> <p>(c) key staff (i) individual(s) (A) _____ (B) _____ (C) _</p> <p>(ii) group(s) (A) _____ (B) _____ (C) _</p> <p>(d) training (optional) (i) _____ (ii) _____</p> <p>(e) local input (optional) (i) _____ (ii) _____</p>	<p>Weight _____ Weight _____</p> <p>Weight _____ Weight _____</p> <p>Weight _____ Weight _____ Weight _____</p> <p>Weight _____ Weight _____ Weight _____</p> <p>Weight _____ Weight _____</p> <p>Weight _____ Weight _____</p>

25 Maximum of three sub criteria per criterion.

2.19 Technical scores by Consultant	Minimum qualifying score _____
Consultants' names	Technical scores
1. _____	
2. _____	
3. _____	
4. _____	
1.20 Evaluation report: (a) submission to the Bank for no-objection	Date _____
1.21 Evaluation notice: (a) Submission to the Bank:	Date _____

Form IIB. Evaluation Summary
Technical Scores/Ranking

Consultants' names	[Insert name of Consultant 1]	[Insert name of Consultant 2]	[Insert name of Consultant 3]	[Insert name of Consultant 4]
Criteria	Scores	Scores	Scores	Scores
Experience				
Methodology				
Proposed staff				
Training				
Local input				
Total score ^a				
Rank				

^a. Proposals scoring below the minimum qualifying score of [number]points have been rejected.

Form IIC. Individual Evaluations - Comparison

Consultants' Names	[Insert name of Consultant 1]	[Insert name of Consultant 2]	[Insert name of Consultant 3]	[Insert name of Consultant 4]
Criteria Experience	A B AV ^a C D			
Methodology				
Key staff				
Training				
Local input				
Total				

NOTE:

Please see the Preface.

*For contracts above a threshold indicated in the Loan Agreement and requiring the Bank's no-objection of the technical evaluation report, **financial proposals must not be opened** before the Borrower has received such no-objection. The technical evaluation (technical scores in particular) cannot be changed following the opening of the financial proposals.*

^a. A, B, C, and D = scores given by evaluators; AV = average score, see Annex I(i).

Section III. Financial Evaluation Report - Award Recommendation

-Text²⁶

[The text will indicate:

- (a) any issues faced during the evaluation, such as difficulty in obtaining the exchange rates to convert the prices into the common currency used for evaluation purposes;
- (b) adjustments made to the prices of the proposal(s) (mainly to ensure consistency with the technical proposal) and determination of the evaluated price (does not apply to Quality-Based (Quality-Based), Selection Based on Qualifications (Qualifications), and Single-Source Selection (Single-Source));
- (c) tax-related problems;
- (d) award recommendation; and
- (e) any other important information.

Taxes are not taken into account in the financial evaluation whereas reimbursables are.]

Section IV. Financial Evaluation Report - Award Recommendation - Forms²⁷

Form IVA. Financial Evaluation—Basic Data

Form IVB. Adjustments—Currency Conversion—Evaluated Prices

Form IVC. QCBS—Combined Technical/Financial Evaluation—

Award Recommendation Form IVD. Fixed-Budget and Least-Cost

Selection—Award Recommendation

Form IVA. Financial Evaluation—Basic Data

4.1 Bank's no-objection to technical evaluation report (Quality-Based, Qualifications, Single-Source)	Date _____
4.2 Public opening of financial proposals	Date _____ Time _____
(a) Names and proposal prices (mark Consultants that attended public opening)	1. _____
	2. _____
	3. _____
	4. _____

<p>4.3 Evaluation committee: members' names and titles (if not the same as in the technical evaluation -</p> <p>Quality-Based, Qualifications, Single-Source)</p>	<p>-</p> <p>-</p>						
<p>4.4 Methodology (formula) for evaluation of cost (QCBS only; cross as appropriate)</p>	<p>Weight inversely proportional to cost _</p> <p>Other _____</p>						
<p>4.5 Submission of final technical/ financial evaluation report to the Bank (Quality-Based, Qualifications, Single-Source)</p>	<p>Date _____</p>						
<p>1.6 QCBS</p> <p>(a) Technical, financial and final scores (Quality-Based: technical scores only</p>	<table border="1"> <thead> <tr> <th data-bbox="849 960 1034 994">Consultant'</th> <th data-bbox="1034 960 1209 994">Technical</th> <th data-bbox="1209 960 1374 994">Financial</th> </tr> </thead> <tbody> <tr> <td data-bbox="849 994 1034 1099">Final Name scores</td> <td data-bbox="1034 994 1209 1099">scores</td> <td data-bbox="1209 994 1374 1099">scores</td> </tr> </tbody> </table>	Consultant'	Technical	Financial	Final Name scores	scores	scores
Consultant'	Technical	Financial					
Final Name scores	scores	scores					
<p>(b) Award recommendation</p>							
<p>1.7 Fixed Budget and Least-Cost</p> <p>(a) Technical scores, proposal and evaluated prices</p>	<table border="1"> <thead> <tr> <th data-bbox="849 1408 1034 1442">Consultant'</th> <th data-bbox="1034 1408 1209 1442">Technical</th> <th data-bbox="1209 1408 1374 1442">Proposal</th> </tr> </thead> <tbody> <tr> <td data-bbox="849 1442 1034 1547">Evaluated Name prices</td> <td data-bbox="1034 1442 1209 1547">scores</td> <td data-bbox="1209 1442 1374 1547">prices</td> </tr> </tbody> </table>	Consultant'	Technical	Proposal	Evaluated Name prices	scores	prices
Consultant'	Technical	Proposal					
Evaluated Name prices	scores	prices					

(b) Award recommendation (c) Fixed-Budget: best technical proposal within the budget (evaluated price) (d) Least-Cost: lowest evaluated price proposal above minimum qualifying score	Name _____ Name _____
---	--------------------------

Form IVB. Adjustments - Currency Conversion - Evaluated Prices²⁸

Consultants' Names	Proposals' prices	Adjustments	Evaluated price(s)	Conversion to currency of evaluation	Financial scores		
	Currency	Amounts (1)	(2)	(3) = (1) + (2)	Exchange rate(s) (4)	Proposals' prices (5) = (3)(4)	(6)

- a. Comments, if any (e.g., exchange rates); three foreign currencies maximum, plus local currency.
- b. Arithmetical errors and omissions of items included in the technical proposals. Adjustments may be positive or negative.
- c. As per RFP.
- d. 100 points to the lowest evaluated proposal; other scores to be determined in accordance with provisions of RFP.
- e. Value of one currency unit in the common currency used for evaluation purposes, normally the local currency (e.g., US\$1 = 30 rupees). Indicate source as per RFP.

²⁸ For Quality-Based, Qualifications, and Single-Source, fill out only up to column 3.

Form IVC. QCBS—Combined Technical/Financial Evaluation—Award Recommendation

Consultants' names	Technical Evaluation	Financial Evaluation	Combined Evaluation		
	Technical scores ^a S(t)	Weighted scores S(t) ' T ^b	Technical rank	Financial scores ^c S(f)	Weighted scores S ' F ^d
Award recommendation	To highest combined technical/financial score. Consultant's name: _				

a. See Form IIB.
 b. T = As per RFP.
 c. See Form IVB.
 d. F = as per RFP.

Form IVD. Fixed-Budget and Least-Cost Selection—Award Recommendation

Consultants' names	Fixed-Budget Selection	Least-Cost Selection	
	Technical scores ^a	Evaluated prices ^b	Technical scores
Award recommendation	To best technical score with evaluated price within budget. Consultant's name: _		To lowest evaluated price above minimum qualifying score.



- a. See Form IIB.
- b. See Form IVB.

Section V. Annexes³⁰

Annex I. Individual Evaluations

Form V Annex I (i). Individual Evaluations

Form V Annex I (ii). Individual Evaluations - Key Personnel Annex II.

Information Data Monitoring

Annex III. Minutes of Public Opening of Financial Proposals Annex IV. Request for Proposals

Annex V. Miscellaneous Annexes—Ad Hoc

Annex I (i). Individual Evaluations

Consultant's name: _____

Criteria/Sub-Criteria	Maximum Scores	Evaluators					Average Scores
		1	2	3	4	5	
Experience							
-							
-							
-							
Methodology							
-							
-							
-							
Key Staff							
-							
-							
-							

Transfer of Knowledge (Training ^a)							
-							
-							
-							
Participation by Nationals ^a							
-							
-							
-							
Total	100						
a. If specified in the RFP							

³⁰ Annex I applies to Quality-Based, Fixed-Budget and Least-Cost. For Qualifications and Single-Source, it is replaced by a review of the strengths and weaknesses of the proposal, which may be amended by one or several evaluators.

1. Evaluator's Name: _____ Signature: _____ Date: _____

2. Evaluator's Name: _____ Signature: _____
Date: _____

3. Evaluator's Name: _____ Signature: _____
Date: _____

4. Evaluator's Name: _____ Signature: _____
Date: _____

5. Evaluator's Name: _____ Signature: _____
Date: _____



Annex I(ii) Individual Evaluations—Key Personnel

Consultant's Name: _____

Key Staff Names ^a	Maximum Scores	General Qualifications () ^b	Adequacy for the Assignment () ^b	Experience in Region () ^b	Total Marks (100)	Scores
Total						

^a. Sometimes evaluations are made by groups instead of individuals. Each group (e.g. financial group) has a weight. The group score is obtained by the weighted scores of the members of the group. For example, the score of a group of three individuals scoring a, b, and c would be $ax + by + cz$ with x, y, and z representing the respective weights of the members ($x + y + z = 1$) in this group.

^b. Maximum marks as per RFP

Name of Evaluator: _____ Signature: _____ Date: _____

Annex II. Information Data Monitoring

5.1 Loan/credit/grant (a) number (b) date of effectiveness (c) closing date (i) original (ii) revised	
5.2 General Procurement Notice (a) first issue date (b) latest update	
5.3 Request for expressions of interest:³¹ (a) publication in United Nations Development Business (UNDB) (b) publication in national local newspaper(s)	Date _____ Name of newspaper(s) and date(s) _____ _____
5.4 Did the use of price as a factor of selection change the final ranking?³²	Yes _____ No _____
5.5 Did the use of “local input” as a factor of selection change the technical ranking?³³	Yes _____ No _____

³¹ Required for large contracts (see Guidelines).

³² Compare technical rank with rank in Form IVC.

³³ Figure out technical scores with and without “local input”(Form IIB).



ANNEX III. MINUTES OF PUBLIC OPENING OF FINANCIAL PROPOSALS³⁴

MINUTES

[The minutes should indicate the names of the participants in the proposal opening session, the proposal prices, discounts, technical scores, and any details that the Client, at its discretion, may consider appropriate.

All attendees must sign the Minutes.]

Annex IV. Request for Proposals³⁵

[A Standard Request for Proposals must be used for World Bank-financed contracts in excess of US\$200,000. The Bank also recommends the use of the Standard Request for Proposals document for smaller contracts to simplify its prior review (i.e., when the Borrower cannot issue the document without the Bank's no-objection). The Standard Request for Proposals is available on the Bank's Internet site (<http://www.worldbank.org/html/opr/procure/conspage.html>) and in the Bank InfoShop at the following address:

The World Bank InfoShop

701

18th

Street,

N.W.

Rm. J

1-060

Washington,

D.C. 20433,

U.S.A.

1.202.458-

5454

books@worldbank.org].



Annex V. Miscellaneous Annexes - Ad Hoc

³⁴ Annex III applies to QCBS, Fixed-Budget, and Least-Cost.

³⁵ Annex IV applies to all selection procedures (The Bank Standard Request for Proposals may be used for Qualifications and Single- Source, with appropriate modifications).

ANNEX 8

SAMPLE FORM FOR MINUTES OF OPENING OF PROPOSALS

For Consultanting Serices for Integrated Fiduciary Agent (2/3 Pages)

Date: starting at Building.....
 Room Street..... City/County.....

(a) Opening Members (Name, Designation and signature)

Ser. No.	NAME	DESIGNATION	SIGNATURE
1			
2			
3			
4			

(b) Opened Proposals

SE. No	NAMES OF SHORTLISTED/ INVITED CONSULTANTS	Proposal submission (YES/NO)	Joint Venture with	Name of the lead member	Presence of a sealed Financial Proposal (YES/ NO)	Any modifications other in or formation deemed appropriate
No.						
1.						
2.						
3.						
4.						



(c) Representatives of Consultants present

Ser. No.	NAME	CONSULTING FIRM	SIGNATURE
1			
2			
3			
4			

(e) Other matters regarding the opening procedures

Minutes _____ authorized

by _____

Date _____

Signature

ANNEX 9 - SAMPLE FORMAT OF A TRAINING AND CAPACITY BUILDING PLAN

Implementing Agency _____

for FY _____

No.	Training activity	Target Group	Objective	Number of training sessions/ candidates	Performance indicator	Estimated Start Date	Estimated Completion date	Estimated cost (Ksh.'000)
1	Training Workshops (on instructional materials and procurement practices).	CWGs, CIGs and Value Chain members.	To build and improve skills and create awareness on the Procurement	8 Workshops/ Seminars within the selected counties	Number of members of Management Trained.	01/12/16	30/05/16	40,000
2								
3								
4								
5								
6								
7								
8								
9								
	TOTAL COST	xxxxxxx						

³⁶ Each Activity should have a separate write up to explain details and logistics.



ANNEX 10
KCSAP: FORM D 1
- REQUISITION OF MATERIALS FOR INVESTMENT

CATCHMENT		(maximum 4 procurement tranches)	VALUE CHAIN
Procurement Tranche (1- 4)			
Name of KCSAP investment	Springs Protection		
ITEM Name			
No.of items		Names of Target Micro-catch/Springs and respective Workplan Row Numbers (WRN)	

ITEM name	No.of items	Names of Target MCs and respective Workplan Row Numbers (WRN)	
AUTHORIZATION			
	CWG officials	Name	Signature
Requisition PREPARED by Procurement Officials	Chair		
	Secretary		
	Treasurer		
Approved by :	CSU		
	CAC		



ANNEX 11 - KCSAP FORM D 2- BENEFICIARY PROCUREMENT CERTIFICATION REPORT (BPCR)

CATCHMENT		Value Chain.....			
Procurement Tranche (1 to 4)					
Name of KCSAP Intervention					
ITEM name as per work plan	No. of items	Unit cost	Total cost	Names of Target MC and respective Work plan Row Numbers (WRN)	
TOTAL					
			Name	Signature	Date
Checked/Approved by:					
CSU coordinator					
Catchment Area Coordinator					
<i>Certification by Account Signatories</i>			<i>Certification by Procurement Officials</i>		
We the undersigned KCSAP Investment officials certify that Ksh have been withdrawn from the KCSAP bank account to procure the above stated materials. The balance in the account after this transaction is Ksh			We the undersigned the KCSAP-procurement subcommittee certify that we have received funds (CHEQUE no. payable to supplier) Ksh to procure the above stated items		
Name of Account Signatories	Signature	Date	Name of Procurement Official	Signature	Date
CSU to send a PDF copy of a completed BPCR within 48 hrs of effecting a transaction.					



ANNEX 12. - KCSAP: FORM D3 DISTRIBUTION OF KCSAP MATERIALS - CWG/SITE CHAIRMAN

Micro-Catchment name Value Chain KCSAP Site

Name.....

		Gender disaggregation							
Name of the recipient	(Men(M) , Women(W)	Age group category (<18, 18-34, 35-51, 52-68, >68	IP (Yes, No)	Mobile Cell phone number	Names of the item received	Units	Signature of the recipient	Delivered by: Name and Signature	Comments eg Condition and DATE
1. Peter Rono-Site Chairman	M	18-34	Yes	722123456					
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									



11										
12										
13										
14										
15										
16										
17										

	Name of the recipient	(Men(M) , Women(W)	Age group category (<18, 18-34, 35-51, 52-68, >68	IP (Yes, No)	Mobile Cell phone number	Names of the item received	Units	Signature of the recipient	Delivered by: Name and Signature	Comments eg Condition and DATE
	1. Peter Rono-Site Chairman	M	18-34	Yes	722123456					
18										
19										
20										
21										
22										
23										
24										
* Totals distributed to be compared with the Planned and Purchased figures- by the Info & Audit Committee and CSU										





MINISTRY OF AGRICULTURE,
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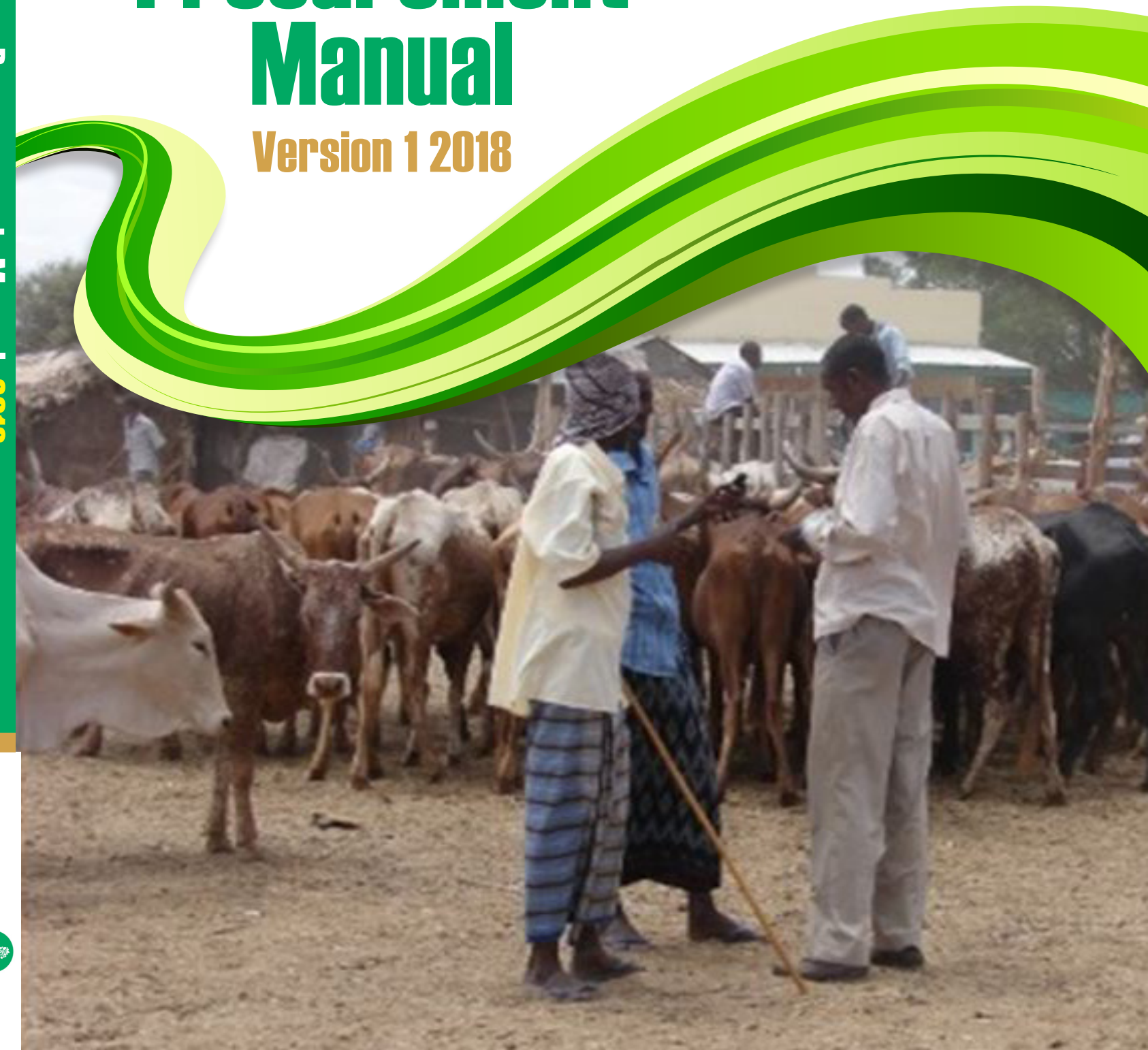
Procurement Manual

Version 1 2018

Procurement Manual 2018

KENYA CLIMATE SMART AGRICULTURE PROJECT (KCSAP)

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