

EFSE DEVELOPMENT FACILITY PROCUREMENT PROCEDURES

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Acronyms

EFSE	European Fund for Southeast Europe
TA	Technical Assistance
DFC	Development Facility Committee
DF Manager	Finance in Motion on behalf of the Development Facility
DF	Development Facility
RFP	Request for Proposals
TOR	Terms of Reference
EOI	Expression of Interest
LOI	Letter of Invitation

1 Introduction

This document aims to clearly explain to bidders the procurement procedures governing all Technical Assistance (TA) activities funded under the EFSE Development Facility (the EFSE DF). It is based on the DF Policy & Procedures approved by the Development Facility Committee (DFC), and is in line with good procurement practice and managed by the DF Manager.

The following chapters provide an overview of DF procurement procedures in line with the project budget size, the selection process for consultants and service providers, the tender process and a sample evaluation grid.

These general guidelines are designed to accompany the relevant request for proposals (RFP) for the specific DF project which bidders will receive via public notification or via e-mail and which will include:

- Conditions of tender and conditions of contract
- Terms of Reference (TOR)
- Deadline for submission and for requests for clarification
- Format requirements

For all projects, bidders may download the counterparty information sheet, CV and budget template [here](#).

A counterparty information sheet completed by the consultant to enable an integrity check will be required at a later stage of the procurement process. Upon request, the consultants shall send the counterparty information sheet following the instructions provided by the DF Manager.

2 Guiding Principles

In the management of procurement, the EFSE DF operates in line with the following guiding principles:

Competition

Procurement processes are carried out with an emphasis on competitive bidding. In tender processes, the EFSE DF seeks to conduct procurement with the maximum number of potential applicants/bidders.

Fairness

Potential Applicants/Bidders are to be given equal opportunity to participate in a tender process. Unequal treatment of (potential) applicants/bidders must be prevented.

Transparency

The tender process is thoroughly documented. Such information will be made available to all parties involved in accordance with their respective right to information.

Confidentiality

All procurement-related information is confidential. Only the parties involved shall have access to the relevant information in accordance with their respective right to information.

Economic Efficiency and Sustainability

In the interest of an efficient use of funds provided by KfW the aim of procurement processes is to award contracts to bidders with the best cost-performance-ratio. The tender process will take into account criteria that reflect not only the price, but also the quality of the offer.

Proportionality

The basic principles set out above must be applied appropriately, taking into consideration all relevant circumstances and the balance of interests during the respective tender process.

Additionally, the DF believes strongly in the value of diversity and thus strongly encourages female candidates to participate. Furthermore, gender balance in a team of consultants will be a strong advantage for the selection as well as a criteria for the evaluation, as specified in 6.

3 Overview of DF procurement procedures per budget threshold

The following section provides a summary overview of DF procurement procedures per budget threshold as outlined in the DF Policy & Procedures:

Open Public tender	
Description	Projects are awarded through a public, single-stage competitive tendering process allowing all interested parties to submit tenders. Public tender procurement procedures involve the requirement for international notification, through publication on an official procurement website and the Fund's website.
Budget limits	> EUR 200,000
Procurement	<ul style="list-style-type: none"> • Publication of a tender consisting of a request for technical and financial proposals ("RfP"), at minimum on GTAI.de and the EFSE DF website • Evaluation of proposals based on pre-defined criteria • Contract negotiation with applicants/bidders in the order of placement after evaluation • Notification of final selection of the candidate to the DFC

Restricted Public tender	
Description	Projects are awarded through a public, two-stage competitive tendering process allowing all interested parties to express interest. Public

	<p>tender procurement procedures involve the requirement for international notification, through publication on an official procurement website and the Fund's website.</p> <p>The DF Manager issues an international call for expressions of interest ("EOI"), establishes on the basis of responses a shortlist to which it issues requests for technical and financial proposal.</p>
Budget limits	> EUR 200,000
Procurement	<ul style="list-style-type: none"> • Publication of a public tender consisting of a request for EOI at minimum on GTAI.de and the EFSE DF website. • Evaluation of received EOIs according to the following criteria with at least the leading three parties shortlisted based on scoring of the EOIs received in a timely manner. <ul style="list-style-type: none"> ○ Qualification in terms of capacity and resources in the required area of expertise (50%) ○ Expertise successfully carrying out similar assignments (50%) • Issuing of an RfP to those included on the shortlist • Evaluation of proposals based on pre-defined criteria • Contract negotiation with applicants/bidders in the order of placement after evaluation • Notification of final selection of the candidate to the DFC

Shortlist call-off	
Description	Projects are awarded through an abbreviated tendering process. The DF Manager draws up a shortlist of at least three candidates and invites them to submit proposals.
Budget limits	EUR 50,000 - EUR 200,000
Procurement	<ul style="list-style-type: none"> • Establishment of a shortlist of candidates based on the DF Manager's consultant database and experience • Approval of the shortlist by the DFC • Issuing of RFPs to shortlisted candidates • Evaluation of proposals based on pre-defined criteria • Contract negotiation with applicants/bidders in the order of placement after evaluation • Notification of final selection of the candidate to the DFC

Fast-Track Procedures

Description	<p>In exceptional cases and upon prior approval of the EFSE DFC, a fast-track tender process is applicable. Such a procedure may be applied regardless of budget, when:</p> <ul style="list-style-type: none"> • the timely deployment of a consultant is necessary for the achievement of the objectives of the proposed activity, • highly confidential data regarding an institution's operations and performance should not be shared with third parties such as various potential bidders, • the high-risk profile of an institution calls for a close collaboration between the DF and the Fund's investment management in selecting an adequate consultant, or • follow-on TA is required for which it can be reasonably assumed that the previous consultant would be the most competent choice and who has garnered the trust of the PLI and/or if a consultant has been or is involved in the early project stages and continuity is necessary and respectively no advantage would be gained via competitive bidding, • there is a limited number of specialists in the required field of expertise so that an extensive consulting bidding process would lead to unnecessary delay and investment of resources, • another procedure has already been conducted without success.
Procurement	<ul style="list-style-type: none"> • Screening and pre-selection of candidate • Submission of TOR to pre-selected candidate • Pre-evaluation of selected candidate based on their track record in the geographical and technical area as laid out in the TOR • Request for abbreviated technical and financial proposals

Direct award

Description	<p>After screening the market, the DF Manager contracts activities directly to one consultant or service provider. The criteria for selection of the consultant or service provider match the given project requirements in terms of professional expertise, specific technical abilities, regional experience and languages among others.</p>
Budget limits	<p>< EUR 50,000</p>
Procurement	<ul style="list-style-type: none"> • Screening and pre-selection of candidate • Submission of TOR to pre-selected candidate • Pre-evaluation of selected candidate based on their track record in the geographical and technical area as laid out in the TOR • Request for abbreviated technical and financial proposals

4 Tender procedure

The DF Manager publishes a notification, sends a letter of invitation or issues the request for proposals, depending on the relevant procurement procedure. Following the expiration of the deadline and receipt of proposals, the DF Manager conducts the tender evaluation.

Bidders must follow the procurement procedure as described in the following chapters.

4.1 Presentation of tender

The tender should be submitted by e-mail only, in two comprehensive pdf files, with the technical and the financial proposal to be submitted in two separate e-mails to the Project Manager of the DF Manager:

E-mails containing the technical and financial proposal should be clearly labelled “Technical Proposal” and “Financial Proposal” respectively.

No financial information shall be contained in the technical proposal. The financial proposal must be password-protected. The DF Manager will only request the password for the financial proposal if the respective technical proposal obtains the required minimum of evaluation points (see chapters 4 and 5).

Failure to submit the technical and financial offer separately (in two separate documents), or any inclusion of information reflecting the financial offer in the technical offer, will result in automatic rejection of the tender. Likewise, failure to password protect the financial offer will result in rejection of the tender.

The deadline for the notification of intention to submit, requests for additional information and the submission of tenders are defined in the notification or invitation letter or e-mail sent to bidders. Any tenders received after the tender deadline will be rejected automatically and will not be evaluated.

4.2 Language of the tender

Technical and financial proposals as well as all communication related to the tender shall be in English language, unless defined differently in the Terms of Reference

4.3 Contracting authority

The contracting authority is the EFSE DF as represented by the DF Manager. A specific contract will be concluded between the EFSE DF and the Consultant, in some cases also a tripartite contract with the beneficiary, for the performance of the assignment. This contract will be subject to the General Terms and Conditions available on the EFSE Website ([here](#)).

4.4 Validity period of tenders

The period of validity of tenders is 120 days from the deadline for receipt of tenders. This period may be extended only with agreement by email of all parties prior to expiration of the valid tender.

4.5 Request for additional information

Any question, communication or request for additional information concerning a request for proposals is only permitted in writing via email to the DF Manager. If the DF Manager chooses to offer clarification, answers will be communicated simultaneously via email to all short-listed candidates. In the case of Open Public Tenders, answers will be provided to all candidates who have notified the DF Manager of their interest in the tender.

4.6 Confidentiality

All documents shared with the bidders in the framework of this tender process are to be treated as strictly confidential and may not be shared with third parties without prior approval of the EFSE DF.

4.7 Cancellation

The EFSE DF reserves the right to cancel the tender process without notice at any time if it deems so appropriate. Bidders should only participate in the tendering process with the understanding that they would not be entitled to any form of compensation should the EFSE DF decide to interrupt the tender process before the contract is signed.

5 Content of the tender

5.1 Technical proposal

The technical proposal shall address the requirements of the Terms of Reference (TOR) and comprise the following:

I. Company Profile

A short *company profile* giving an overview of the company's relevant experience aligned with the objectives of the proposed assignment, notably with relevant, ongoing and up to date experience in the sector and the region

II. Critical analysis of the TOR

The bidder is invited to *critically* analyze the following sections of the TOR: 'Tasks to be realized' and 'Deliverables', pointing out any short-comings to the planned project, suggesting solutions to any short-comings, and highlighting the implications of the consultant's approach to fulfilling the TOR and enhance the quality of the assignment and its output.

III. Proposed concept

- a. Methodological approach ¹
- b. Overview of implementation concept and project organisation
- c. Work plan including staffing schedule²

IV. Team composition

- a. Description of the team members
- b. Detailed description of the tasks to be performed by each team member (including back-stopping staff in the home office)
- c. CVs of the proposed key staff according to the CV template provided [here](#).

The technical proposal shall not exceed 10 pages in total. CVs shall not exceed 4 pages each in the format provided.

In the case of Public Restricted Tenders, the Company Profile will be submitted in the first-stage Expressions of Interest.

5.2 Financial proposal

The financial proposal shall be structured using the budget template provided [here](#). The bidder shall prepare the offer under the assumption that no taxes apply. However, the bidder will verify the applicability of taxes on its own account and in the event taxes are applicable, the bidder should list them separately.

All costs for procurement and negotiations are to be borne by the bidder.

All expenses shall be expressed in Euro (EUR).

6 Tender evaluation

The evaluation of the tenders received will follow a three-step approach:

Step 1: Evaluation of the technical proposal

Only the technical proposal will be opened on the submission date. The quality of each technical proposal will be evaluated according to the award criteria listed under chapter 5 of this document.

Step 2: If applicable, interviews with the lead consultant

¹ Bidders should not simply quote the TOR but should demonstrate how their approach will address the requirements of the TOR and the critical analysis made on the TOR.

² This will include a quantitative appreciation of the workload required (in man-days) for each of the specified subtasks for each of the team members.

After the evaluation of the technical proposals and completion of the first step of the evaluation process, the DF Manager may conduct interviews as part of the assessment of the technical part of the proposals, with the purpose to verify the capacity of the Consultants as laid out in their proposals.

Step 3: If technical proposal achieves minimum required score, evaluation of the financial proposal

For bidders obtaining a minimum of 55 points (of a maximum of 80 points) on their technical proposal and proposed staff (including interviews), the financial proposal will be opened.

The financial proposal with the lowest budget will receive the maximum points of 20. The points of higher proposed budgets will be calculated by dividing the lowest proposed budget by the budget under consideration and multiplying the result by the maximum number of points.

The bidder of the winning tender will then be invited for contract negotiations by the EFSE DF. As part of contract negotiations, it is not permitted to re-negotiate essential terms and conditions of the technical and financial proposal.

7 Award criteria

The DF Manager will, in consultation with (if applicable) the beneficiary of the project, select the most favourable offer, applying the following award criteria:

	Criterion	Max. points
A	Quality of technical proposal	35
A-1	Analysis of Terms of Reference	10
A-2	Proposed approach	25
B	Qualification and composition of team	45
B-1	Specific professional skills and expertise of suggested experts that are relevant for the implementation of the Terms of Reference	20
B-2	Appropriate and diverse team composition to enhance the delivery of consultancy services	15
B-3	Regional expertise that can ensure in-depth knowledge of the local environment	10
C	Financial proposal	20
C-1	Financial proposal (as set out in chapter 4)	20
TOTAL		100

8 Implementation of services and reporting

The services will meet the requirements laid out in the Terms of Reference provided [here](#). The selected consultant or service provider will coordinate all of its activities with the DF Manager.

The consultant or service provider shall suggest the composition of a team considered most suitable for a successful undertaking of the assignment. The bidder will nominate one person (lead consultant) to be the main counterpart to the DF Manager. He or she will be the first point of contact for all exchange of information.

Any change in the composition of the team after the submission of the bidder's proposal shall be subject to prior written approval by the DF Manager. Any replacement shall have comparable skills, background and experience.

The consultant or service provider will provide the EFSE DF Manager with a draft of the outlined deliverable(s) (i.e. study, questionnaires, etc.) in line with the project's schedule and the requirements of the assignment. The DF Manager will comment on the documents within an agreed time frame following the submission of the deliverables. The final deliverables will incorporate the comments that were given. The consultant or service provider will have to be capable of collecting all the necessary data for the preparation of the deliverables.

The consultant or service provider will be available to the DF Manager for ad-hoc reporting via e-mail and telephone.

9 Monitoring and evaluation

The DF Manager prepares a brief internal evaluation report on the consultant's or service provider's performance. Information which is tracking the performance will be maintained by the DF Manager. Any specific problems with acceptance of deliverables will have to be resolved by the consultant or service provider before invoices are approved and payments are made.

10 Evaluation

The EFSE DF is required to prepare an internal evaluation report on the Consultant's performance. Information tracking the performance will be maintained at the EFSE DF. At completion of the project the DF Manager, along with beneficiaries, will evaluate the performance as well as the effectiveness of the project.

The EFSE DF and consultant are responsible for the monitoring and evaluation of results achieved in the project, according to the DF Impact Management Framework. The consultant will be in charge of gathering all relevant data through the evaluation forms provided by the EFSE DF. The indicators to be assessed at project completion will be included by the DF Manager in the TOR.

11 Remuneration

Subject to contractual agreement, the Consultant shall be paid at the rates set out in its original financial offer. Payments shall be subject to project milestones and prior acceptance of the deliverables. Any specific problems with the acceptance of deliverables, as defined in the TOR, will have to be resolved by the Consultant before invoices can be paid. Depending on the type of project and in line with the contract, the Consultant shall submit invoices in accordance with the following provisions:

Pre-financing: The Consultant will be entitled to a pre-financing payment of at least 15% of the total value of the TA assignment.

Interim Payment(s): [an] interim payment[s] shall be paid after completion of certain project stages, against presentation of an invoice. Payments shall be subject to prior acceptance of the deliverables and the Consultant's reports by the DF Manager and in case of tripartite contract by the beneficiary.

Final Payment: The final payment is subject to approval of all deliverables and the Final Report by the DF Manager and (in case of a tripartite contract) by the beneficiary.