Ministry of Agriculture and Livestock Development

Procurement

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ABBREVIATIONS AND ACRONYMS

AWPB	Annual Work Plans and Budgets
CDDC	Community Driven Development Committee
CIDP	County Integrated Development Plans
CIG	Common Interest Group
CQS	Consultants' Qualifications Selection
CWG	Common Working Group
CV	Curriculum Vitae
DAT	Digital Agricultural Technologies
ESS	Environmental and Social Safeguards
EOI	Expression of Interest
FA	Framework Agreements
FBS	Fixed Budget Selection
FLID	Farmer Led Irrigation Development
FPO	Farmer Producer Organizations
GOK	Government of Kenya
GPN	General Procurement Notice
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
ICB	International Competitive Bidding
ITC	Instructions to Consultants
KALRO	Kenya Agricultural and Livestock Research Organization
LCS	Least Cost Selection
LOI	Letter of Invitation
LCB	Local Competitive Bidding
LPO	Local Purchase Order
LSO	Local Service Order
MOALD	Ministry of Agriculture & Livestock Development
NCB	National Competitive Bidding
NOA	Notification of Award
NPCU	National Project Coordinating Unit
NPPL	National Project Procurement Lead
NPSC	National Project Steering Committee

NTAC	National Technical Advisory Committee
PMC	Project Management Committee
PDO	Project Development Objective
PP	Procurement Plan
PPADA	Public Procurement and Asset Disposal Act, 2015
PSC	Procurement Sub Committee
PIC	Project Implementation Committee
PVC	Producer Value Chain
QBS	Quality Based Selection
QCBS	Quality and Cost Based Selection
REOI	Request for Expression of Interest
RFP	Request for Proposal
RFQ	Request for Quotation
SAIC	Social Accountability and Integrity Committee
SBD	Standard Bidding Document
SEA	Sexual Exploitation and Abuse
SME	Small and Medium Enterprise
SH	Sexual Harassment
SP	Service Provider
SSS	Single Source Selection
TOR	Terms of Reference
TSA	Technical Support Agencies
UNDB	United Nations Development Business
VMG	Vulnerable and Marginalized Group

SECTION 1: PROJECT BACKGROUND

The Kenya Food Systems Resilience Project (FSRP) is a regional program focusing on ensuring food security and building resilience in selected counties in Kenya. It is supported by the Government of Kenya and the World Bank through the Ministry of Agriculture and Livestock Development, State Department for Agriculture. The project objective is "to increase preparedness against food insecurity and improve the resilience of food systems in targeted project areas of Kenya". It has six components as detailed below.

1.1 COMPONENT 1: (RE-) BUILDING RESILIENT AGRICULTURAL PRODUCTION CAPACITY.

The component aims to strengthen the resilience of food supply to climate change and other shocks and stressors with a focus on climate resilient agricultural production and related supporting services.

The component will function via four complementary pathways:

1.1.1 Subcomponent 1.1 Developing and Strengthening Digital Agricultural Systems at the National and Counties Levels

(a) Data and digital agriculture as an enabler will support all the other thematic areas/sub-components in identification and adoption of appropriate data and digital agriculture tools, products and services to support extension service provision, farmer financial inclusion, input/output market linkages and agricultural data analytics for precision agriculture.

1.1.2 Subcomponent 1.2 Developing and Delivering Resilience-Enhancing Technologies and Services

(b) The support will be towards the development and delivery of climate-smart technologies and services to farmers. Climate-smart technologies and seed systems will help farmers increase productivity, enhance resilience, and reduce GHG emissions from agricultural practices.

1.1.3 Subcomponent 1.3 Community engagement and technology transfer through digital platforms

(c) The support will be towards community engagement, technology transfer and scaling up of partnerships with Agtechs to strengthen the resilience of communities.

1.2 COMPONENT 2: SUPPORTING THE SUSTAINABLE DEVELOPMENT OF NATURAL RESOURCES FOR RESILIENT AGRICULTURAL LANDSCAPES.

This component aims to enhance sustainable management of natural resources for resilient food systems by investing in soil and water conservation and rangeland management interventions including:

1.2.1 Subcomponent 2.1 Enhancing water availability for crop and livestock.

The project will invest in the development of efficient irrigation and other water use systems; building drought adaptive capacity and climate resilience; and promote adoption of water harvesting interventions.

1.2.2 Subcomponent 2.2 Strengthening sustainable rangeland management for crop and livestock.

(a) Sustainable land management.

(b) Support towards demarcation and restoration of livestock migration routes and common grazing lands.

(c) Development of strategic livestock feed reserves.

(d) Interventions related to animal health.

(e) Support to livestock destocking campaigns and restocking programs.

(f) Crop-livestock integration.

(g) Support access to mechanized farm operations for small scale farmers.

1.3 COMPONENT 3: REGIONAL AND DOMESTIC MARKETS FOR FOOD SECURITY

This component aims to improve physical and economic access to sufficient, safe, and nutritious food by improving agri-food producers' (both crop and livestock producers) access to domestic and international markets by:

1.3.1 Subcomponent 3.1 Developing market facing institutions.

This subcomponent will strengthen existing producer organizations and aid the establishment of new producer organizations with the objective of ensuring enhanced market linkages for agriculture and livestock producers.

1.3.2 Subcomponent 3.2 Market Infrastructure and Enterprise Development.

(a) Investments in market infrastructure that focus on enabling improved handling of crop and livestock produce, and adherence to Sanitary and phyto-sanitary (SPS) standards. These may include investments into cold chain infrastructure for livestock produce, grading, sorting and processing facilities for crop produce, improved storage infrastructure to reduce post-harvest losses, and logistics related

investments including upgrading of feeder roads to improve market access. These investments will complement existing investments under the De-risking, Inclusion, and Value Chain enhancement (DRIVE) project.

(b) Infrastructure related investments at market level in the PPP mode with a greater focus on creating new jobs for local communities.

1.3.3 Subcomponent 3.3 Improve Creditworthiness of farmers and pastoralists

The subcomponent will facilitate agri-food value chain actors' access to financial services; savings, credit, insurance and training to enhance resilience. It will support interventions addressing both demand and supply side constraints to improve credit worthiness of farmers and pastoralists.

1.4 COMPONENT 4: PROMOTING A GREATER FOCUS ON FOOD SYSTEMS RESILIENCE IN NATIONAL AND REGIONAL POLICY MAKING.

The objective of this component is to promote a greater focus on food systems resilience in policymaking and will comprise of two main subcomponents.

1.4.1 Subcomponent 4.1: Support to Prioritization of Food Systems Resilience in Public Policy and Spending.

This sub component will support efforts/initiatives to elevate food systems resilience considerations in public institutions, policies, and spending in Kenya. Such efforts will involve bringing a food systems resilience focus to development plans, strategies, legal and regulatory frameworks, institutional arrangements, programs, budgets, and other initiatives.

1.4.2 Subcomponent 4.2: Built Institutional Capacity to Implement Resilience-Focused Policies.

This sub component will support capacity building of the Ministry of Agriculture and Livestock (MoALD) to develop or review and implement resilience-focused policies through strengthening of the human and material resources in the Ministry.

1.5 COMPONENT 5: CONTINGENCY EMERGENCY RESPONSE.

The component will finance eligible expenditures related to emergency response mechanisms in case of natural or man-made, crisis or disasters, severe economic shocks or other crises and emergencies.

1.6 COMPONENT 6: PROJECT COORDINATION AND MANAGEMENT

This component will finance activities related to national and county-level project coordination, including planning, fiduciary (financial management and procurement) and staffing, environment and social safeguards implementation, monitoring and compliance, development of the Management Information Systems (MIS) and Information & Communication Technologies (ICT), regular M&E, impact evaluation, communication, knowledge management and citizen engagement. This component comprises of: -

1.6.1 Subcomponent 6.1: Project Coordination.

This subcomponent will finance the costs of both national and county level project coordination units, including operations and maintenance (O&M) costs, such as office space rental, fuel and spare parts of vehicles, office equipment, audits and furniture, among others. It will finance the costs of project supervision and oversight provided by the National Project Steering Committee (NPSC) and the County Project Steering Committees (CPSCs). It will also support the oversight and inter-governmental coordination provided by the Joint Agriculture Sector Steering Committee (JASSCOM) and the Council of County Governors' (COG) structures for Agriculture including Committee on Agriculture, Caucus of County Executive Committee Members (CECMs) for Agriculture, and Agriculture Secretariat; support to provision of technical services and the Agriculture Transformation Office, and other project administration costs.

1.6.2 Subcomponent 6.2: Project Monitoring, learning, knowledge management, and Cross Cutting Issues.

This sub-component will finance activities related to communication with all stakeholders including project beneficiaries, all government officials that are part of the project implementation, key policy makers and the citizens at large.

1.7 Purpose of the Procurement Manual

The "Procurement Manual" provides the essential information and brief step-by-step procedures for procurement of goods, works and services. This document is intended to guide the project procurement officers directly involved in the Supply Chain Management activities at the National, County and Community level. It aims at making the Supply Chain Management Officers conversant with the World Bank procurement policies and procedures, the GoK Public Procurement and Asset Disposal Act 2015 (Revised Edition 2022), the Public Procurement and Asset Disposal Regulations 2020, the relevant documentation and records maintenance.

The manual is designed to enhance simplicity, by breaking down the overall procurement process into a series of individual stages in order to:

- Ensure Value for Money by promoting effective, efficient, and economic use of resources.

- Promote the economy principle which takes into consideration factors that support value for money such as sustainability, quality, non-price attributes and the procurement life cycle as appropriate.
- Determine the most appropriate approach to procurement to meet the project development objectives and outcomes, taking into account the context and the risk, value, and complexity, ensuring the procurement is fit for purpose.
- Promote the integrity principle in the use of funds, resources, assets and authority, according to the intended purposes in a well-informed manner that is aligned with the public interest and broader principles of good governance.
- Promote efficiency by ensuring that procurement processes are proportional to the value and risks of the underlying project activities.
- Promote transparency by requiring that relevant procurement information is made publicly available to all interested parties in a consistent and timely manner, through readily accessible and widely available sources and at reasonable or no cost.
- Promote the principle of fairness by providing equal opportunity and treatment for bidders and consultants, equitable distribution of rights and obligations between the borrower and suppliers, bidders, consultants and contractors. In addition, offer credible mechanisms for addressing procurement related complaints and providing resources.

The rights and obligations of the implementing agency and the suppliers/service providers/ contractors will be governed by the standard bidding documents and the signed contracts and not by the guidelines stated in this document.

Procurement for FSRP will be carried out in accordance with "The World Bank's 'Procurement Regulations for IPF Borrowers', dated July 2016 and revised September 2023 (fifth edition), hereafter referred to as 'Procurement Regulations'; the 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants', dated October 15, 2006 revised in January 2011 and July 1, 2016, and other provisions stipulated in the Financing Agreement will be applied for all procurement activities." Further, as the project has a CDD component, the project's procurement arrangements for community-based procurement will be in line with the "Guidance Note for Design and Management of Procurement Responsibilities in Community-Driven Development Projects," dated March 15, 2012.

The Project shall adhere to World Bank procurement regulations and procedures as specified in the Financing Agreement, failing which the Project runs the risk of:

(a) Delay in implementation of the Project and achievement of the PDO due to delay in the procurement process caused by procurement complaints, approvals and delay in disbursements;

(b) Fiduciary non-compliance;

(c) Inconsistency in procurement activities;

(d) Fraud and corrupt practices; and

(e) Procurement being declared as 'Mis-procurement' and the consequent loss of financial assistance from the Bank thus being declared ineligible.

Without limitation to the provisions of the International Development Association General conditions for IDA Financing, Investment Project Financing, Dated December 14th 2018 (Revised on August 1 , 2020, April 1 , 2021, and January 1 , 2022), the obligations of the Recipient under this Agreement including the obligation to comply with the Procurement Regulations when undertaking the procurement of goods, works, non-consulting services and consulting services for the Project financed in whole, or in part by the proceeds of the Financing shall be valid and enforceable in accordance with their terms notwithstanding the laws of the Recipient (including the Recipient's Public Procurement and Asset Disposal Act No. 33 of 2015 and The Public Procurement and Asset Disposal Regulations 2020 as both may be amended from time to time).

SECTION 2: PROCUREMENT ARRANGEMENT

The project will be implemented under a three-tiered institutional arrangement, namely at the National, County, and Community levels. At the National level, MoALD, through its State Department for Agriculture, will be the implementing agency; County Governments will implement the project at the county level; and Community Groups will implement community-led interventions and programs at the community level. Thus, the Procurement under the project will be conducted by the National Project Procurement Lead at the NPCU, County Project Procurement Officers at the CPCU and the Procurement Subcommittee at the community level through the respective CDDCs following the steps outlined below: -

2.1 Procurement Planning

It is a requirement by World Bank and Gok to develop a Procurement Plan at the beginning of each financial year.

A Procurement Plan (PP) has to be prepared in time and submitted to the Bank for clearance. It is not permissible to carry out project implementation without a Procurement Plan.

The PP should reflect activities contained in the Annual Work Plan and Budgets (AWPB) 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 PP should be well articulated and fully developed, and should contain any contracts flowing from a previous year, even though these may not need a no-objection from World Bank, if already provided.

The PP, with its updates, shall include:

(a) Project Information (Country name, project name, project identification No., project executing agency, procurement plan date and the period covered by the procurement plan);

(b) A brief description of the activities/contracts;

(c) Quantities

(d) The selection methods to be applied;

(e) Cost estimates;

(f) Time schedules;

(g) The World Bank's review requirements

NPCU and County level PPs will be developed as soon as the AWPB are ready, likewise, Community Level procurement plan will be developed once the Annual work plans and Budgets from the CIGs, VMGs and FPOs are approved. Annual procurement plans shall be prepared at the beginning of each financial year to reflect the actual project implementation needs for that year and shall be reviewed and agreed by the World Bank.

The PP should cover goods, Equipment, works, consultancy services, non-consulting services and resource support (services) for the project period of one financial year. Format for developing Procurement Plan for Goods/Works/Services is attached as Annex 1 for NPCU and CPCUs, while for the CDDC **(***Annex 2***).**

The Implementing Entities shall take into account the following when determining the method of Procurement.

(a) Type of goods to be procured;

(b) Approved estimated cost;

(c) Availability of the goods in the local market;

(d) Quality, sources and make of the goods available in the local market;

(e) Price levels of the designated goods;

(f) Capacity of local suppliers to supply the required quantities;

(g) Capacity of the national industry and quality of its products;

(h) Market conditions and expected competition;

(i) Urgency of the procurement;

(j) Capacity of beneficiary stores and proposed terms of delivery schedule; and

(k) Assessment of risks related to their supply in the local and international markets.

In the case of Works, the following should be considered when determining the method of Procurement:

i. Approved estimated cost;

ii. Capacity of local contractors;

iii. Expected competition;

iv. Geographic location; and

v. Intended date of completion

NPCU will be responsible, among others, for: developing national AWP&Bs and Procurement Plans. NPCU will coordinate preparation of county AWP&Bs, seeking approval from NPSC and incorporating AWP&B into MoALD's development budget; reviewing and vetting county investment proposals for NTAC approval; procuring large contracts and managing contracts (e.g., works, goods, and consultants) and project assets (e.g., vehicles, computers and accessories, office equipment and furniture, among others).

Similarly, CPCU will be responsible for preparing county-level AWP&Bs, Procurement Plans by consolidating the CIDPs, seeking approval of CPSC, and submitting to NPCU for consolidation into FSRP budgets; reviewing and vetting CIGs', VMGs', and FPOs' investment

proposals for CPSC approval.

At the community level, the procurement subcommittee will be responsible for preparing the procurement plans for the respective CDDCs in the various communities, by consolidating needs from the CIGs, VMGs and FPOs approved work plans and budget, seeking approval from the CDDC's Executive committee before submitting the plans to the CPCU for approval.

SECTION 3: PROCUREMENT METHODS

3.1 USE OF NATIONAL PROCUREMENT PROCEDURES

Public Procurement & Asset Disposal Act 2015 (Revised Edition 2022). The ACT will be used for contracts other than those to be procured on the basis of International Competitive bidding (ICB) with additional provisions listed in the Financing Agreement.

The following additional provisions shall apply to the National Competitive Bidding, to the open tender procedures described in the Public Procurement and Assets Disposal Act 2015.

The PPADA, 2015 shall be used subject to the following qualifications;

- Tender submission date shall be set to allow a period of at least 30 business days from the latter of, (a) date of advertisement, and (b) date of availability of tender documents.
- Government owned enterprises to participate in tendering only if, (a) they are legally and financially autonomous, (b) operate under commercial law, and (c) are independent agencies of the Government.
- Use of Bank's Standard Procurement Documents. Bidding documents and tender documents shall contain draft contracts and conditions of contracts, including provisions on fraud and corruption, ESS requirements, SEA/SH, audit and publication of award and shall be in the form and substance satisfactory to the Association.
- Domestic preference is not allowed during ICB tendering.
- Notification of contract award to constitute the formation of contract; No negotiation prior to contract award with an exception of consultancies.

3.2 Procurement Of Goods, Works And Non- Consulting Services

The methods of procurement to be used for Procurement of Goods & Non-Consulting Services include:

i. International Competitive Bidding (ICB)

ii. National Competitive Bidding (NCB)

iii. Request for Quotations

iv. Direct Contracting

i. International Competitive Bidding (ICB)

This is considered as the default method of procurement. It is generally adopted for contracts with estimated value above the threshold specified in Table 3 and where supplies cannot be sourced locally and need import, and/or foreign firms are expected to participate (irrespective of the value) and bring more competition**.** ***Other procurement methods may be used only when ICB is not the most cost effective.***

ICB Procedures:

- Project Procurement Officer shall prepare tender documents using the Standard World Bank Procurement Documents. The bid document must be cleared by the Bank before advertising for invitation for bids depending on the estimated contract value.
- Invitation for bids (IFBs) for ICBs shall be published in at least one national newspaper with wide circulation all over the country. In addition, the advertisement of IFBs shall be published in United Nation's Development Business (UNDB) online and the Ministry of Agriculture and Livestock Development website or any other Gok website that the Ministry may deem appropriate.
- Sale of bid documents should start only after publication of invitation of bids in newspapers and UNDB for a period of 30 business days.

It is mandatory that procedures agreed with World Bank be followed for bidding, evaluation of bids, selection, award of contracts and contract management for this method**.**

ii. National Competitive Bidding (NCB)

NCB is generally adopted for procurement of Goods, Non-consulting Services and Civil Works with estimated value below threshold specified in Table 3.

The procedures shall provide adequate competition among participants in order to ensure reasonable prices**.**

Table 1: Steps involved in Procurement of Goods following NCB Procedure

S/No	Activities
1.	Assessment of requirement
2.	Preparation of technical specification
3.	Preparation of tender documents
4.	Review by the Bank if it is Prior/Post review case in the Procurement Plan
5.	Advertisement of the Tender

S/No	Activities
6.	Issuance of Tender Document
7.	Appointment of tender Opening Committee
8.	Bids opening
9.	Appointment of Tender Evaluation Committee
10.	Bids evaluation
11.	Submission of Bid Evaluation Report for review by the Bank if it is Prior review case in the Procurement Plan
12.	Approval and award by Accounting Officer
13.	Issuance of Notification of Intention to Award
14.	Notification of award and acceptance
15.	Obtain Performance Security where applicable
16.	Signing of contract

The Procurement through NCB consists of the following activities:

Step 1 Assessment of requirement

- The implementing agencies are required to identify their needs before any procurement is initiated.
- The established procurement requirement for any entity should be captured in the PP and the same must be approved by the World Bank and the Accounting Officer.

Step 2 Preparation of technical specification

- Technical Specification is the description of the physical or functional characteristics of a good, service, or construction item.
- It is a description of what the buyer seeks to purchase, and to which a bidder must be responsive in order to be considered for award of a contract.
- The implementing entities should establish the specifications where they have technical capacity or they may employ a consultant to develop specification for them in case of a complex item.

Step 3 Preparation of tender document

- The Project Procurement Officer will prepare tender documents using the World Bank Standard Procurement Documents.
- The tender documents shall provide all information necessary for a prospective bidder to prepare a tender for the goods and/or works to be provided.
- The Bid document includes- Invitation for bids, Letter of Bid, Instructions to Bidders,

Contract Data including Bill/ Schedule of Quantities (BOQ), General Terms & Conditions, Special Conditions of Contract, ToR/Specifications, Award Criteria, Notification of Award, Execution of Contract, Quality Control, Payment Terms, Taxes and Duties, Completion Certificate, Warranty/ Defect Liability, Drawings, Dispute Resolution, Arbitration, Force Majeure etc. BOQ will indicate the description of items to be provided along with quantities and the phased manner in which the goods/works are required to be delivered or constructed.

- To discourage the submission of frivolous bids, a condition in the Procurement document may be included that Bids must be accompanied by a security in form of a Bankers' Cheque, or bank guarantee issued by using the standard format attached to the Procurement documents.
- The amount of Bid security shall be sufficient to discourage irresponsible Bidders and shall be expressed in the Standard Procurement Documents, preferably as a rounded fixed amount and not as a precise percentage of the estimated total Contract value.
- A Bid security shall remain valid for at least thirty days (30) days beyond the expiry date of the Bid.
- Procurement documents should state clearly whether the bid prices will be fixed or price adjustments will be made to reflect any changes in major cost components of the goods/works.

Step 4 Review by the World Bank if it is prior review case in the PP

- The Procurement Officer shall submit the tender document for review.
- The 'No objection' shall be obtained from the World Bank before the bids are advertised.

Step 5 Advertisement of the Tender

- Invitations shall be published in at least one daily newspaper with wide circulation in Kenya. The advertisement should also be placed in the Ministry of Agriculture and Livestock Development website (www.kilimo.go.ke) and the FSRP website (www.fsrp.go.ke).
- Issuance of procurement documents should start only after publication of invitation of bids in newspapers for at least 30 business days.

Step 6 Issuance of procurement document

- A complete set of procurement documents should be made available to all interested bidders after paying the requisite fees, if any.
- Procurement documents can also be made downloadable from the Ministry's website(www.kilimo.go.ke) and or FSRP website(www.fsrp.go.ke) where the procurement document will be made available.

Step 7 Opening of bids

- The time, date and venue for the bid opening shall be mentioned in the Invitation for Bids (IFB) and procurement documents. Bids should normally be opened immediately after the deadline of time fixed for submission on the same day.
- Bids shall be opened in public. The bidders or their representatives shall be allowed to be present at the time of opening of bids.
- All bids received should be opened. No bid should be rejected at the time of bid opening except for late bids. Late bids shall be returned to the bidders unopened.
- The name and address of the bidder and total amount of each bid along with important conditions like, bid security amount, source and discounts if any, shall be read out at the time of bid opening.
- Withdrawal notices and modifications to the bid shall be read out first followed by the respective bid. Bids for which an acceptable notice of withdrawal has been submitted shall not be opened but returned to the Bidder. If the withdrawal envelope does not contain a copy of the "Power of Attorney" confirming the signature as a person duly authorized to sign on behalf of the Bidder, the corresponding Bid will be opened and the submissions therein read out in appropriate detail.
- Minutes of the bid opening must be prepared by bid opening officials and should be signed by all members present. The opening minutes shall be provided to bidders who submit written request.

Step 8 Bid Evaluation

- The purpose of bid evaluation is to determine the substantially responsive bidder to the specifications and with the lowest evaluated cost, but not necessarily the lowest submitted price, which should be recommended for award.
- The criteria to be used in the evaluation of bids and the award of contracts shall be clearly outlined in the procurement document and should not be applied arbitrarily.
- The bid price read out at the bid opening shall be adjusted at the time of evaluation with correction for any arithmetical errors with the concurrence of the bidder/contractor. Where there is a discrepancy between the rates in figures
- and in words, the rate in words will prevail. Where there is a discrepancy between the unit and the line-item total resulting from multiplying the unit rate by the quantity, the unit rate will prevail.
- Conditional discounts offered by the bidder shall not be taken into account for evaluation. This however does not apply to cross-discounts.
- The bid evaluation committee shall prepare a detailed report on the evaluation and comparison of bids documenting the reasons on which the recommendation is based for

the award of the contract.

Step 9 Submission of Bid Evaluation Report for review by the Bank if it is Prior review case in the Procurement Plan

- The Procurement Officer shall submit the bid evaluation report for review if it is indicated so in the procurement plan.
- The 'No objection' shall be obtained from the World Bank before the report is forwarded to the accounting officer for approval and award.
- The head of procurement function of the procuring entity shall review the bid evaluation report and provide a signed professional opinion to the Accounting Officer on the procurement proceedings.

Step 10 Approval and award by Accounting Officer

Based on the report of the Evaluation Committee and the signed professional opinion, the implementing entity through the Accounting Officer may decide to award the contract to the successful bidder offering the most advantageous bid/proposal.

Single bids should also be considered for award, if it is determined that publicity was adequate, bid specification/conditions were not restrictive or unclear and bid prices are considered reasonable in comparison to prevailing market price.

Step 11 Issuance of Notification of Intention to Award

Upon signing of the professional opinion, a notification of intention to award shall be issued to the successful Bidder and all unsuccessful bidders shall be informed of the results of the bid in writing.

Notification of Intention to Award shall provide to each recipient, as a minimum, the following information as applicable to the selection method, and as further specified in the relevant Request for Bids/Request for Proposals document:

(a) The name and address of the Bidder(s)/Proposer(s) submitting the successful Bid/Proposal;

(b) The contract price, or where the successful Bid/Proposal was determined on the basis of rated Criteria (where price and technical factors are rated), the contract price and the total combined score of the successful Bid/Proposal;

(c) The names of all Bidders/Proposers that submitted Bids/Proposals, and their Bid/Proposal prices as read out, and as evaluated;

(d) A statement of the reason(s) why the recipient's Bid/Proposal was unsuccessful, unless the price information under Paragraph 5.74 c (Procurement Regulations) already reveals the reason. The PE shall not divulge any other Bidder's/Proposer's

confidential or proprietary information such as: cost breakdown, trade secrets, manufacturing processes and techniques, or other confidential business or financial information;

(e) Instructions on how to request a debriefing and/or submit a complaint during the Standstill Period, as set out in the Request for Bids/Request for Proposals document and in accordance with the requirements of Annex III (Procurement Regulations), Procurement-related Complaints; and

(f) The date the Standstill Period is due to end.

Step 12 Notification of award.

Once the standstill period has expired, the procuring entity may award the contract. The PE will then publish the contract award notice.

Step 13 Obtain performance security

- The amount for bank guarantees should not exceed ten percent (10%) of the contract price unless the commercial practice for the industry recommends a different percentage (Annex IX, Procurement Regulations).
- The Procuring Entity may increase the amount of the Performance security above the previous amount, if the Implementing Entity considers the Bid unbalanced as a result of front loading.
- The Performance Security shall be in the form of a Bank Guarantee.
- A Performance Security shall be required to be valid for a period of twenty-eight (28) days beyond the date of completion.
- The Performance Security shall be in the amount specified in the Contract conditions, issued by a bank, and denominated in the currency in which the contract price is payable.
- If the completion date is to be extended, the Performance Security shall be extended for the same period until thirty (30) days from the new intended date of completion.

Step 14 Signing of contract

- The NOA establishes a Contract between the Implementing Entities and the successful Bidder and the existence of a Contract is confirmed through the signature of the Contract Document that includes all agreements between the Implementing Entities and the successful Bidder.
- If the successful Bidder does not provide his Performance Security within the period specified above, his or her Bid security shall be forfeited and the second successful Bidder shall be invited.
- If Bids were invited for one or more items on Item-by-Item basis or on lot-by- lot basis, only one Contract will be signed with each Bidder covering all items awarded to him.

- Before signing the Contract, the Implementing Entities may verify the authenticity of the performance security submitted by a Bidder by sending a written request to the branch of the bank issuing the irrevocable bank guarantee.
- The Accounting Officer of Implementing Entities and duly authorized representative of the successful Bidder shall sign the Contract within the period specified, in the form as specified in the Bid Document if the Performance Security submitted by the Bidder is found to be genuine.
- If the successful Bidder fails to provide the required Performance Security or fails to sign the Contract, the Implementing Entities shall proceed to award the Contract to the next lowest evaluated Bidder, and so on, by order of ranking, provided that such action shall only be taken if the evaluated cost of the Bid is acceptable, and when the point is reached whereby all evaluated costs of the remaining responsive Bids are significantly higher than the official estimate or budget provision or market price, all bids may be rejected.

Disclosure

For all procurements, information on pre-qualification and award of contract should be posted on STEP, UNDB Online or PPIP on quarterly basis.

iii. Request for Quotation (RFQ)

Shopping is a procurement method to procure small amounts of off-the-shelf goods or standard commodities or simple civil works for which more competitive methods are not justified on the basis of cost or efficiency. It involves comparing price of quotations obtained from several national suppliers, usually at least three to ensure competitive prices. Shopping is intended to be a simple and rapid procurement method and is one of the least competitive procurement methods and may be abused unless it is carried out in compliance with legal agreements and observing a minimum formality in the process and with appropriate record keeping for verification and audit. Shopping should not be used as an expedient to by-pass more competitive methods or fraction large procurement into smaller ones solely to allow the use of Shopping.

Process of preparing RFQ is outlined below:

- Check whether the list of the Ministry's/County prequalified/registered suppliers can provide the items required by the implementing entities.
- Indicate clearly the supplier details (name of the supplier, postal address) being requested to quote.
- The RFQ needs to be numbered and should be prepared in duplicate.
- Indicate the deadline, time and date for submission as well as the place of delivery.
- No bid securities are required.

- Describe clearly the specification you would like the supplier to quote for.
- RFQ is then signed by the in charge; in his/her absence he/she needs to appoint another person.
- The Supplier must return a stamped copy of the original documents and he/she is left with the duplicate not less than seven (7) days of being issued with a quotation.

Receiving of Quotations:

- Quotations must be received according to the conditions indicated in the RFQ (deadline, place and sealed as instructed).
- Quotations received past the deadline or at the wrong place or not sealed properly should be rejected.
- Quotations received on time should be opened and recorded immediately after the deadline for submission. The members of the opening committee should sign on each page of the quotation and envelope.
- The evaluation committee shall immediately analyze the quotations and shall recommend the lowest evaluated supplier (consider factors such as documentation, response to specifications, delivery period and price).

iv. Direct Selection

The procedure for Direct Selection may be adopted if any one of the following conditions are met**:**

(a) In case of items including goods, which are specifically certified as of proprietary in nature, or where only a particular firm is the manufacturer of the items demanded or in case of extreme emergency.

(b) Direct Selection without competition shall be an appropriate method under the following circumstances:

- Extension of existing contracts for works or goods awarded with the prescribed procedures, justifiable on economic grounds;
- Standardization of equipment or spare parts to be compatible with existing equipment may justify additional purchases from the original supplier;
- The required item is proprietary and obtainable only from one source.
- Works are small and scattered or are situated in remote locations where mobilization costs for contractors would be unreasonably high.

3.3 PROCUREMENT OF CONSULTANCY SERVICES

The procurement of consultancy services is a specialized form of procurement requiring procedures and documents which are very different from those for goods and works. The use of a short list of candidates, a merit-point evaluation system and two-envelope procedures are standard features in selection of consultants. Selecting consultants on the basis of cost alone is unlikely to achieve the required quality of services. Examples of services include; training, workshops, research and studies, agents and hiring of consultants.

The implementing entities shall use World Bank Procurement Regulations for selection of consultants when procuring services.

The following methods may be used for procurement of consultants' services for those contracts which are specified in the PP:

Selection Methods for firms: -

1. Quality and Cost-Based Selection (QCBS)
2. Quality-Based Selection (QBS).
3. Fixed Budget-Based Selection (FBS).
4. Least Cost-Based Selection (LCS).
5. Consultants' Qualification-Based Selection (CQS).
6. Direct Selection

Selection Methods for Individuals: -

i. Open Competition

ii. Limited Competition

iii. Direct Selection

1. Quality and Cost-Based Selection (QCBS)

QCBS uses a competitive process among shortlisted firms that takes into account the quality of the proposals and the cost of the services in the selection of the successful firm. The relative weight to be given to the quality and cost shall be determined for each case depending on the nature of the assignment.

The selection process shall include the following steps:

Table 2: Steps involved in the selection of consultants

S/NO.	Activities
1.	Preparation of the Terms of Reference (ToR)
2.	Preparation of cost estimate or budget

S/NO.	Activities
3.	Review and Approval of TOR and Budget by the Bank.
4.	Advertisement of REOIs
5.	Evaluation and Shortlisting
6.	Review and No objection of the Shortlist by the Bank for contracts subject to prior review
7.	Preparation of the RFP document.
8.	Review and no objection of RFP document by the Bank for contracts subject to prior review
9.	Preparation and Issuance of the Request for Proposals (RFP)
10.	Receipt of Proposals
11.	Evaluation of technical Proposals
12.	Public opening of financial proposals of firms technically qualified
13.	Combined evaluation of technical and financial proposals
14.	Review and no objection by the Bank for the combined technical and financial evaluation report for contracts subject to prior review
15.	Negotiations and Award of Contract
16.	Review and no objection to draft negotiated contract by the Bank prior to contract award
17.	Contract award

Step 1 Preparation of the Terms of Reference (ToR)

The Terms of Reference developed will include:

- The project background.
- A precise statement of objectives.
- The scope of the assignment and the specific tasks.
- Duration and location of the assignment.
- Reporting requirements and timelines for deliverables.
- Payment schedules.
- The minimum requirements for consultant qualification and experience.

The team composition, qualification and experience requirements including the list of the key experts whose CVs and experience would be evaluated.

- The estimated timelines for the key experts' inputs.
- A schedule for completion of tasks.

- The support/inputs provided by the client.
- The final outputs that will be required of the Consultant.
- Review of the Progress Reports required from consultant.
- Review of the final draft report.

Step 2 Preparation of Cost Estimate or Budget

The Cost Estimates or 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, office space and equipment).

Costs shall be divided in three broad categories:

(a) Fee or remuneration

(b) Reimbursable costs.

(c) Miscellaneous

Step 3 Advertisement of REOI

- An advertisement should be published on the FSRP website, Kilimo website; in at least one newspaper of national circulation; or in the official gazette to obtain expression of interest for the contract.
- Submission should be not less than ten (10N0.) business days.
- Late submission of REOI is not cause for its rejection unless a shortlist has been prepared of qualified firms.
- In addition, contracts expected to cost more than US$ 100,000 shall be advertised in UNDB online.

Step 4 Evaluation and Shortlisting

- Evaluation and shortlisting are conducted if the assignment has been advertised and expressions of interest received.
- EOIs shall be evaluated to shortlist six to eight firms.
- The short listing of firms must be based on the eligibility criteria defined in ToR and the short list shall not include Individual Consultants.
- Government owned enterprises can be considered for award of consultancy assignment provided they are otherwise eligible and meet the conditions as stated in the Bank's regulations.

Step 5 Preparation and Issuance of the Request for Proposals (RFP):

The RFP shall include:

- Letter of Invitation (LOI)
- Instructions to Consultants (ITC) with Data Sheet
- Technical Proposal - Standard Forms
- Financial proposals - Standard Form
- Terms of Reference (ToR)
- Standard Forms of contract

Step 6 Receipt of Proposals

The time allowed for submission of proposal shall be a minimum of 30 business days. The shortlisted firms may request clarifications about the information provided in the RFP. The clarifications must be given in writing to the NPC/CPC. The NPC/CPC must inform all participating firms about the clarifications and respond within the time stipulated in the RFP.

- The technical and financial proposals shall be submitted at the RFP closing date but in different sealed envelopes.
- In single stage, two-envelope process (with no BAFO or Negotiations, or a process that is not a Competitive Dialogue), for the first envelope (technical Bid/Proposal), the Borrower shall:

(a) Open in public the technical Proposals received by the submission deadline. Financial Proposals that have been submitted shall be kept, unopened, in a secure place; and

(b) Read aloud and record the name of each Proposer that submitted Proposals, the presence or absence of sealed envelopes with the price Proposal, and any other information deemed appropriate.

- Any proposals received after the closing time shall be returned unopened.

Step 7 Evaluation of Technical Proposals

The evaluation of the proposals will be in two stages first quality and then cost. Financial proposals shall be opened only after completing the technical evaluation and the technical evaluation report has been cleared by the Bank.

The total score shall be obtained by weighing the quality and cost scores and adding them. The weight for the cost shall be chosen, taking into account the complexity of the assignment and the relative importance of quality.

The weight for cost shall normally be between 10-30 points out of a total score of 100. The proposed weightings for quality and cost shall be specified in the RFP. The firm obtaining highest total score shall be invited for the negotiations.

Step 8 Public opening of financial proposals of firms technically qualified

In single stage, two-envelope process (with no BAFO or Negotiations, or a process that is not a Competitive Dialogue), for the second envelope (financial Proposal), the PE shall:

(a) Open in public the financial Proposals of the Proposers that meet the requirements set for the technical Proposal;

(b) Read aloud and record the name of each Proposer that submitted a Proposal, and as applicable the technical score, the total amount of each Proposal, and any discounts; and

(c) after the contract is signed, return unopened the financial Proposals of those whose technical Proposals did not meet the requirements set for the Proposal or were considered nonresponsive.

- The second envelope shall not be opened earlier than ten (10) Business Days from the communication, to the Proposers, of the results of the evaluation of the first envelope.
- Normal Procedures for opening bids shall be followed.

Step 9. Combined evaluation of technical and financial proposals

- The evaluation committee shall compile the technical and financial evaluation report into a combined final report.
- The combined report shall be forwarded to the head of procurement for onward transmission to the accounting officer for award.
- For prior review contracts, the Combined Evaluation Report, upon award should be forwarded to the bank for no objection.

Step 10 Negotiations and Award of Contract

- Negotiations shall include discussions of the TOR, the methodology, Borrower'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.
- The final TOR and the agreed methodology shall be incorporated in "Description of Services," which shall form part of the contract.
- The selected firm should not be allowed to substitute key staff, unless both parties agree. If this is not the case, the firm may be disqualified and the process

continued with the next ranked firm. The key staff proposed for substitution shall have qualifications equal to or better than the key staff initially proposed.

- Financial negotiations shall include clarification of the consultants' tax liability and how this tax liability has been or would be reflected in the contract.

2. Quality-Based Selection (QBS)

QBS is appropriate for the following types of assignments:

(a) Complex or highly specialized assignments for which it is difficult to define precise TOR and the required input from the consultants.

(b) Assignments that have a high downstream impact and in which the objective is to have the best experts.

(c) Assignments that can be carried out in substantially different ways, such that proposals will not be comparable.

QBS involves the following:

- Preparation of an RFP and advertising for submission of a technical proposal only (without the financial proposal), or request submission of both technical and financial proposals at the same time, but in separate envelopes (two-envelope system).
- Evaluation of the technical proposals and using the same methodology as in QCBS, the NPC/CPC shall ask the consultant with the highest ranked technical proposal to submit a detailed financial proposal.
- The Evaluation Committee and the selected consultant shall then negotiate the financial proposal, including remuneration and other expenses and the contract. All other aspects of the selection process shall be identical to those of QCBS.

3. Fixed Budget-Based Selection (FBS)

This method is appropriate only when the assignment is simple and can be precisely defined and when the budget is fixed. The FBS involves the following:

- Preparation of a RFP that indicates the available budget and advertise for submission of proposal that provide their best technical and financial proposals in separate envelopes, within the budget.
- Common procedures apply as QCBS.
- Financial proposals shall be opened in public and prices shall be read out aloud.
- Proposals that exceed the indicated budget shall be rejected.
- The Consultant who has submitted the highest ranked technical proposal among the rest shall be selected and invited to negotiate a contract.

4. Least Cost-Based Selection (LCS)

This method is only appropriate for selecting consultants for assignments of a standard or routine nature. For example, audits, engineering design of non- complex works, or where well-established practices and standards exist. Under this method, a "minimum" qualifying mark for the "quality" is established.

Common procedures apply as QCBS.

Proposals, to be submitted in two envelopes, are invited from a short list. Technical proposals are opened first and evaluated. Those securing less than the minimum qualifying mark are rejected, and the financial proposals of the rest are opened in public. The firm with the lowest price shall then be selected.

5. Consultants' Qualification-Based Selection (CQS)

This method may be used for small assignments or emergency situations for which the need for preparing and evaluating competitive proposals is not justified.

CQS process involves the following:

- The Borrower shall request expressions of interest (REOI), by attaching the TOR to the REOI.
- At least three qualified firms shall be requested to provide information about their relevant experience and qualifications.
- From the firms that have submitted an EoI, the Borrower selects the firm with the best qualifications and relevant experience and invites it to submit its technical and financial Proposals for negotiations.
- Advertisement of REoIs is not mandatory.

6. Direct Selection

This selection method may be appropriate when: -

- Only one firm is qualified,
- a firm has experience of exceptional worth for the assignment, or
- there is justification to use a preferred firm.

This selection method may be appropriate under the following circumstances:

(a) An existing contract for Consulting Services, including a contract not originally financed by the Bank but awarded in accordance with procedures acceptable to the Bank, if it is properly justified.

(b) For tasks that represent a natural continuation of previous work carried out by a consultant within the last 12 months if performance has been satisfactory in the previous assignment(s);

(c) There is a justifiable requirement to reengage a firm that has previously completed a contract with the Borrower to perform a similar type of Consulting Service.

(d) The procurement is of both very low value and low risk, as agreed in the Procurement Plan;

(e) In exceptional cases, for example, in response to Emergency Situations;

(f) Only one firm is qualified, or one firm has experience of exceptional worth for the assignment;

(g) The Consulting Services provided by an SOE, university, research center, or institution of the PE are of a unique and exceptional nature.

(h) direct selection of UN Agencies.

In all instances of direct selection, the PE shall ensure fairness and equity, and shall have in place procedures to ensure that:

(a) the prices are reasonable and consistent with the market rates for services of a similar nature; and

(b) the required Consulting Services are not split into smaller-size procurements to avoid competitive processes.

3.4 Approved Selection Methods for Individual Consultants

Individual Consultants are selected for an assignment for which:

(a) A team of experts is not required;

(b) No additional home office professional support is required; and

(c) The experience and qualifications of the individual are of paramount requirement.

a) Open Competitive Method

- Advertisement through REoIs is encouraged, particularly when the Borrower does not have knowledge of experienced and qualified individuals, or of their availability, the services are complex, there is potential benefit from wider advertising, or advertising is mandatory under national law.
- REoIs shall include complete TOR.
- Individual Consultants are selected from those that expressed interest in response to a REoI.

b) Limited Competitive Method

- When the Borrower has knowledge of experienced and qualified individuals and their availability, instead of issuing a REoI, it may invite those individual Consultants that it deems qualified to provide the required Consulting Services. The complete TOR shall be sent with the invitation.
- Individual Consultants shall be selected from those that expressed interest in response to the invitation.

c) Direct Selection Method

Individual Consultants may be selected on direct selection basis, with due justifications, under the following circumstances:

a. Tasks that are a continuation of previous work that the individual Consultant has carried out after being selected competitively;

b. Assignments with a total expected duration of less than six months;

c. Urgent situations; or

d. When an individual Consultant has relevant experience and qualifications of exceptional worth to the assignment.

3.5 TYPES OF CONTRACTS

a. Lump Sum Contract

Lump sum contracts are used mainly for assignments in which the content and the duration of the services and the required output of the consultants are clearly defined. Payments are linked to outputs (deliverables), such as reports, drawings, bills of quantities etc.

b. Time-Based Contract

The payment is made on the basis of agreed rates and time spent, plus reasonable incurred reimbursable expenses.

These types of contractual arrangements may be used for:

(a) Emergency Situations, and repairs and maintenance work; or

(b) Consulting Services, when it is difficult to define or fix the scope and duration of the services (e.g., complex studies, supervision of construction, advisory services).

This type of contract is not appropriate for Goods or Plant.

c. Reimbursable-cost Contracts

- Payments cover all actual costs, plus an agreed fee to cover overhead and profit.

- May be appropriate for circumstances such as emergency repairs and maintenance work.
- To minimize risk to the PE:

(a) The contractor makes all records and accounts available for inspection by the PE or by some agreed neutral third party; and

(b) The contract includes appropriate incentives to limit costs.

d. Admeasurement - Contract based on Unit Prices

- It is based on estimated quantities of items and contractual unit prices for each of these items, and is paid on the actual quantities and contractual unit prices.
- This type of contract is appropriate for Works, when the nature of the work is well defined, but the quantities cannot be determined with reasonable accuracy in advance of construction, as in roads or dams.
- For Goods and Non-Consulting Services, this type of contract is appropriate when the required quantities are known and unit prices are sought from Bidders.

e. Performance-based Contracts

- The payments are not made for inputs but for measured outputs that aim at satisfying functional needs in terms of quality, quantity, and reliability.
- Performance-based contracts may be appropriate for:

(a) Rehabilitation of roads and operation and maintenance of the roads by a contractor for specified periods;

(b) The provision of Non-Consulting Services to be paid on the basis of outputs; and

(c) Operation of a facility to be paid on the basis of functional performance.

3.6 BANK REVIEW

The bank shall review the procurement arrangements and procurement processes undertaken by the implementing entities for its conformity with the Financial Agreements and the Procurement Regulations, and upon satisfactory review, the bank will issue its "no objection".

The thresholds for the different procurement and consultant selection methods to be followed under the FSRP are defined in Table 3.

There are two types of World Bank reviews:

i. Prior Review

ii. Post Review

1. Prior Review

This is done before the process is initiated and during implementation. It consists review of:

(a) **Prior publication** - Draft Bidding document, minutes of Pre-Bid conference for information and comments if any, amendment to Bidding document, draft specific notice.

(b) **Prior to the award** - Bid Evaluation Report and recommendation to award contract.

(c) **After-award** - Final signed contract with check list for Bank's record, Contract amendments.

In the case of contracts subject to prior review, before agreeing to:

(a) A material extension of the stipulated time for performance of a contract; or

(b) Any substantial modification of the scope of services or other significant changes to the terms and conditions of the contract; or

(c) Any variation order or amendment (except in cases of extreme urgency) which, singly or combined with all variation orders or amendments previously issued, increase the original contract amount by more than 15 percent; or

(d) The proposed termination of the contract, the Implementing Entities shall seek the World Bank's no objection. For prior review contracts the amendments for increasing the cost beyond 15% of original contract value or extension of time shall be informed to the World Bank promptly.

2. Post Review

All contracts not covered under prior review will be subject to post award review. The post review will be conducted as part of supervision missions or review by consultants to be appointed by the World Bank.

The NPCU and CPCUs shall retain all documentation for review during Project implementation to facilitate the post review exercise.

Table 3: The Project's thresholds for Procurement Methods and Prior/post Review by the World Bank

I. Approved Selection Methods**	Thresholds for Method (US$ equivalent)
Open International (Goods, IT Systems and Non-Consulting Services)	Equal to or more than 3 million
Open National (Goods, IT Systems and Non-Consulting Services) –	< $3 million and > 100,000
Shopping/RFQ (Goods, IT Systems and Non-Consulting Services)	Less than 100,000
Open International (Works)	Equal to or more than 15 million
Open National (Works)	Less than 15 million
Shopping/ RFQ (Works)	Less than 200,000
Framework Agreements (Goods, Works & Consulting Services)	In accordance with Para 6.57 to 6.59 and 7.33 Annex XV: Frameworks Agreements of Procurement Regulations, and with prior agreement in Procurement plan with the Bank.
Direct Contracting	No threshold: meet requirements of Bank's Procurement Regulations and approved in the PP

Other Types of Contractual Arrangements

Framework Agreements

1. These are contractual arrangements for fixed or variable volumes of products or services provided over a fixed period. For details see Annex XV, Framework Agreements as per the World Bank regulations.

Public-Private Partnerships

2. For PPP, the several possible contract arrangements (such as build-operate-transfer (BOT), and build-own-operate-transfer (BOOT)), are addressed in Annex XIV, Public-Private Partnerships as per the World Bank regulations.

3.7 E-PROCUREMENT SYSTEMS

The implementing entities may use electronic procurement systems (e-Procurement) for aspects of the Procurement Process, including: issuing Procurement Documents and addenda, receiving Applications /Quotations / Bids/ Proposals, and carrying out other procurement actions, provided the World Bank is satisfied with the adequacy of the system, including its accessibility, security and integrity, confidentiality, and audit trail features.

SECTION 4: CONTRACT ADMINISTRATION AND MANAGEMENT

The Implementing Entities shall determine the appropriate contract type and contract terms taking into account the nature, risk, and complexity of the activity, fit-for-purpose considerations, optimal allocation of risk and liabilities, and the roles and responsibilities of the contracting parties.

The Implementing Entities' Project Implementation Committee (PIC)-Appointed by the Accounting Officer, shall be responsible for ensuring compliance with obligations such as timely delivery, quality and quantity inspection, acceptance, payment, claims, dispute resolution and completion, among other terms.

For the purpose of managing complex and specialized procurement contracts the PIC shall be responsible for: -

(a) Monitoring the performance of the contractor, to ensure that all delivery or performance obligations are met or appropriate action taken by the procuring entity in the event of obligations not being met;

(b) Ensure that the contractor submits all required documentation as specified in the tendering documents, the contract and as required by law;

(c) Ensure that the procuring entity meets all its payment and other obligations on time and in accordance with the contract.

(d) Ensure that there is right quality and within the time frame, where required;

(e) Review any contract variation requests and make recommendations to the respective tender awarding authority for considerations and such reviews for variation shall be clearly justified by the technical department in writing backed by supporting evidence and submitted to the head of the procurement function for processing;

(f) Manage handover or acceptance procedures as prescribed;

(g) Make recommendations for contract termination, where appropriate;

(h) Ensure that the contract is complete, prior to closing the contract file including all handover procedures, transfers of title if need be and that the final retention payment has been made;

(i) Ensure that all contract administration records are complete, up to date, filed and archived as required; and

(j) Ensure that the contractor acts in accordance with the provisions of the contract; Public Procurement and Asset Disposal Act 2015 (Revised Edition 2022).

(k) Ensure discharge of performance guarantee where required.

4.1 Modifications of the Signed Contract

For contracts subject to prior review, the Implementing Entities shall seek the Bank's no objection before agreeing to:

(a) An extension of the stipulated time for execution of a contract that has an impact on the planned completion of the project;

(b) Any material modification of the scope of the Works, Goods, Non-consulting services or

(c) Consulting Services, or other significant changes to the terms and conditions of the contract;

(d) Any variation order or contract amendment (except in cases of extreme urgency), including due to extension of time, that singly or combined with all previous variation orders or amendments, increases the original contract amount by more than 15% (fifteen percent);

(e) The proposed termination of the contract;

(f) Any material modification to the SEA/SH Prevention and Response obligations in Works contracts; or any amendment(s) or modification(s) of ongoing contracts involving a firm disqualified forSEA/SH non-compliance.

If the Bank determines that the Implementing Entities' request for any such modification would be inconsistent with the provisions of the Legal Agreement and/or Procurement Plan, it informs the Implementing Entities and states the reasons for its determination. The Implementing Entities shall provide a copy of all amendments to the contract to the Bank for its records.

4.1 Termination of contract

Upon the request of the NPC/CPC Implementing Agency, the Accounting Officer may approve the request for termination of contract. A contract document shall specify the grounds on which the contract may be terminated and specify the procedures applicable on termination.

4.2 Contract Close Out

An accounting officer of a procuring entity shall close out a procurement contract immediately after completion and the close out shall involve the following:

(a) The head of procurement function and/or technical officer shall issue a certificate to the contractor confirming delivery and acceptance of goods, works and services, where the contract is not complex and specialized;

(b) Where contract under (a) above is complex and specialized, the technical department will issue a certificate to the accounting officer of the procuring entity confirming the quality and quantity of such goods, works and

services;

(c) Further guidelines for the receipt of goods, works and services shall be as prescribed in the PPADA 2015 (Revised Edition 2022) Public Procurement and Asset Disposal Regulations 2020.

SECTION 5: ROLES & RESPONSIBILITIES

Successful completion of a procurement process requires action from multiple agencies and departments within the project implementing entities. Roles and responsibilities of project stakeholders are provided hereunder:

5.1 National Project Procurement Lead (NPPL)

Report to: The National Project Coordinator (NPC)

Purpose: The National Project Procurement (NPPL) will be a member of the NPCU responsible for overseeing the preparation and execution of the project procurement plans to effectively support project operations, ensuring strict adherence to World Bank and GoK procurement guidelines.

5.1.1 Specific Responsibilities

- Coordination of procurement of project works, goods and services at national level and guidance to decentralized procurement at county, community, and partner institutions level as appropriate;
- Guidance and capacity building of participating counties, partner institutions and communities on authorized procurement policies and procedures;
- File and Update Procurement Plan and Documents in World Bank STEP System;
- Ensure proper use, conservation and disposal of project assets;
- Preparation of annual project procurement plans in collaboration with other members of the NPCU, participating counties and implementing partners, and submitting the same for approval through the NPC and World Bank along with the AWPB;
- Ensuring the preparation and advertisement of TORs, tender and contract documents for specific procurements according to GOK and World Bank guidelines and are in compliance with the ESF requirements;
- Preparation of the project Procurement Manual and subsequent training of other procurement staff and technical officers at national and county levels on procurement guidelines and their roles in fast-tracking procurement under the project;
- Participation in relevant tender and quotation evaluation committee meetings at the Lead Agency and assisting with the preparation of reports;
- Maintain regular communication with county procurement units to ensure that procurement tracking information are well aligned;
- Review and advise on tender evaluation reports prepared by National, Counties and

other implementing agencies and making necessary follow-ups;

- Maintain proper contract management documents for review by supervision missions, auditors and authorized stakeholders;
- Preparation of regular procurement progress reports;
- Participate in the resolution of Procurement Related grievances;
- Participate in the preparations of AWPBs;
- Undertake **any** other duties assigned by the NPC.

5.2 National Project Procurement Assistant (NPPA)

Report to: The National Project Procurement Lead (NPPL)

Purpose: The NPPAs will be responsible for supporting efficient administration and management of the procurement and contracts management functions of the project in accordance with World Bank and GoK procurement guidelines.

5.2.1 Specific Responsibilities:

- Support in guidance and capacity building of participating counties, partner institutions and communities on procurement policies and procedures;
- Support in procurement of project works, goods and services at national level and guidance to decentralized procurement at county and partner institutions;
- Support in preparation of annual project procurement plans in collaboration with other members of the NPCU, participating counties and implementing partners, and submitting same for approval through the NPPL;
- Support in preparation and advertisement of ToRs, tender and contract documents for specific procurements according to GoK and World Bank guidelines;
- Participate in relevant tender and quotation evaluation committee meetings and assisting with the preparation of reports;
- Maintain proper contract management documents for review by supervision missions, auditors and authorized stakeholders;
- Support in preparation of regular procurement progress report;
- Participate in the preparations of AWPBs;
- Undertake any other duties assigned by the NPPL.

5.3 COUNTY CHIEF OFFICER

Report to: The County Executive Committee Member

Purpose: The County Chief officer will be responsible for overseeing the preparation and execution of the project procurement plans to effectively support project operations, ensuring strict adherence to World Bank and GoK procurement guidelines.

5.3.1 Specific Responsibilities:

- Ensure that procurements of goods, works and services of the public entity are within approved budget of that entity;
- Constitute all procurement and asset disposal committees within a procuring entity.
- Ensure procurement plans are prepared in conformity with the medium-term fiscal framework and fiscal policy objectives.
- Ensure proper documentation of procurement proceedings and safe custody of all procurement records.
- Approve and sign all contracts of the procuring entity.

5.4 County Project Procurement Officer (CPPO)

Report to: The County Project Coordinator.

Purpose: Working closely with the National Project Procurement Lead (NPPL), the CPPO will be a member of the CPCU fiduciary team responsible for overseeing the preparation and execution of the project county procurement plans to effectively support project operations, ensuring strict adherence to World Bank and GoK procurement guidelines.

5.4.1 Specific Responsibilities:

- Preparation of annual county project procurement plans in collaboration with other members of the CPCU, participating beneficiary communities and other partners within the county in accordance with the Project Procurement Manual
- Support in guidance and capacity building of participating communities, SPs and partner institutions within the county on procurement policies and procedures of the project
- Procurement of project works, goods and services at county level and guidance to beneficiary communities for eligible procurements at community-level
- Preparation and advertisement of TORs, tender and contract documents for county specific procurements according to GOK and World Bank guidelines

- Participation in relevant county tender and quotation evaluation committee meetings and assisting with the preparation of reports
- Maintenance of high-quality county procurement files and contract registers for review by supervision missions and auditors
- Preparation of regular county procurement progress and contracts management reports
- Undertake any other duties assigned by the CPC or the NPPL

SECTION 6: MAINTAINING PROCUREMENT RECORDS.

6.1 Record Keeping

The availability and completeness of procurement records is critical. In addition to overall data on numbers, types, values and dates of contracts awarded and names of awardees, procuring entities should maintain for all contracts, a record which includes, inter alia:

(a) Approved procurement plans

(b) Approved requisitions/Memos

(c) No objections from the bank

(d) Public notices of tendering opportunities

(e) Tendering documents and addenda

(f) Tender clarifications if any

(g) Committee appointments – Opening committee, Evaluation committee,

(h) Inspection and acceptance committee and Contract Implementation Committees.

(i) Bid opening information – Bid registers, bidder information registers, committee registers and bid opening minutes.

(j) Bid evaluation reports

(k) Professional opinion

a. Notification of Intention to award

(l) Acceptance letters

(m) Notification of Award

(n) Formal appeals by bidders and outcomes

(o) Signed contract documents and addenda and amendments

(p) Records of claims and dispute resolutions

(q) Record of time taken to complete key steps in the process etc.

The Project procurement unit shall retain records and documents regarding their procurement activities for a minimum period of 6 years after the closing date of the project and one year following receipt by the Bank of the final audited financial statements.

The Procurement activity record shall be maintained from the beginning of procurement up to the completion of contractual liabilities.

- The records of procurement of Goods, Works and Services made through each contract shall be maintained separately.

- In case of more than one contract falling under a particular package, the files or records shall be systematically maintained on each contract basis and arranged or grouped together on the basis of each package. For example, if one package of goods consists of four lots and for each lot a separate contract has been concluded, then there should be four files for four contracts and papers relating to each contract shall be maintained in the relevant contract files. All the four contract files relating to the particular package shall be maintained together as a group or package.
- The file should be opened indicating the year when it is opened and the year when it should be closed. In other words, it should include year of commencement and year of completion of contractual obligations.
- A particular contract file may have more than one-part file. Part file shall be indicated in the file number as part-1, part-2
- The checklist of records format shall be placed at the top of every file whether it is a part file or not. The format of the checklist should be filled in stating the records maintained in a particular file. Where part file is opened, some of the columns of the checklist of records will remain blank concerning the records not maintained in a particular part file.
- The concerned Procurement Officer should indicate in writing in the format in which part file or main file the records appearing blank are available.
- The pages of the file shall be numbered serially. The entire file should be preserved in a manner so that no page should miss. The pages in the file should be bounded if possible.
- The attached format and the records mentioned therein shall be placed as part of the records on top of the papers of each file.
- The file shall be given a number and maintained systematically so that it can be located immediately whenever required.
- The file shall have a title page. The title shall mention the project name, object of Procurement, package number etc.

Table 4: Sample title page of a file

File No: MOALD/SDA/FSRP/VOL.1/001

Date of Opening: .....

Date of Closing: .....

SUBJECT: PROCUREMENT OF GOODS/SERVICES/WORKS

Table 5: Records and Documents to be maintained

Description (Object of Procurement)

Contract No.: .....

	Minimum Records and documents to be maintained	**State briefly where appropriate or state yes or no** **Refer: col-2.**	**Reference of file page no/part file no** **Refer: Col-3**	**Date (where possible)**
1	2	3	4	5
	Brief description of Goods / Works and physical Services, intellectual and professional Services.			
	Method of Procurement used (State if ICB, NCB, Direct Procurement Method, Request for Quotations Method etc), Force Account			
	Justification for choosing a method other than open Bidding with the level of approval obtained (State method adopted/authority approving the method or sub-method)			

	Minimum Records and documents to be maintained	State briefly where appropriate or state yes or no Refer: col-2.	Reference of file page no/part file no Refer: Col-3	Date (where possible)
	An invitation for pre- selection, if any			
	Copies of the published advertisements for pre- selection, if any			
	A copy of EOI or other solicitation documents			
	Records of selection of short-listed Applicants.			
	Invitation for Bids/Letter of Invitation with copy of Advertisement notice in newspapers, if any			
	Documents regarding issuance of bid documents Clarification issued, if any, and to whom addressed			
	Addendum issued if any			
	Names and addresses of the Bidders/ Consultants that submitted Bids/ quotations/ proposals			
	List of persons present during bid opening, date and place of opening			
	Minutes of the Bid opening			
	Bid, Quotation or Proposal/ documents submitted by each Bidder/Consultant			
	Bid Evaluation report			
	Records of approval of the evaluation recommendations.			
	Name and address of the Bidder to whom the contract was awarded			

	Minimum Records and documents to be maintained	State briefly where appropriate or state yes or no Refer: col-2.	Reference of file page no/part file no Refer: Col-3	Date (where possible)
	Notification of Intention to Award			
	Acceptance letters			
	Notification of Award			
	The amount of contract price			
	Contract documents			
	Copy of performance guarantee document with date and no.			
	Delivery/acceptance documents/reports for goods			
	Completion reports of Works and Services Number of lots delivered/ assignments completed			
	Location of delivery of goods/completion of Works Information on any decision to suspend or cancel proceedings after initiation			
	Documents in respect of any complaints to administrative authority with decision of the appropriate authority			
	Records of payment against bills/invoices			
	Bill of quantities for Works/measurement book submitted			
	Bill payment records			
	All correspondences with Bidders (Important correspondences)			

SECTION 7: PROCUREMENT PROCEDURES AT THE COMMUNITY LEVEL

7.1 PROCUREMENT OF GOODS AND SERVICES

7.1.1 Introduction

FSRP provides financial support to FPOs, SMEs and VCOs to develop the value chains after qualifying through a thorough vetting process. The project support include; technical input in proposal preparation, business plans and enterprise development, inclusion grants (IG) for mobilizing and recruiting new members and financing of business proposals for POs SMEs and VCOs to support enterprise development.

The FPOs/VCOs/SMEs are therefore expected to have elaborate procurement processes that will enhance prudent utilization of resources in the development of their respective value chains as per the world back guidelines. The Producer organizations are expected to prepare a business development plan for funding which will be vetted by the CPCU. Once the plan is approved the FPOs then does a proposal that is funded through the CPCU using the procurement process outlined by the World bank.

The FPO is composed of a management committee of 9 who are involved in day to day running of the organization. These individuals should be members of the community who are respected, honest and willing to undertake responsibilities. The management committee should be composed of the executive that includes the chairman, Vice chairman, secretary and treasurer. For the purpose of procurement processes a sub-committee of at least 3 persons is formed from the management committee that is referred to as procurement committee. The procurement committee will work closely with the CPCU procurement officer to assist in the procurement of their requirements under all funded proposals.

For the Public Private Partnership with Producers, the Private Firms will be expected to put in place a procurement committee which constitutes of representatives from the firm, producers, County Technical Department (CTD) and the County Value Chain Platform. The committee will work closely with the CPCU procurement officer to assist in the procurement of their requirements under all funded proposals.

7.1.2 Goods and services to be procured

The financial support for FPOs will include procurements of the following items among others to facilitate value chain development;

- ICT equipment,
- Office furniture,
- Office equipment's,

- consultancy services,
- CIGs input support,
- CIGs marketing support,
- Value addition services and equipment's,
- Training of members
- Excursion and bench marking
- Contracting services such as civil works

7.1.3 Scope of Procurement under Value Chain Development Grants

The objective of procurement is to promote economy, efficiency and transparency and to ensure that these activities are conducted in a fair, transparent and non-discriminatory manner. It is important that every person that is responsible for a procurement decision within the investment arrives at that decision in a fair and transparent manner and that all procurement activities are executed ethically.

The scope of procurement will vary with the different beneficiary FPOs/PFs, and will be governed by the core function of FSRP. The FPO/PF should develop a simple procurement plan (Annex 8A- FORM D1) with help from CPCU. The plan must take into account who will purchase goods/ services, what will be purchased and how. The procurement committee with the assistance of CPCU procurement officer, will share the plans with CTDs and NPCU for information and future monitoring of its implementation

7.1.4 Engagement of SMEs

Where FPOs are not possible to be established then SMEs can be engaged to support in the functions expected to be carried out by the FPOs. Where SMEs are to be used there is need to have a thorough competitive selection process in order to engage a firm that is able to handle the roles of agricultural input supply, products aggregation, processing and marketing for the CIGs/VMGs. This can be done by a procurement committee formed by the CPCU that is composed of CTD, a consultant and representatives from CPCU.

Once the SME has been selected then the engagement with the CPCU should be at the tail end of the procurement process. This implies that the SME should commit its expenditures at the initial stages of the activity funding and FSRP funds to be disbursed towards the end of the value development process.

7.1.5 Roles of the Procurement committee

The roles of the procurement committee will be:

- Procurement of works, goods & services as laid down in the grant work-plan / budget
- Procurement planning of the FPO/PF.
- Ensure that the procured works, goods and services conform to the specifications

as articulated in the expression of interest.

- Responsible for quality assurance and ensure value for money in procurement.
- Take charge of transport, distribution and delivery of the procured goods and services to the point of usage.
- Responsible for requesting, opening and adjudication of bids and quotations.
- Ensuring that the procurement process is guided by the principles of economy, efficiency, equal opportunity and transparency.
- Handing over of the procured assets and consumable stores to the executive sub-committee/management of the PF through the use of a prescribed form.

7.1.6 Procedures for Procuring Goods and Services

The following procedures should be followed in the procurement process:

- The secretary of the procurement committee will initiate the procurement process of the required items based on the approved work plan bearing clear work plan row numbers (Refer to work plan and budget).
- The procurement committee will discuss, minute and prepare a list of items to be procured by quantity and types as per the approved work plan.
- The procurement committee will then float quotations and / or bids for potential suppliers.
- Once the quotations and/ or bids are received, the committee will meet to discuss and evaluate them and award the best as per the set criteria.
- The management committee will then review and endorse the quotations /bids for procurement to proceed.
- All bidders are then informed in writing of the tender and/ or bid outcome
- All quotations with recommendations from procurement committees are then serialized and filed. The FPO/PF will then be advised on the decision taken, and when the goods will be delivered.
- The procurement committee procures and delivers goods to the executive committee/management of the PF where they are verified for quality and quantity before their receipt is acknowledged.
- A payment voucher will then be prepared and attached to the invoice, copy of LPO, delivery note and (Annex 8b-Form D2) a cheque will then be written with the name of the payee corresponding to the name appearing in the invoice and LPO.
- The executive committee/management of the PF will then hand over the procured

goods to the asset's management committee, who will receive the procured goods and record the same in a stock / asset register, and subsequently issues the goods to the end users. (Annexes 5A & 5B– stock register).

All the above procurement procedures should be strictly adhered to in reference to the FRSP procurement manual.

In order for the procurement process to be successful the following features should be adhered to

- Simplification of procedure
- The procurement planning should be simple and clear and thresholds of the procurement observed depending on the project size and capacity
- Transparency and accountability
- The community members should be involved in decision making, there is need for public disclosure on contracts, budgets and procurement results and need to ensure compliant mechanisms.

7.2 Financial Ceilings for Procurement

Table 6: Financial Ceilings for Procurement for FPOs, SMEs and VCOs

AMOUNT (KES)	PROCUREMENT METHOD	PERSON RESPONSIBLE FOR PROCUREMENT	LEVEL OF APPROVAL REQUIRED
<=10,000	Off the shelf	FPO	CPCU
>10,000 <=100,000	RFQ/	FPO	CPCU
<=100,000	Direct sourcing	FPO	CPCU
>100,000 <=5,000,000	RFQ	FPO	CPCU
>5,000,000 <=10,000,000	RFQ	FPO	CPCU
>10,000,000 <=30,000,000	OPEN TENDER/RESTRICTED	FPO	CPCU

The quotations will be opened by three members (3 members from the procurement committee in case of private firm but for case of FPO - 2 members from the procurement committee and one member from the executive committee); Evaluation of the offers / bids will be undertaken as in the following example in order to come up with a price comparison

schedule for deliberation and adjudication by the procurement sub-committee:

Example:

The quotations invited will be shown as follows:

- Quotations invited from more than three pre-qualified firms
- The firms that do not respond are ignored
- The firms that respond are subjected to a comparison schedule as described in the table below
- the procurement committee will make a decision and award to the most responsive bidder.

Table 3: Price Comparison Schedule

				Quotations		
Item No.	Item Description	Unit of issue	Qty	Firm No 1	Firm No 2	Firm No. 3
1						
2						
3						
4						
5						

7.3 Decision of the procurement committee

The deliberations and decisions of the committee shall be clearly recorded. The lowest responsive bidder will be awarded the bid. If the lowest responsive bidder offer is not accepted, sufficient convincing reasons must be given.

SECTION 8: ANNEXES

8.1 Annex 1: Procurement Plan Template

REPUBLIC OF KENYA

FOOD SYSTEMS RESILIENCE PROJECT

OFFICE OF THE SECRETARIAT

MINISTRY OF AGRICULTURE AND LIVESTOCK DEVELOPMENT
STATE DEPARTMENT FOR AGRICULTURE
FOOD SYSTEMS RESILIENCE PROJECT PROCUREMENT PLAN FY 2024/2025

I. GENERAL

1. Project information:

COUNTRY / BORROWER	REPUBLIC OF KENYA
Project:	_____
Project ID No:	_____
Loan No.	_____
Project Implementing Agency:	_____

2. Bank's approval Date of the Procurement Plan
.....

3. Date of GPN.....

4. Period covered by this procurement plan.....

5. Risk level - Substantial

NO	Item Type	Item Description	Budget Allocation	Unit of Issue	Estimated Total Quantity	Estimated Unit cost(Kshs)	Estimated Total Cost(Kshs)
1							
2							
3							

II. The New Bank's Procurement Prior Review Thresholds (US$ Millions)

Type of Procurement	Prior Review Threshold
Works (including turnkey, supply & installation of Plant and Equipment and PPP	>=5
Goods, information Technology and non-consulting services	>=1.5
Consultants: Firms	>=0.5
Consultants: Individuals	>=0.2

Procurement Method for Goods and Works and non- consulting services

I. Approved Selection Methods**	Thresholds for Method (US$ equivalent)
Open International (Goods, IT Systems and Non-Consulting Services)	Equal to or more than 3 million
Open National (Goods, IT Systems and Non-Consulting Services) –	< $3 million and > 100,000
Shopping/RFQ (Goods, IT Systems and Non-Consulting Services)	Less than 100,000
Open International (Works)	Equal to or more than 15 million
Open National (Works)	Less than 15 million
Shopping/ RFQ (Works)	Less than 200,000

I. Approved Selection Methods**	Thresholds for Method (US$ equivalent)
Framework Agreements (Goods, Works & Consulting Services)	In accordance with Para 6.57 to 6.59 and 7.33 Annex XV: Frameworks Agreements of Procurement Regulations, and with prior agreement in Procurement plan with the Bank.
Direct Contracting	No threshold: meet requirements of Bank's Procurement Regulations and approved in the PP

III. Procurement packages with methods and time schedule summary

a. Procurement of Goods

Contract Description		Estimated Cost ksh 000's	Procurement method	Review by Bank (prior/ Post)	Expected bid opening	Comments

b. Procurement of civil works

No	Contract Description	Estimated Cost in (000) ksh	Procurement Method	Review by Bank (Prior/ Post)	Bid sub-mission & Opening	Location/ Comments

c. Consultancy assignments

Selection of Consultants (Method Threshold)

	Selection Method	Threshold (U$ million)	Comments
1.	Competitive Methods (Firms)	>0.3	

2.	Single Source (Firms)	No ceiling	
3.	Single Source (Individuals)	No ceiling	

Short list comprising entirely of national consultants: Short list of consultants for services, estimated to cost less than $0.3 million equivalent per contract, may comprise entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

d. Procurement of consultancy services

S/No	Project Description	Estimated Cost in kshs(000)	Method of Procurement	Review By Bank Post/ Prior	Proposal submission & Opening date	Comments/ Location

8.2 Annex 2: Community Procurement Plan

County						
CDDC Name						
Procurement Tranche						
Name of Investment						
Items to be procured	**Quantity**	**Unit of measure**	**Unit cost**	**Total cost**	**Procurement method** (Community Shopping for Goods, Works & services etc.)	**Work plan raw numbers**
Prepared by: Procurement Sub Committee	**Reviewed by: Project Management Committee/SPs**				**Approved by CDDCs Chairperson Signature**	

8.3 Annex 3: Procurement Plan - Requisition of Micro-Project Materials (Form D 1)

COUNTY			
Procurement Tranche (...)			
Name of Investment			
ITEM name	**No. of items**	**Work plan Row Numbers (WRN)**	
AUTHORIZATION			
	Officials	**Name**	**Signature**
Requisition PREPARED by Micro-project Procurement sub-committee	Chair		
	Secretary		
	Treasurer		
Approved by:	CDDC Chair		
	SP(GRP)		

8.4 Annex 4: Request for Quotation for Goods

COMMUNITY/WARD: -

Name of Sub-project: .....

Location: .....

RFQ Number.....

Date: .....

To: Name and address of Supplier: .....

Please indicate your prices for the items listed below and return this form in sealed envelope which should be submitted to the CDDC Sub-Procurement Committee at the CDDC Hall on or before ..... at..... am.

Items No.	Description/Specs of Items	Qty	Unit	Unit cost	Total Cost	Remarks

Supplier Signature and stamp.....

Date..... **Note:**

1. Quotation must be valid and fixed for 30 calendar days.
2. Prices quoted must include taxes and other incidental expenses.
3. Cost of delivery: (PSC will check one.) to include (delivered on designated location) not to include (for Pick-up)
4. Award shall be made: (PSC will check one.) on per item basis or per package basis

AUTHORIZED SIGNATURE

After having carefully read and accepted your General Conditions, I/We quote for the item/s at prices noted above.

Envelope Submitted by: .....

SIGNATURE

Registered Owner…….. Registered Business Name…….. Date of quotation of the Supplier……..

CDDC Quotation Comparison Form

Quotation Reference No…… Name and description of item to be procured……

…… Closing date of quotation……..

Quotation Number	Date Quotation opened	Quotation Information	Decision reasons for selection or Rejection)
		Received From: …… Price quoted: …… Delivery Period……	
		Received From: …… Price quoted: …… Delivery Period……	
		Received From: …… Price quoted: …… Delivery Period……	

Signatures of Procurement Subcommittee Members

Names	Signature	Date
……	……	……
……	……	……
……	……	……

CDDC LOCAL PURCHASE ORDER

Ordered from……

Contact Person……

Please deliver the following goods on or before…… to the delivery address under the terms and conditions stated on the reverse side of this order. If you accept these conditions return the second copy of this order signed by the authorized person. Invoices must be sent without delay with the goods.

Delivery to……

	Description of items	Quantity	Unit Cost	Total Cost

Total cost in Words:

Ksh…… …..

Note: Our Payments terms are Within 30days net after supply, Orders not supplied within 30 days are automatically void.

Prepared by Secretary PSC……Signed……Date…… Approved by Chairman PSC……Signed……Date…… Authorized by Chairman CDDC……Signed……Date……

Distribution of Copies Original: Supplier

Duplicate: To be filled by the contractor and returned for attachments to the contract documents.

Triplicate: Attached to Payment Voucher and invoice for payment Purpose.

Quadruplicate: Book Copy

ORDER NO…… **DATE……**

I acknowledge receipt of this order:

Supplier Name…… Signed & Stamp…… Date---------

{Reverse of L.P.O}

CONDITIONS APPLICABLE TO THIS PURCHASE ORDER

i. The following terms and conditions any specifications, drawings and additional terms and conditions which may be incorporated by the reference hereto are part of this purchase order. By accepting the order or any part thereof, the supplier agrees to and all terms and conditions.

ii. The executions of all or part of this order are subject to the following conditions unless otherwise stated in writing. The CDDC reserves the right to reject any supplies not conforming to these conditions.

iii. All goods covered by this order are to meet strictly in accordance with the samples /specifications/schedules of requirement/brochures submitted with your quotation and accepted as standard supply. No alterations in any respects are permitted without prior Agreement with the CDDC in writing

iv. Deliveries must be made within the accepted delivery period bided for and specified in this order unless agreement has been reached and written confirmation given of the alteration. If the delivery of the goods is not affected within this period, this order may be cancelled without cost to the CDDC or alternatively supply may be obtained from other sources and you will be liable to defray any additional costs such action will incur.

v. All articles' materials, workmanship or services covered by this order shall be subject of CDDC inspection and test at all times before and during completion.

vi. The Supplier warrants that all articles, materials or workmanship and its warranty shall survive any inspection, delivery, acceptance or payment by the CDDC of the article, material or workmanship.

vii. Goods rejected on any grounds will be returned to or collected by the supplier at his own expense.

viii. Goods are assigned to the address shown on the order and the costs are to be included in the prices quoted.

ix. The Prices shown include the satisfactory packaging and packing of goods to ensure safe transit and must be robust of construction sufficient to withstand rough handling and storage.

x. The No 02 Copy of this order constitutes an acceptance of this order and must be signed and returned to the Procurement Subcommittee within 7days. Failure to comply may be taken as non-acceptance and the order is liable to cancellation.

xi. The Procurement subcommittee will make applicable amendments to this order in writing and any communications or enquires relative to this order or subsequent amendments must be addressed to PSC.

xii. Our Payment terms are strictly within 30 days' net orders not supplied within 30 days are automatically void.

Inspection and Acceptance Report Name of supplier **Order Number**				
County: - ……				
Community/Ward: - ……				
CIGs/VMGs/POs: - ……				
S/No	**Item Description**	**Unit of Issue**	**Quantity**	**Value**
Inspection		**Acceptance**		
Date Inspected: -		Date Received; - ……		
Inspected, Verified and found in order as to quantity and specifications		Complete: -…… Partial: - ……		

CDDC GOODS RECEIVED NOTE/RECEIPT

Receipt No: …… Name and Address of CDDC: …… Receiving official of the PSC: …… Name and Address of Supplier: ……

Date of Supply	Item Descriptions	Quantity	Unit Price	Totals

Goods have been Certified Correct

Name of

Receiving Officer.....Signature.....Date.....

Certifying Officer.....Signature.....Date.....

CDDC GOODS ISSUE NOTE/ISSUE

Issue No: ..... Name and Address of CDDC: ..... Receiving official of the PMC: ..... Name CIG/VMG/PO: .....

Date of Supply	Item Descriptions	Quantity	Unit Price	Totals

Goods have been Certified Correct

Name of

Issuing Officer..... Signature.....Date.....

Certifying Officer.....Signature.....Date.....

8.5 Annex 5A: Stock Register at CIG/ VMG/PO for Movement of Goods & Services Financed Under FSRP

FSRP-WORLD BANK/ IDA Credit; P ..... Name of the CIG/VMG/PO..... Name of investment window..... Left Hand Side of Stock Register Form: CGM - 1A (page 1 of 2)

Entry No.	Date of Receipt	Description of goods & services	Cash sale /Receipt No. / Date	Unit& Quantity received	Total Value KShs	Name, ID & signature of official who received the Goods and / or Services on behalf of CIG/ VMG/ PO	Declaration No: and date
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

1. All purchases should be entered in the stock register. The 'Entry No:' should be a running serial number. This number should also be indicated on the individual vouchers, as applicable.
2. In case 'Cash Sale/Receipt' is not available, please indicate NA under column (4). In such cases, a Declaration should be completed in Form CGM– 2, indicating the corresponding 'Entry Number' to identify the purchase in the stock register.

3. The Declaration Form serial number: should be entered in column (8) above to facilitate easy cross reference.

8.6 Annex 5B: Stock Register at CIG/ VMG/PO for Movement of Goods & Services Financed Under FSRP

FSRP- WORLD BANK/ IDA CREDIT P.....

Right Hand Side of Stock Register FORM: CGM - 1B (page 2 of 2)

Quantity Received as per Item (5)	Date	Quantity issued	Balance after issue(9-10)	Name & address of CIG/ VMG/PO to which issued	Name, ID, and Signature nature of the Official receiving Supplies	Verified by member of Service provider consortium	Endorsed by CPCU Coordinator	Endorsed by NPCU official (During follow-up visit)
(9)		(10)	(11)	(12)	(13)	(14)	**(15)**	**(16)**

The stock register is to be maintained in bound analysis book at the CIG/VMG/PO premises.

8.7 Annex 6: Community Survey of Available Laborers

County						
Procurement Tranche						
Name of Investment						
Works Items to be Procured/ Undertaken	**Availability of Local Labor for each Item of Works**					
	No. of Skilled		**Daily rate**	**No. of Unskilled**		
	Male	**Female**		**Male**	**Female**	
Prepared by: Procurement Sub Committee	**Reviewed by: Project Management Committee/SPs**				**Approved by CDDCs Chairperson Signature**	

8.8 Annex 7: Beneficiary Procurement Certification Report (BPCR) (Form D2)

COUNTY							
Procurement Tranche				**Window category: ……**			
Name of Micro-project/ Code							
ITEM name as per work plan	**No. of items**	**Unit cost**	**Total cost**	Names of Target CWG and respective Work plan Row Numbers (WRN)			
TOTAL							
Checked/Approve by :				**Name**	**Signature**	**Date**	
	CPCU coordinator						
	CCDO						
Certification by Account Signatories				***Certification by Procurement Officials***			
We the undersigned CDDC officials certify that Ksh……. (in words) ……. have been withdrawn from the ***specify window)*** account to procure the above stated materials. The balance in the account after this transaction is Ksh… (in Words)…….				We the undersigned the procurement subcommittee certify that we have received funds (CHEQUE payable to supplier) Ksh ……. (in words) ….to procure the above stated items			
Name of Account Signatories	**Signature**		**Date**	**Name of Procurement Official**	**Signature**		**Date**

8.9 Annex 8: FSRP Accountability Report Declaration on Purchase of Goods and Services Form: CGM 2

Declaration No:		**Date:**		**Name of the CIG/VMG/FPO**			
Entry No. in stock register	Date of receipt	Particulars of goods & service	Total value Shs	Name, ID, position & signature of official purchasing the item	Certified by chairman/ secretary of CIG/VMG/ FPO	Verified by member of Service provider consortium	Endorsed by CPCU
(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**	**(8)**

Note: This form should be numbered according to running serial number and dated. This should be prepared and signed in duplicate. The original should be attached to the photocopy of the stock register, submitted along with the accountability report.

8.10 Annex 9: FSRP Monthly CIG/ VMG/FPO Accountability Report

FSRP- WORLD BANK/ IDA CREDIT. P……..

Name of the CIG/VMG/FPO…… Month… ……. Form: CGM – 3

Name of micro-project/ CIG/VMG/ FPO and Title of funded project	Ward/ micro project site	Balance at Beginning of the month	Funds released during month		Accountability Received during the month		Balance at Month end
			Current	Cumulative	Current	Cumulative	
	Prepared by: County Project Accountant		Endorsed by: M&E Officer			Approved by: County Project Coordinator	

8.11 Annex 10A: Notice of Request for Quotation for Goods

COMMUNITY/WARD: -

For Posting Only

Date: .....

The community of (*Insert name of community*), through its Procurement Sub-Committee (PSC) invites suppliers/distributors/contractors of good standing to submit quotations for the following goods to be procured under (select one, delete the other: community shopping or community direct contracting) receiving assistance from CDD program.

Name of community micro-project: -

Location: -

S/No.	Description/Specs of items	Qty	Unit	Unit cost	Total cost

Requests for Quotation (RFQ) forms shall be returned in a sealed envelope with the following address and submitted to the (*insert name of community*) CDDC at the (*insert name of community*) hall on or before (*insert time for deadline*), and should be addressed to the: -

Chairperson-CDDC Committee Ward

Immediately after the deadline of submission, the quotation will be opened in public.

The date of delivery for the above goods shall be within the (*insert month and year of the target deadline of delivery*).

The designated contact person for this procurement is: (insert name of contact person, position, address and contact number.)

AUTHORISED SIGNATURE

Chairperson, CDDC

Date of Posting/Issuance of Request for Quotation: Start: .....

End: .....

8.12 Annex 10B: Notice of Request for Quotation for Works

COMMUNITY/WARD: -

(For Posting only)

Date: ……

The community of (*Insert name of community*), through its Procurement Sub-Committee (PSC) invites interested contractors to submit quotations for the following works to be procured under (*select one, delete the other: community shopping or community direct contracting*) receiving assistance from CDD program.

Name of community micro-project: - ……

Location: - …….

S/No.	Description/Specs of items	Qty	Unit	Unit cost	Total cost

Requests for Quotation (RFQ) forms shall be returned in a sealed envelope with the following address and submitted to the (*insert name of community*) CDDC at the (*insert name of community*) hall on or before insert time for deadline, and should be addressed to the

Chairperson-CDDC Committee

Ward…….

Immediately after the deadline of submission, the quotation will be opened in public.

The schedule for Sub-project completion of the works shall be with the (*insert month and year of the target completion*).

The designated contact person for this procurement is: insert name of contact person (*Procurement Sub-Committee Chairperson*), address and contact number.

AUTHORISED SIGNATURE

Chairperson, CDDC

Date of Posting/Issuance of Request for Quotation: Start: ……
End: ……


FSRP