

Procurement Guide

Support to Skills Initiative for Africa

Financing Facility for Skills Development

African Union Development Agency (AUDA-NEPAD)

German Financial Cooperation with the African Union Commission

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Abbreviations

AUDA-NEPAD	African Union Development Agency
ESHS	Environmental, Social, Health and Safety standards
ESIA	Environmental and Social Impact Assessment
FBS	Fixed Budget Based Selection
FMT	Fund Management Team
ICB	International Competitive Bidding
KfW	KfW Entwicklungsbank
LCB	Limited Competitive Bidding
LCS	Least Cost Based Selection
NCB	National Competitive Bidding
PQ	Price Quotation
QBS	Quality Based Selection
QCBS	Quality and Cost Based Selection
RfP	Request for Proposal
SBD	Standard Bidding Document
SIFA	Skills Initiative for Africa
SSS	Single Source Selection

1. Introduction/Preamble

Under the Skills Initiative for Africa (SIFA), a Financing Facility for Skills Development has been established in order to support sustainable and innovative skills development projects that shall be spread regionally and be incorporated into national strategies. From this Financing Facility, skills development projects by public or private partners can receive funding for their activities after having successfully completed a competitive and criteria-based application and selection process. Applications can be received under three Funding Windows from public and private institutions that are actively engaged in local skills development in the following countries: Cameroon, Ethiopia, Ghana, Kenya, Nigeria, South Africa, Togo and Tunisia, with the option of more countries to follow.

The SIFA Programme is implemented by the African Union Development Agency (AUDA-NEPAD) with financing from Germany through KfW.

In order to facilitate procurement activities under the SIFA Programme, a set of uniform rules and regulations will govern all procurement.

This Procurement Guide is meant for the SIFA project as guidance, in particular to guide grantees on all procurement of goods, services and works. This Procurement Guide applies to all SIFA funding and SIFA/counterpart jointly funded expenses but not to counterpart only funded expenses.

Following the stipulations in the Funding Agreements signed between AUDA-NEPAD and KfW, most notably the Separate Agreement to the Financing Agreement, this Procurement Guide is based on AU's Procurement Manual and associated Standard Bidding Documents (SBD).

In each Implementation Agreement, the grantees will receive additional specific information and instructions based on the Due Diligence report.

2. Procurement Principles

Procurement Principles and Criteria

This Procurement Guide incorporates policy provisions and procedures to promote transparency, accountability and ethics in the operation, management and reporting of procurement. All beneficiaries awarded grants under SIFA Programme are required to consistently apply these policies and procedures, together with professional judgement and good management and to ensure that procurements carried out in collaboration with the Fund Management Team (FMT) are done so in a competitive, fair, transparent, ethical and efficient manner.

Competition

Procurement must be carried out on the basis of competitive bidding, unless permitted otherwise in these guidelines; International Competitive Bidding is the preferred procurement method, with specific exceptions listed throughout these guidelines. The procedures to be chosen must adequately address the maximum number of potential applicants/bidders.

Fairness

All potential applicants/bidders must be invited and given equal opportunity to participate in a tender process, and unequal treatment of potential applicants/bidders is not permitted and must be prevented.

Transparency

The tender process must be thoroughly documented and the same information must be made available to all parties involved in accordance with their respective right to information.

The procurement system must ensure both transparency and value for money in the procurement of goods and related services, consulting services, non-consulting services and works. This procurement guide is designed to facilitate the procurement of goods and related services, consulting services, non-consulting services and works of the required quantity and quality in a timely manner at the required place, all while ensuring value for money through competitive bidding processes.

The SIFA Programme is entrusted with donor funding (currently KfW Entwicklungsbank) and counterpart contributions from applicants under the different Funding Windows.

Ethical Principles

The beneficiaries of SIFA Programme funding, including all persons involved in procurement and contract management, shall not use their authority or position or office for undue personal gain. Personal gain includes, without limitation to, accepting or requesting anything of financial or material value from prospective bidders, suppliers or contractors.

Confidentiality

All procurement-related information is confidential, and only the parties involved shall have access to the relevant information in accordance with their respective right to information; this expressly includes without limitation the procuring entity and its supervisory body, participating bidders, the SIFA Programme and its partners, and the donor agencies.

Economic Efficiency and Sustainability

In the interest of efficient use of funds provided by partners of the Programme, the aim of procurements is to award contracts to bidders with the best cost-performance ratio; the tender process must take into account criteria that reflect not only the price but also quality as well as technical and sustainability aspects.

Best International Practice

For all other procurement with full or partial SIFA funding, such as equipment, furniture, other goods and services, and works (adaptation/rehabilitation/renovation or new construction), Procurement Best International Practice shall apply, with the grantee carrying overall responsibility. Procurement Best International practice is defined as legal acquisition of goods/services/works in the required quality and quantity at the best possible price while adhering to the above principles and all other requirements in this guide.

Eligible Bidders

Goods and related services, works, consulting services and non-consulting services are eligible for KfW co-financing regardless of the country of origin of the suppliers, contractors or service providers (including sub-contractors and sub-suppliers), except where an international embargo or sanction by the United Nations, African Union, the European Union or the German Government apply.

Prospective bidders for any type of procurement may under no circumstances be entities or individuals barred from participating by the United Nations, African Union the European Union, the German Government or the World Bank.

Audits

The SIFA Programme and/or the funding donor agency(ies) may conduct at any time procurement and/or financial audits to establish compliance with the principles of these procurement guidelines, and all requested documentation covering the entire procurement cycle must be provided during such audits; audits will also include physical verification of procured goods and works.

AUDA-NEPAD and KfW shall have the right to conduct post-reviews, either directly or by appointing an auditor or any other third party. All files requested during an audit or post-review must be provided.

3. Procurement Categories

This guide covers all procedures for procurement of goods and related services, consulting services, non-consulting services and works required under the SIFA Programme; whenever the above mentioned procurement categories are referred to in this guide they should be construed as follows:

Consulting Services

Consulting services are specialist services from Firms and Individuals of intellectual and advisory/professional nature. Some assignments demand a lot of creativity and innovation on the part of consultants, including in particular the provision of expert/strategic advice, management services, coaching, policy development, implementation and communication services as well as advisory and project-related services, e.g. feasibility studies, project management, engineering services, supervision of construction, finance and accounting services, as well as training and organisational development.

More specifically under the SIFA Programme, the required consulting services could potentially cover, without limitation to, preparation of lists of equipment and their specifications for goods and planning, procurement, and supervision for works.

Non-consulting Services

Non-consulting services are all other services which are neither consulting services nor goods' related services. This category is used for procurement services, which are ordinary by nature and mainly do not require a degree of intellectual input because they are standardized. Non-consulting services are normally procured and contracted on the basis of performance of measurable outputs for which performance standards can be clearly identified and consistently applied, e.g. topographical and geotechnical surveys, soil investigations, aerial surveys and remote sensing, drilling, aerial photography, satellite imagery, mapping and similar operations, transport and distribution of goods, but also simple tasks, such as cleaning or security services.

More specifically under the SIFA Programme, the required non-consulting services could potentially cover, without limitation to, audit services.

Goods and related Services

Goods are broadly described as raw material, machinery, equipment, vehicles, etc., and *related services* cover services directly linked to the supply of goods, such as transportation, insurance, installation, commissioning, training, and initial maintenance e.g. during the warranty period.

More specifically under the SIFA Programme, the required goods could potentially cover, without limitation to, equipment for teaching/training, and the required related services as listed above.

Works

Works are activities that include construction, repair, rehabilitation, deconstruction, adaptation, restoration and maintenance of civil works structures as well as related services, such as transportation, installation, commissioning and training.

More specific under the SIFA Programme, the required works could potentially cover, without limitation to, adaptation/rehabilitation/renovation of existing buildings (workshops, dormitories, etc.) and the construction of workshops or dormitories.

4. Procurement Methods

The selection process (procurement method) will be determined by the value of the estimated consulting contract value, with 1 to 5 below referring to works and goods (and related related services), and 6 to 7 referring to consulting services, and will include:

1) International Competitive Bidding (ICB)

ICB is the default procurement method of the SIFA programme, considering the fund size to be allocated; the AU SBD shall be used.

In the case of ICB, the Tender Notice is published internationally to attract international companies to participate in the Tender Process; advertisement on AU and AUDA-NEPAD Websites are mandatory. Tenders with an estimated value above the below thresholds shall be subject to ICB:

- 300,000 EUR for Procurement of Works or Plant
- 200,000 EUR for Procurement of Goods and Non-Consulting Services

In particular for works tenders, the option for expression of interest (pre-qualification) and shortlisting prior to tendering may be considered.

Bank guarantees are required, including bid securities and performance securities, and in the case of advance payments also advance payment securities.

Publication on AU and AUDA-NEPAD websites for ICB tenders is compulsory and free of charge. Local publication must not occur prior to the above mentioned publications.

2) National Competitive Bidding (NCB)

In the case of NCB, the Tender Notice is published nationally. However, international companies shall not be excluded from participation. NCB may be chosen for estimated tender values below the ICB thresholds and exceptionally in duly justified cases for estimated tender values above the ICB thresholds, provided that

- (1) adequate competition in terms of quantity and quality on national level is expected, and
- (2) the tender is most likely not of interest on international level in view of the scope of the tender and its implementation conditions (e.g. project size, logistical reasons, price level).

In principal, an adjusted ICB tender document can be used and NCB shall be limited to works only. The national regulations of the beneficiary's country may be used, with the rationale that local contractors are familiar with those tender documents, and subject to prior approval by AUDA-NEPAD.

In particular for works tenders, the option for expression of interest (pre-qualification) and shortlisting prior to tendering may be considered.

Bank guarantees are required, including bid securities and performance securities, and in the case of advance payments also advance payment securities.

3) Limited Competitive Bidding (LCB) and Request for Quotations (RfQ)

In the case of LCB and RfQ, at least three pre-selected qualified companies are requested to submit an offer. The selection must ensure the qualification of the invited firms, and may be based on experience of the grantee, AUDA-NEPAD and/or FMT. Conflict-of-interest situations must be avoided.

The LCB or RfQ shall specify the relevant technical requirements, other relevant information and the evaluation method, and subject to the following thresholds:

- $\geq 10,000$ EUR to $\leq 300,000$ EUR for Procurement of Works or Plant
- $\geq 10,000$ EUR to $\leq 200,000$ EUR for Procurement of Goods and Non-Consulting Services

The principal differences in selecting either LCB or RfQ rests in the complexity of specifications, related services and tender/contract conditions. While an RfQ is a basic and simple document limited to absolute minimum specifications and terms and conditions, an LCB will be built similar to an ICB/NCB document.

LCB and RfQ apply to goods and related services; LCB may also apply to construction works, while RfQ may only be applied to simple rehabilitation or adaptation works.

Bank guarantees are required for LCB including a performance security, and in the case of advance payments also an advance payment security; neither securities nor advance payments are foreseen for RfQ.

4) Direct Award (Sole and Single Sourcing Selection)

With direct award, only one offer is obtained, and the contract is awarded without a competitive procedure.

Direct award comprises of sole sourcing selection and single sourcing selection.

Sole sourcing selection is only applied where just one manufacturer produces a specific item of required specifications and/or quality. No threshold applies to this procurement method.

Single sourcing selection may be applied where other methods are not economic or a time constraint exists, and subject to a threshold of less than 10,000 EUR.

Bank guarantees may be required for sole sourcing selection, such as a performance security, and/or an advance payment security, and the requirement will be assessed on a case by case basis; neither securities nor advance payments are foreseen for single source selection.

5) Force Account

Force account is defined as carrying out of works and services using the grantees' own workforce and equipment, if it is the only available method, namely, but not exclusively, in the case of works which cannot be quantified in advance, small and scattered works (e.g. routine maintenance on infrastructure) or emergency works, and is subject to AUDA-NEPAD's prior approval.

To obtain AUDA-NEPAD's prior approval, the grantee shall provide AUDA-NEPAD with:

- Information justifying the use of force account
- Information evidencing its capacity of performing the said works
- The implementation schedule and breakdown of the estimated costs

In addition, for Funding Windows where the applicant is also the manufacturer of e.g. required equipment, force account may be authorized during the Due Diligence exercise subject to the above listed conditions; the price breakdown is in these cases of utmost importance to verify the offered equipment prices against market prices.

6) Request for Proposal (RfP), with or without separate pre-qualification

The AU standard RfP document shall be used, with either a separate pre-qualification process preceding the issue of the RfP to short-listed qualified consulting firms only or an open RfP with the pre-qualification incorporated into the RfP.

Technical consultancies will be procured using the Quality and Cost Based Selection (QCBS) method, whereas simpler consultancies (e.g. audits) may follow the Least Cost Selection (LCS) method. Other options are Quality Based Selection (QBS), which would be used where the technical requirements are critical and Fixed Budget Based Selection (FBS).

A bank guarantee may be required for any advance payment made to the selected consulting firm.

This process only applies to the selection of consulting firms, but not to the selection of individual consultants. Please also refer to the threshold table below.

7) Single Source Selection (SSS)

SSS may be used for procurement of individual consultants and in justified cases for the procurement of consulting firms with the following thresholds:

- ≤10,000 EUR for Procurement of individual consultants
- ≤25,000 EUR for Procurement of consulting firms

Justified cases may be (i) for tasks that represent a natural continuation of previous work carried out and where the firm was selected on a competitive basis, (ii) situations of extreme urgency, and (iii) when only one company is qualified or has experience of exceptional worth for the assignment.

The following thresholds shall apply for the above mentioned procurement methods¹:

Procurement Method		
Goods and related Services		
International Competitive Bidding	> € 200,000	
Request for Proposal/Limited bidding	> € 10,000 to ≤ € 200,000	
Direct Award	≤ € 10,000 ²	
Works		
International Competitive Bidding	> € 300,000	
National Competitive Bidding	≤ € 300,000 ³	
Request for Proposal/Limited Bidding	> € 10,000 to ≤ € 300,000	
Direct Award	≤ € 10,000	
Consulting Services		
	Individual Consultant	Firm
QCBS/QBC/LCS/FBS	N/A	> € 25,000
Direct Award	≤ € 10,000	≤ € 25,000

¹ The thresholds may be reduced and/or maintained based on the result of the mandatory Due Diligence exercises.

² Threshold applicable to Single Source Selection but not to Sole Source Selection.

³ Subject to justification and approval the threshold may be exceeded.

5. Procurement Cycle

Any procurement cycle consists of a number of key steps, commencing with defining requirements, budgeting, selecting the appropriate procurement method, executing the procurement and concluding and managing the resulting contract. Throughout this procurement cycle, approvals by AUDA-NEPAD are required at certain stages.

Grantees shall prepare, and seek approval for by AUDA-NEPAD through FMT, after signing the Implementation Agreement and prior to commencing any procurement, a procurement plan covering all intended procurement activities. The procurement plan is a living document and shall be updated as and when required.

Each complete tender document has to be approved by AUDA-NEPAD prior to executing any procurement; the respective documents have to be submitted through FMT. Standard Bidding Documents (SBD) for all procurement methods are available from AUDA-NEPAD. Depending on the result of the mandatory Due Diligence exercises, each individual procurement document will be prepared either by the grantee, verified by the FMT and approved by AUDA-NEPAD. Or, if the Lead Applicant may assign the FMT to carry out the procurement on its behalf, then this will be specified in the Implementation Agreement.

AUDA-NEPAD approvals are also required for the evaluation reports and draft and negotiated contracts; the respective documents have to be submitted through FMT.

Post approval is limited to (i) procurements of less than EUR 5,000 or (ii) grantees that have successfully provided evidence during the Due Diligence exercise that they have the capacity for procurement and, thus, are compliant with the rules and regulations mentioned in this document. If post approval is applied, it needs to be stated in Annex 5 of the Implementation Agreement under “IV. Other arrangements”.

Use of a Procurement Agent

The use of procurement agents is an option, subject to prior approval, where the grantee is not comfortable in conducting their own procurement, and should only be applied in very exceptional circumstances when (i) speed and expertise are of utmost importance; or (ii) the grantee has limited relevant experience (e.g. in case the project related procurement is not part of their standard scope of activities). Subject to agreement of all involved parties, the FMT may act as procurement agent.

Splitting

Splitting of contracts is strictly prohibited.

Splitting of contracts means the breaking up of contracts into smaller quantities and amounts, or dividing contract implementation into artificial phases or subcontracts, for the purpose of

making it fall below the threshold for ICB, NCB, QCBS/QBS/LCS/FBS, or even RfQ and LCB, and/or evading or circumventing the procurement requirements stated in these guidelines.

Technically/logically linked lots may not be sub-divided or separated into several smaller procurement processes (example: equipment required for automotive training may be divided into several lots, such as general workshop equipment, models of car components for training purpose, etc.; while those may be divided into several lots to enable manufacturers to participate, all such lots must be grouped into one tender).

6. Due Diligence (Procurement-related)

After a successful application under any of the three Funding Windows, and before a final decision is made to grant the funding and sign the Implementation Agreement, all successful applicants will undergo a Due Diligence exercise. This is to ensure that the submitted information is correct and the project is viable, including financial and technical aspects of the proposed project, as well as compliance with the spirit of the SIFA Programme.

In addition to assessing the proposed project and its viability, the Due Diligence will include an assessment of the procurement capacity of the applicant in terms of conducting major procurement, including past experience.

If it is determined that the applicant has the required procurement capacity and experience, the applicant will implement procurement following the rules and regulations outlined in this Procurement Guide, with assistance and supervision from AUDA-NEPAD and FMT. The Due Diligence will also look at procurement regulations, rules and tender documents of the applicant respectively the relevant rules and regulations of the applicant's country, and in the Due Diligence AUDA-NEPAD may decide to approve these rules instead of AUDA-NEPAD rules and documents.

If it is determined that the applicant does not have the required procurement capacity and/or experience, an alternative solution will be required, including outsourcing procurement to a procurement agent, with required inputs from and cooperation with the applicant/beneficiary.

An applicant/beneficiary can also voluntarily request the procurement to be outsourced, subject to approval by AUDA-NEPAD.

7. Tender Process

Summary Overview

The following table provides a summary for all potentially applicable procurement methods in the tender process. The relevant section (procurement method) will be included in each specific Implementation Agreement. The main steps are explained in more detail below the table.

PLAN PROCUREMENT	Prepare procurement plan								
	PROCUREMENT PLAN (N/O)								
"NO-OBJECTION"	Request & receive N/O								
↓	METHOD 1 ↓	METHOD 2 ↓	METHOD 3 ↓		METHOD 4 ↓	METHOD 5 ↓	METHOD 6 ↓		METHOD 7 ↓
	International Competitive Bidding (ICB)	National Competitive Bidding (NCB)	Limited Competitive Bidding (LCB)	Request for Quotations (RfQ)	Direct Award Sole Sourcing Single Sourcing Selection		Force Account	Request for Proposal (RfP) : QCBS/QBS/LCS/FBS with separate pre-qualification without separate pre-qualification	
PREPARATION OF BIDDING DOCUMENTS	Prepare requirements / specifications Prepare complete bidding documents	Prepare requirements / specifications Prepare complete bidding documents	Prepare requirements / specifications Prepare complete bidding documents/RfQ documents	Prepare requirements / specifications Prepare complete bidding documents	Prepare requirements / specifications Prepare supporting evidence (justification, capacity, costs)	Prepare requirements / specifications Prepare supporting evidence (justification, capacity, costs)	Prepare requirements / specifications		Prepare requirements / specifications Prepare complete bidding documents
	BIDDING DOCUMENTS (N/O)	BIDDING DOCUMENTS (N/O)	BIDDING DOCUMENTS/RfQ documents (N/O)	BIDDING DOCUMENTS (N/O)	JUSTIFICATION DOCUMENTS (N/O)	JUSTIFICATION DOCUMENTS (N/O)	BIDDING DOCUMENTS (N/O)	BIDDING DOCUMENTS (N/O)	BIDDING DOCUMENTS (N/O)
TENDER NOTICES	Prepare tender notice	Prepare tender notice	Prepare invitation notice	Prepare invitation notice			Prepare pre-qualification notice	Prepare tender notice	Prepare invitation notice
	TENDER NOTICE (N/O)	TENDER NOTICE (N/O)	INVITATION NOTICE (N/O)	INVITATION NOTICE (N/O)			TENDER NOTICE (N/O)	TENDER NOTICE (N/O)	INVITATION NOTICE (N/O)
"NO-OBJECTION"	Request & receive N/O	Request & receive N/O	Request & receive N/O	Request & receive N/O			Request & receive N/O	Request & receive N/O	Request & receive N/O
BIDDING PERIOD	Publish tender notice in: NEPAD, AUC, and National Newspaper	Publish tender notice in: National Newspaper	Transmit invitation notice to 3+ pre-selected bidders, provide bidding documents	Transmit invitation notice to 1 pre-selected bidder, provide bidding documents	↓ ↓ ↓		Publish pre-qualification notice in: NEPAD, AUC, and National Newspaper	Publish tender notice in: NEPAD, AUC, and National Newspaper	Transmit invitation notice to 1 pre-selected bidder, provide bidding documents
	Apply minimum bidding period, provide bidding documents, respond to clarifications	Apply minimum bidding period, provide bidding documents, respond to clarifications	Apply minimum bidding period, respond to clarifications	Apply minimum bidding period, respond to clarifications		Apply minimum application period, provide pre-qualification documents, respond to clarifications	Apply minimum bidding period, provide bidding documents, respond to clarifications	Apply minimum bidding period, provide bidding documents, respond to clarifications	Apply minimum bidding period, respond to clarifications
							Receive and open applications, prepare signed minutes		

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↓	METHOD 1	METHOD 2	METHOD 3		METHOD 4		METHOD 5	METHOD 6		METHOD 7
	↓	↓	↓	↓	↓		↓	↓		↓
	International Competitive Bidding (ICB)	National Competitive Bidding (NCB)	Limited Competitive Bidding (LCB)	Request for Quotations (RfQ)	Direct Award		Force Account	Request for Proposal (RfP) : QCBS/QBS/LCS/FBS		Single Source Selection (SSS)
					Sole Sourcing Selection	Single Sourcing Selection		with separate pre-qualification	without separate pre-qualification	
								Evaluate applications in accordance with criteria / requirements in bidding documents		
								Prepare pre-qualification report		
								Request & receive N/O		
								Transmit invitation notice to pre-qualified bidders, provide bidding documents		
								Apply minimum bidding period, respond to clarifications		
SUBMISSION AND OPENING OF BIDS	Receive bids, open bids, prepare signed minutes	Receive bids, open bids, prepare signed minutes	Receive bids, open bids, prepare signed minutes	Receive bids, open bids, prepare signed minutes	Receive bid, open bid, prepare signed minutes	Receive bid, open bid, prepare signed minutes		Receive bid, open bid, prepare signed minutes	Receive bids, open bids, prepare signed minutes	Receive bid, open bid, prepare signed minutes
EVALUATION OF BIDS⁴	Evaluate bids in accordance with criteria / requirements in bidding documents	Evaluate bids in accordance with criteria / requirements in bidding documents	Evaluate bids in accordance with criteria / requirements in bidding documents	Evaluate bids in accordance with criteria / requirements in bidding documents	Evaluate bid in accordance with criteria / requirements in bidding documents	Evaluate bid in accordance with criteria / requirements in bidding documents		Evaluate bids in accordance with criteria / requirements in bidding documents	Evaluate bids in accordance with criteria / requirements in bidding documents	Evaluate bids in accordance with criteria / requirements in bidding documents
BID EVALUATION REPORT	Prepare detailed bid evaluation report	Prepare detailed bid evaluation report	Prepare detailed bid evaluation report	Prepare detailed bid evaluation report	Prepare detailed bid evaluation report	Prepare detailed bid evaluation report		Prepare detailed bid evaluation report	Prepare detailed bid evaluation report	Prepare detailed bid evaluation report
	EVALUATION REPORT (N/O)	EVALUATION REPORT (N/O)	EVALUATION REPORT (N/O)	EVALUATION REPORT (N/O)	EVALUATION REPORT (N/O)	EVALUATION REPORT (N/O)		EVALUATION REPORT (N/O)	EVALUATION REPORT (N/O)	EVALUATION REPORT (N/O)
"NO-OBJECTION"	Request & receive N/O	Request & receive N/O	Request & receive N/O	Request & receive N/O	Request & receive N/O	Request & receive N/O		Request & receive N/O	Request & receive N/O	Request & receive N/O
CONTRACT AWARD AND NEGOTIATION	Issue winner with a letter of award and conduct contract negotiations	Issue winner with a letter of award and conduct contract negotiations	Issue winner with a letter of award and conduct contract negotiations	Issue winner with a letter of award and conduct contract negotiations	Issue winner with a letter of award and conduct contract negotiations	Issue winner with a letter of award and conduct contract negotiations	Using Implementation Agreement	Issue winner with a letter of award and conduct contract negotiations	Issue winner with a letter of award and conduct contract negotiations	Issue winner with a letter of award and conduct contract negotiations
	Prepare draft negotiated contract	Prepare draft negotiated contract	Prepare draft negotiated contract	Prepare draft negotiated contract	Prepare draft negotiated contract	Prepare draft negotiated contract		Prepare draft negotiated contract	Prepare draft negotiated contract	Prepare draft negotiated contract
	DRAFT CONTRACT (N/O)	DRAFT CONTRACT (N/O)	DRAFT CONTRACT (N/O)	DRAFT CONTRACT (N/O)	DRAFT CONTRACT (N/O)	DRAFT CONTRACT (N/O)		DRAFT CONTRACT (N/O)	DRAFT CONTRACT (N/O)	DRAFT CONTRACT (N/O)
"NO-OBJECTION"	Request & receive N/O	Request & receive N/O	Request & receive N/O	Request & receive N/O	Request & receive N/O	Request & receive N/O		Request & receive N/O	Request & receive N/O	Request & receive N/O
CONTRACT START AND MANAGEMENT	Enter into contract with winner	Enter into contract with winner	Enter into contract with winner	Enter into contract with winner	Enter into contract with winner	Enter into contract with winner		Enter into contract with winner	Enter into contract with winner	Enter into contract with winner

⁴ In particular for consulting services, but potentially also for works contracts, a two envelope process is required, meaning technical and financial offers will be submitted in separate inner envelopes, resulting in two opening and two evaluation processes/reports and, therefore, also two approval processes.

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↓	METHOD 1 ↓	METHOD 2 ↓	METHOD 3 ↓		METHOD 4 ↓		METHOD 5 ↓	METHOD 6 ↓		METHOD 7 ↓
	International Competitive Bidding (ICB)	National Competitive Bidding (NCB)	Limited Competitive Bidding (LCB)	Request for Quotations (RfQ)	Direct Award		Force Account	Request for Proposal (RfP) : QCBS/QBS/LCS/FBS		Single Source Selection (SSS)
					Sole Sourcing Selection	Single Sourcing Selection		with separate pre- qualification	without separate pre- qualification	
	Manage contract performance (deliverables, payments, reports)	Manage contract performance (deliverables, payments, reports)	Manage contract performance (deliverables, payments, reports)		Manage contract performance (deliverables, payments, reports)		Manage force account performance (deliverables, payments, reports)	Manage contract performance (deliverables, payments, reports)		Manage contract performance (deliverables, payments, reports)

Preparation of Bidding Documents

Standard Bidding Documents (SBD) for all procurement methods are available from AUDA-NEPAD. Core requirements including Declaration of Undertaking, minimum bidding period, Environmental and Social Impact Assessment (ESIA) requirements will be incorporated. Once-off no-objection from AUDA-NEPAD per SBD is required.

No tender process may be started unless the underlying documents are approved by AUDA-NEPAD.

Summary of the SIFA Programme Specifics for Preparation of Bidding Documents

Declaration of Undertaking; this is a mandatory document and must be included in the prevailing format in all tender documents and will be added as annex to the Standard Bidding Documents.

ESHS (Environmental, Social, Health and Safety Standards) clause; must be included as prescribed in the underlying Separate Agreement.

The funding of import duties and VAT/sales tax with SIFA contribution is defined in Article 16 of the General Terms and Conditions of the Implementation Agreement and is specified for each grantee in Annex 2 of the aforementioned document.

Tender Notices

ICB, RfP and NCB do require publication of tender notices (or, in the case of RfP, potentially calls for expression of interest); no publications are required for LCB, RfQ, Direct Award and Force Account.

Tender notices shall only be published after approval of the tender documents and draft tender notices.

For ICB and RfP a tender notice on AUDA-NEPAD and AUC web pages is mandatory, and in addition ICB, NCB and RfP shall also be published in a national newspaper widely used for tender notices. The notices on AUDA-NEPAD and AUC web pages and in national papers shall appear on the same day.

Each tender notice must provide a summary of key information about the tender, including the time table and a brief description of works/goods/services to be procured, clear contact details to request the tender document.

Bidding Period

The minimum bidding period with SIFA Programme funded tenders is 45 calendar days. However, exceptions apply for Direct Award and Single Source Selection (20 days) and LCB/RfQ (30 days).

Therefore, tender notices must allow prospective bidders at least 45 days for preparation and submission of bids. However, depending on the equipment lists and/or bill of quantities, grantees shall consider longer bidding periods; bidding periods must be realistic to enable prospective bidders to participate, and extension requests by potential bidders shall be avoided by setting realistic bidding periods from the outset of a tender.

Tender documents must be available until the deadline for submission of bids.

Prospective bidders are permitted to request clarifications during the bidding period, i.e. during the time between tender publication and a set date prior to bid closing. All such clarifications must be replied to, and replies must be sent to all prospective bidders, including the question (without stating any specifics which may identify the asking party) and the reply. Tender management must ensure that all prospective bidders having asked for and received the tender document are also provided with all clarification requests and replies and at the same time.

Summary of the SIFA Programme Specifics for Bidding Period

The minimum bidding period with SIFA Programme funded tenders is 45 calendar days, with the exception of Direct Award and Single Source Selection (20 days) and LCB/RfQ (30 days).

Submission and Opening of Bids

Bids must be submitted in sealed envelopes as instructed in the tender document, and kept unopened and locked away until the specified date and time of opening. Bids received after the closing date and time shall be rejected and returned to bidders unopened.

All timely received bids received shall be opened by a bid opening committee made up of at least two members. Bids must be opened in public and in the presence of bidders, who wish to attend. Bidders attending the opening session shall sign an attendance register, which will form part of the bid opening minutes.

The name of the bidder, amount of offer, and any other information stated in the respective clause of the bidding document shall be read out loud and recorded.

A record of the bid opening or minutes shall be prepared and signed by the bid opening committee.

Evaluation of Bids

The grantee shall set up a bid evaluation committee comprising of three to five members, depending on the nature and size of the tender being evaluated. The appointed committee members shall collectively possess sufficient skills and qualifications relevant to the subjects being assessed. It is a must that subject matter experts are part of this evaluation. If subject matter experts are not available, outsiders can be considered to deal with technical and primary requirements.

Bid evaluations shall be carried out strictly in accordance with the criteria and requirements specified in the tender documents, and no addition criteria shall be added. If necessary and justified, the grantee may in writing ask bidders for clarifications of their bids, in order to assist the examination and evaluation of the bids. However, such bid clarifications must not have any effect or a change in the substance of the bid offer, such as price, delivery schedule or specifications.

The contract shall be awarded to the lowest evaluated bidder; the lowest evaluated bidder is defined as the bidder passing all evaluations steps and offering from all evaluated bidders the lowest price (goods and related services, works), for QCBS the proposal achieving the highest number of weighted points. For QBS the proposal with the best technical offer, for FBS the proposal with the best technical offer within the budget and for LCS the technically compliant proposal with the lowest price.

Bid Evaluation Report

The evaluation committee shall prepare a detailed bid evaluation report, based on templates provided by the SIFA Programme.

The evaluation report must be signed by all members of the committee and shall be forwarded to the FMT for consideration, review and clearance, and onward submission to AUDA-NEPAD for their no-objection.

Contract Award and Negotiation

On completion and approval of the bid evaluation report, the selected winner shall be provided with a letter of award.

Contract negotiations will be fairly limited, e.g. to delivery times or similar, since the tender document requires bidders to either accept or decline to accept the content of the bidding document including the contract; a bidder declining to accept principal contract clauses, such as payment terms, would be disqualified during the evaluation process.

8. Record Keeping

Procurement records include all documents relevant to the pre-tendering, tendering and contract administration phases, as well as disbursement. It must be possible to reconstruct the entire procurement and contract administration processes from these records.

Every event in the procurement process must be recorded and all records appropriately filed. This is important in order to maintain an audit trail of the requirement from the initial receipt of the procurement requisition to the closing out of the contract.

The grantee is responsible for maintaining the procurement and contract records of each individual procurement. The grantee develops the filing system, with assistance from the FMT if required, and maintains a complete record on the entire procurement and contract administration processes for each individual procurement. Procurement-related documentation must be available for audits and reviews.

Although all records are maintained by the grantee, the FMT should also be provided with copies of key documents for filing purposes.

In order to eliminate the need for duplication of relevant procurement documents, while making them available to relevant stakeholders, such documents could be made available electronically, via an electronic document management system, on a controlled access network, or a management information system.

The length of time procurement records are kept in active files, and the internal and external audit of those records, is determined by the procurement legal and regulatory framework. The period for record keeping shall be no less than seven years, and must be available at any given time for audits conducted by the SIFA Programme and/or the funding donor agency(ies) or agents appointed by the aforementioned parties.