



**HEALTH RESEARCH
CAPACITY STRENGTHENING
INITIATIVE
(HRCSI)**

Procurement Manual

September 2012

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CAPACITY STRENGTHENING
INITIATIVE
(HRCSI)**

Procurement Manual

September 2012

Signature:	_____	Name:	_____
Position:	_____	Date:	_____
Authorised for and on behalf of:			(DD/MM/YY)
Company:	{Company stamp or seal}		

Attachments

Annex 1 - Technical specifications

Authorised for and on behalf of:	
Company:	Name of company {Stamp}

Full address:

.....

.....

If any additional documentation is attached to your quotation, a signature and authorisation at Section B and Section C is still required as confirmation that the terms and conditions of this RFQ prevail over any attachments. If the Quotation is not authorised in Section B and Section C, the quotation may be rejected.

Section C: Price Schedule

To be completed by the bidder

Item No.	Description (insert the description of the goods/services)	Unit of Measure	Quantity	Unit Price (insert currency)	Total Price {Insert currency}
	Insert description or reference attached description (if on separate sheet/file)			Please mark prices on attached schedule.	
			Total		
			Value Added Tax (VAT), 16.5%		
			Total Price		

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12. Your quotation is to be returned on this Form by completing and returning Sections B and C including any other information/certification required within this RFQ.
13. Quotations that are responsive, qualified and technically compliant will be ranked according to price. Award of contract will be made to the lowest priced quotation by item or by total through the issue of a Local Purchase Order.

Signed: Name.....

Title/Position:.....

For and on behalf of the Health Research Capacity Strengthening Initiative (HRCSI)

Section B: Quotation Submission Sheet

Please complete the quotation submission sheet carefully. All fields are mandatory.

1	Currency	{Indicate currency}	
2	Delivery period from the date of the Purchase Order	<i>Tick as appropriate</i>	
		Days	
		Weeks	
		Months	
3	Validity period of this quotation from the date of the receipt of the quotations		
4	Warrant period (where applicable)		
5	We attach the following documents (tick as appropriate)		
	a) Certificate of registration or incorporation		
	b) VAT Registration		
	c) Audited financial statements for the last {insert number of years} years		
	d) Copy of annual tax clearance certificate (for the most recent financial year)		
	e) Our company profile		
	f) Brief description of previous contracts performed		
	<i>Insert any other documentation required by the Health Research Capacity Strengthening Initiative (HRCSI)</i>		
7	Certifications	<i>Indicate Yes/No</i>	
	a) We confirm that our quotation is based on the terms and conditions stated in your Request for Quotations referenced above, and that any resulting contract will be subject to the HRCSI General Conditions of Contract for Local Purchase Orders.		
	b) We confirm that the prices quoted are fixed and firm for the duration of the validity period and will not be subject to revision or variation.		

Signature:		Name:	
Position:		Date:	

2.13 Annex 13 - Request for Quotation

REQUEST FOR QUOTATION - Reference Number: RFQxxxx/20xx

To:

Insert name of the company
Insert postal address
Insert city
Insert physical address
Attention:

Ref: Request for Quotation for the supply of _____

The Health Research Capacity Strengthening initiative (HRCSI) is a programme within National Commission for Science and Technology (NCST) funded by Department for International (United Kingdom) and the Wellcome Trust (United Kingdom). The overall goal of HRCSI is to build and strengthen health research capacity at individual and organization level in Malawi.

HRCSI invites you to submit your quotation for the goods described herein. Partial Quotations may be rejected, and the Purchaser reserves the right to award a contract for selected items only. Any resulting order shall be subject to the HRCSI's procurement rules and procedures except where modified by this Request for Quotations.

Section A: Requirements

1. Quotations are invited for the supply of {insert title}, in accordance with the undernoted conditions.
2. All goods will be delivered to {insert the full address delivery address}.
3. This form, and its attachments, must be used for the submission of the Quotation which should be forwarded, using the special label provided, to the above address.
4. This Request for Quotation is subject to the {insert reference to HRCSI's General Terms and Conditions of Contract}. The general terms and conditions may be obtained from NCST's procurement office.
5. The prices quoted should be on (insert Inco terms) and should include the cost of supply, installation and maintenance (where applicable) and all taxes as per the Government of Malawi regulations.
6. The delivery period required isdays from date of order.
7. Quotations must be valid for 90 from the date for receipt given below.
8. The warranty/guarantee offered shall be: months.
9. Quotations and supporting documents as specified in Section B must be marked with the Procurement Number given above, and indicate your acceptance of the terms and conditions.
10. Quotations must be received, in sealed envelopes, no later than: {insert time and date for submission deadline}.
Quotations must be returned to:

The Chairperson

Procurement Committee
Health Research Capacity Strengthening Initiative
National Commission for Science and Technology
Private Bag 303, Capital City, Lilongwe 3

11. Any alteration or erasure must be initialled by the person who signs the quotation.

ACRONYMS AND ABBREVIATIONS

PPC	Program Procurement Committee
NCST	National Commission for Science and Technology
HRCSI	Health Research Capacity Strengthening Initiative
DG	Director General
FAC	Finance and Audit Committee
FAR	Fixed Assets Register
FS	Finance Specialist
HoFA	Head of Finance & Administration
LPO	Local Purchase Order
MRA	Malawi Revenue Authority
MK	Malawi Kwacha
OEM	Original Equipment Manufacturer
VAT	Value Added Tax
PM	Programme Manager
USD	United States Dollar
MHRC	Multi - Disciplinary Health Research Committee

1. INTRODUCTION

The National Commission for Science and Technology (NCST) in Malawi is implementing the Health Research Capacity Strengthening Initiative (HRCSI) funded by the Wellcome Trust (UK) and DFID (UK) (hereafter referred to as funders). The programme aims at supporting the health research capacity strengthening activities over a period of 5 years.

The HRCSI programme has four outputs, namely:

- Enhanced institutional capacity for high-quality multi-disciplinary health-related research studies.
- National health policies and programmes formulated utilising research findings.
- Scientific knowledge more effectively shared across international organisations and knowledge networks.
- Improved regulation and coordination of the national research environment.

1.1 Objective of procurement manual

Procurement can be defined as the purchase of goods or services at the optimum possible total cost in the correct quantity and quality. These goods and services are also purchased at the correct time and location for the benefit or use by the HRCSI program.

This procurement manual provides guidelines that are to be used by HRCSI as a guide in procurement of goods and services.

The manual details the policies and procedures relating to procurement of goods and services for the HRCSI program. It also highlights key risks and controls pertaining to procurement.

1.2 Policy

All procurements at HRCSI shall be carried out in a transparent and competitive manner taking into account economy and efficiency and without violating funder requirements.

The guiding principles to be followed in procurement of goods and services are outlined below.

• Competitive bidding

The essence of this principle is that all persons have an unrestricted opportunity to bid and win. The market should be as broadly defined as possible. This calls for open advertisement in the media or any other public or open means of inviting tenders.

• Value for Money

All goods procured must reflect value for money at all times. HRCSI must ensure that goods and services procured are of good quality and fair price. For procurement to demonstrate value for money, it must be;

Efficient: - resources such as time and effort spent in procuring should be proportionate to the value of the procurement.

Effective – goods and services must be procured at the right time and quantity, good quality and must meet the specifications criteria.

Economical – the procured goods must be of good value and at a competitive price so as to avoid any wastage.

• Transparency

The unimpeded visibility and openness in all transactions - This principle ensures that all information on procurement policies, procedures, opportunities and processes is clearly defined and made widely known and available.

A transparent system increases the possibility of detecting any deviations from fair and equal treatment, and therefore makes such deviations less likely to occur. A transparent system has records open for inspection by internal and external auditors. Information about the tender process should be made available to suppliers.

1.3 Objectives of the procurement guidelines

The objective of the procurement guidelines is to ensure:

- Procurement is conducted according to laid down procedures and guidelines;
- Procurement achieves value for money and avoids wastage.
- Procurement is undertaken in a transparent and accountable manner

1.4 Maintenance of the Manual

The manual shall be reviewed and updated whenever there are changes in organization's policies, rules, procedures and guidelines, subject to approval by the Director General and the Board. Any changes will be documented and approved using the "Change Request Form".

A sample Change Request Form is attached under Annex 1

2.12 Annex 12 - Invitation to tender

Invitation for supply of goods and services

1. The Health Research Capacity Strengthening initiative (HRCSI) is a programme within the National Commission for Science Technology (NCST) funded by Department for International Development (DFID), United Kingdom and the Wellcome Trust (United Kingdom). The overall goal of HRCSI is to build and strengthen health research capacity at individual and organizational level.

2. HRCSI now invites sealed bids from interested bidders as detailed below

Lot No.	Brief Description	Submission Date
Insert lot number	Insert procurement description	

3. Bidding will be conducted in accordance with HRCSI procurement guidelines and is open to all bidders from eligible source countries.

4. Interested eligible bidders may obtain bidding documents and further information from HRCSI at the address given below from 8:00 to 12:00 and 1400hrs to 1600 hours local time from Monday to Friday except national public holidays.

5. Bids must be deposited in the HRCSI tender box at the NCST offices, Lingadzi house first floor on or before the deadline indicated in the bidding documents.

6. Address for collection, submission and opening of bids

National Commission for Science and Technology
Health Research Capacity Strengthening Initiative (HRCSI)
Lingadzi House, Robert Crescent

Attn: Chairperson, Procurement Committee
Private Bag 303
City Center
Lilongwe 3

7. Late tenders will be rejected and returned unopened

8. Bids will be opened in the presence of the bidders or their representatives who choose to attend on the last day of submission of the tender at 1400hrs (further information provided in the bidding documents)

9. HRCSI is not bound to accept anything or the lowest bidder

Signed
The Chairperson
HRCSI Procurement Committee

RFQ Reference	Procurement Title	Tender Opening Date	Tender Opening Time	Procurement Officer:	Record of Tenders						
			Location		Supplier Name	Number of copies	Supplier Name	Assigned code	Was the packaging unopened? (Yes / No)	Technical Proposal in Separate Sealed Envelop	Financial Proposal in Separate Sealed Envelop
Attendance #					Name	Position	Organization	Email	Telephone	Signature	
					Name of Evaluator 1		Name of Evaluator 2		Name of Evaluator 3		
					Signature		Signature		Signature		

1.5 Manual administration

The Finance Specialist is responsible for the general administration of this Manual. Operating mechanisms will be developed in consultation with the programme manager and staff members to ensure sufficient understanding and uniform application of policies.

Should the need for clarification or interpretation arise on matters not specifically provided for in the Manual, the NCST PPC Chairperson in liaison with the Program Manager will exercise the administrative responsibility of providing for such interpretation.

Specific controls, procedures or policy requirements by funders shall be implemented as per the requirements of the agreement with the funders.

Any policy, rule, regulation, procedure or provisions that conflict or shall conflict with (upon changes or the birth of) applicable local laws shall be superseded by the later.

1.6 Scope

This section covers:

- Procurement planning
- Procurement methods
- Specifications development
- Pre-qualifications of suppliers
- Purchase requisition
- Sourcing for quotations;
- Bid/Tender documents preparation
- Tender evaluation
- Contracting guidelines
- Procurement by grantees
- Contract management
- Conflict of interest;
- Claims, disputes and appeals
- Programme Procurement Committee (PPC)
- Key risks and controls
- Auditing
- Records of procurement proceedings.

1.7 Composition and role of Program Procurement Committee (PPC)

The Program manager shall constitute a Programme Procurement Committee to conduct procurement of goods and services above US\$ 10,000. The PPC shall consist of a maximum of 6 members. The members of this committee will be rotated annually to ensure there is no conflict of interest to familiarity with suppliers. The Committee shall elect its own chair and its members shall be rotated on an annual basis.

However, to allow for Institutional memory, 2 members shall be retained for a maximum of 2 consecutive years. A fixed committee per year will also ensure that the committee makes consistent decisions throughout the year. The members of this committee shall be drawn from the HRCST program staff, as well as from NCST Internal Procurement Committee. The PPC shall have at least 2 NCST staff and at most 4 HRCST members of staff. The Quorum for any PPC meeting shall be 4 persons including the chairperson.

The Program Procurement Committee shall act impartially, seek to promote transparency and, accountability, and act in the best interest of the programme in its deliberations.

The Program Procurement Committee shall evaluate all quotations, justifications, bids and tenders above USD 10,000.

In making such evaluations and approvals, the Program Procurement Committee shall make reference to the budget for the item, asset, resources, event, workshop and grant or otherwise and note any major variances in its minutes. Prior approvals will be sought from the funder where anticipated significant variances from the contractual budgets exceed the limits as stipulated in the budget, terms of the grants, contracts or MOUs;

The Secretary to the Program Procurement Committee shall be a programme staff and shall maintain minutes of deliberations which shall be signed by 3 PPC members i.e. the secretary, the Chairman and 1 member present at the committees meeting. The minutes shall be maintained as permanent record of the proceedings authorizing subsequent procurement activity.

On the basis of the decisions of the Program Procurement Committee, a Local Purchase Order or a contract shall be raised in favour of the selected service provider and approved as per the mandate for approvals of Local Purchase Orders/contracts.

PPC shall set timelines to be adhered to by prospective suppliers/bidders in respect to each procurement. The timelines for each procurement will be detailed in the procurement plan. In addition, the RFP's will include a schedule of the various procurement milestones from evaluation, contracting, deliver and closeout. See Annex 6 for the ToRs of the Program Procurement Committee (PPC).

1.8 Procurement planning

HRCISI will be required to prepare the annual work plan and budget to be approved by funders and the board. This will form the basis of a procurement plan. Once approved, the programme will ensure that procurement is conducted according to the procurement plan. The aim of the procurement plan is to schedule the timelines for large procurements. This will ensure that goods and services are procured on time and on cost. No procurement will be approved or made if it is not within the approved budget. The procurement plan shall be reviewed and approved by the Programme Manager.

See Annex 8 for a Procurement Plan Template

1.9 Procurement methods

These are the procedures used to communicate requirements and request for offers from potential suppliers. The selection method used will depend on:

- Type of products or services to be procured;
- Complexity or nature of the requirements;
- Value of the products or services;
- Location of intended source/supplier, whether local or international.
- Local regulations etc

1.9.1 Open tendering

HRCISI shall adopt the competitive open tendering system of procurement. This may be National competitive bidding or International competitive bidding

For reasons such as quality and in order to realise value for money, HRCISI may adopt an open international tendering Process for procurement whose value is greater than USD 30,000.

International tenders may also be sought:

- When goods and services are not available under competitive prices and other conditions in the specified criteria within the country or,
- Where no local supplier was identified by a national tendering process

Invitation to tender shall be published in media of wide international circulation or widely read or internet sites etc. This shall be in English language.

If HRCISI deems it is necessary, it may send notice to other institutions, embassies and potential bidders and maintain a record of any bidders to whom the notice is sent to in the procurement file.

1.9.2 Alternative tendering procedures

- Restricted tendering
- Single source procurement
- Request for proposals & quotes

1.9.2.1 Restricted tendering

Restricted tendering may be used in the following scenarios;

- Where the goods or services are only available from limited number of suppliers or
- Where economy and efficiency in procurement do not justify preparation and evaluation of a large number of bids

Restricted international tendering may be used for procurements whose value is more than USD 10,000 but less than USD 30,000. Restricted international tender may also be sought:

- When the goods or services are only available from limited number of reputable international suppliers
- When the time and cost of considering a large number of international tenders is not proportionate to the value of the procurement.

6. Ownership of material

Any studies reports or other material, graphic, software or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client.

7. Consultant Not to be Engaged in certain activities

The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

8. Insurance

The Consultant will be responsible for taking out any appropriate insurance coverage

9. Assignment

The Consultant shall not assign this Contract or sub-contract any portion of it without the Client's prior written consent.

10. Law Governing Contract and Language

The contract shall be governed by the laws of Malawi, and the language of the contract shall be English

11. Dispute Resolution

Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of Malawi

12. Termination

The Client may terminate this contract. In such an occurrence the client shall give a not less than xxx days/months written notice of termination to the consultant in case of:

- a) If as a result of force majeure the consultant are unable to perform a material portion of the services for a period of not less than fourteen (xxx) days/months.
- b) If the consultant does not remedy a failure in the performance of their obligations under the contract within thirty (xx) days/months after being notified or within any further period as the Client may have subsequently approved in writing
- c) If the consultant becomes insolvent or bankrupt
- d) If the consultant fails to comply with any final decision reached as a result of arbitration proceedings

FOR THE CLIENT

Signed by:
Title:

Annex A – Terms of Reference

FOR THE CONSULTANT

Signed by:
Title:

1. Services

The Consultant shall perform the services Specified in Annex A, "Terms of Reference, Scope of Services, and reporting obligations" which is made an integral part of this Contract ("the Services").

1. Term

The Consultant shall perform the Services during the period commencing, 20xx and continuing through to, 20xx, or any other period as may be subsequently agreed by the parties in writing

2. Payments

A) Ceiling

For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed MK xxx, xxx. This amount has been established based on the understanding that it includes all of the Consultant's costs and profits as well as any tax obligation that may be imposed on the Consultant.

B) Schedule of payment

The schedule of payments is specified below:

Mobilization fees of MK xxx (xx%) upon the Client's receipt of a copy of this Contract signed by the Consultant, MK xxx (xx%) upon submission of(e.g. a draft resource mobilization strategy and a workshop report acceptable to the client)

MK xxx (xx%) upon the Client's receipt of the final report acceptable to the Client.

Total MK xxx,

C) Payment condition

Payment shall be made in the (insert currency), no later than xx days following submission by the Consultant of invoices to the HRCSI representative designated.

3. Program administration

A) HRCSI representative

The Client designates Mr/Mrs/Ms of HRCSI as the Client's representative; the representative will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for payment

B) Reports

The reporting obligations specified in Annex A, "Terms of Reference," shall be submitted in the course of the assignment, and will constitute the basis for the payments to be made under paragraph 3

4. Performance standards

The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory.

5. Confidentiality

The Consultants shall not, during the term of this Contract and within xx years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client.

A request for quotation/Invitation to Tender shall be sent to reputable suppliers based on the pre-qualified suppliers list or references can be obtained from other sources such as funders, embassies etc.

At least 5 firms/suppliers shall be invited to submit quotations/ Tender documents. However, at least 3 responses will be sufficient for evaluation.

When selecting a method of procurement, the intent should not be to eliminate certain eligible and qualified bidders from participating.

The use of restricted tendering should be monitored and an annual report produced for transparency. This shall be made available to the funders.

1.9.2.2 Single Sourcing

In all cases of single sourcing, except procurement of utilities but including any other reasons not listed below, a formal explanation should be made to the Chairperson of the Internal Procurement Committee indicating the justification for single or sole sourcing.

Before engaging in single source procurement, HRCSI shall seek the approval of the PPC . Once the single sourcing has been reviewed and approved, the Local Purchase Order (LPO)/contract shall be raised, reviewed and approved in line with the LPO/Contract authorization levels and guidelines as outlined in the HRCSI finance manual.

Below are the generally acceptable reasons for using single or sole source procurement:

a) Proprietary:

Competition is precluded because the item is protected by patent, copyright or proprietary design;

b) Non-responsive bids:

Competitive bids were solicited from viable vendors and no responsive bid was received or only two or less responsive bids were received and rejected;

c) Technical services:

Procurement of technical services in connection with the assembly, installation or servicing of equipment of highly technical or specialized nature;

d) Replacement:

Procurement of parts or components to be used as replacement in support of equipment specifically designed or manufactured by the vendor;

e) Exclusive capability:

Procurement of products or services that can only be obtained from one qualified vendor and no other vendor is known;

f) Standardization:

Procurement of an item which is standardized based on compatibility or Original Equipment Manufacturer (OEM) recommended maintenance requirements;

g) Unique qualification:

The service provider has unique qualifications for the desired engagement;

h) Continuation:

Procurement of work that is in progress and selecting another vendor to complete the work would not be cost effective;

i) Utilities:

Procurement of electricity power, energy, gas, water or other utility services where it is not practical to use another vendor;

j) Emergency situation:

Procurement of goods and services must be made immediately or the result will be detrimental to HRCSI;

k) Experimentation/Testing:

Procurement of products or technology that the Program wishes to experiment with or test or evaluate service or reliability.

The use of single sourcing should be monitored and an annual report produced for transparency. This report shall be made available to funders.

1.9.2.3 Request for proposals and quotes

Request for proposals/ quotes shall be used for the procurement of consultants/consultancy services. HRCSI shall provide the request for proposals for services for short listing to at least three bidders. This may be done by publishing the expressions of interest in a newspaper of wide circulation, or in a relevant trade circulation or professional journal.

HRCSI shall set the deadline for submission of proposals so as to allow sufficient time for preparation of proposals. It is suggested that the deadline for submission of tenders be 14 working days from the date of the advertisement. For restricted tenders, sealed quotations shall be submitted within 7 working days from the date of the request for the quotations.

Any clarification, alteration, change or modification of the request for proposals, including the specifications development shall be communicated to all bidders in writing.

Bidders shall submit the technical proposal and the financial proposal separately

HRCSI shall consider the financial proposal after completion of the technical evaluation

The bids shall be received and opened as outlined in section 1.15 below on tender

A contract shall be awarded to the bidder whose proposal best meets the needs of HRCSI as specified in the evaluation criteria and final selection criteria set forth in the request for proposals.

See Annex 9 'procurement values and methods'

At the end of the year, HRCSI will prepare an annual report detailing the consultancies undertaken and the suppliers providing the service.

1.10 Specifications development

HRCSI will ensure that clear specifications for the goods or services required are developed, if need be, with the help of experts. Specifications communicate to the prospective suppliers/bidders the exact scope and technical requirements for goods/ services to be supplied. They are also used for comparison of bids during the evaluation stage and should therefore be:

- Clear and unambiguous
- In line with national or international standards

Once the specifications have been developed, the Programme manager will review the specifications or delegate to an appropriate staff.

1.11 Prequalification of suppliers

After the approval of the annual work plan and budget, and in order to minimise the time required when procuring goods and services, HRCSI will conduct a pre-qualification of suppliers both local and international. This shall be done once every year. The Program Procurement Committee (PPC) will identify fast moving consumables and services that are to be purchased regularly, determine the specifications for each product and estimate the annual requirement. This may include:

- Stationary
- Workshops – venue and conference facilities
- Motor Vehicle servicing and maintenance – garage etc

Invitation for prequalification of suppliers shall be advertised in two local dailies of national circulation for local bidders or published in media of wide international circulation or widely read internet sites etc for international bidders. The invitation for pre-qualification shall remain open for a period of at least 30 days since the day of publication. The bids will be in a sealed format and submitted through the tender box as outlined in section 1.15.

Where possible, at least 5 quotations from different competing suppliers should be acceptable for each category of goods and service.

The Program administrator in liaison with the Finance Assistant shall open the tender box to receive the sealed bids, summarize them per category, analyse and forward the results to the Program Procurement Committee for review.

2.9 Annex 9 – Procurement values and methods

Category	Procurement Value (USD)	Procurement Method
Goods	Up to 10,000	Request for quotations(using pre qualified list)
	10,001 to 30,000	Restricted tendering – both national and international
	Above 30,000	Open tendering – both national and international with board's approval
Services	Up to 10,000	Request for quotations(using pre qualified list)
	10,001 to 30,000	Restricted tendering – both national and international
	Above 30,000	Open tendering – both national and international with Boards approval
Works	Up to 10,000	Requests for quotations
	10,001 to 30,000	National competitive bidding
	Above 30,000	National & International competitive bidding with board's approval
Consultancies	Up to 10,000	Short listing by PPC
	10,001 to 30,000	Request for proposals (can be restricted to local consultants only)
	Above 30,000	Request for proposal with board's approval (should be open to international consultants as well)

Notes:

For routine services such as motor vehicle repairs, request for quotations from pre qualified garages
For contracted services with valid maintenance contracts, terms of the contact shall apply

2.10 Annex 10 - NCST/HRCSI Sample Contract Template

(HRCSI may need to run it by a legal officer)

This contract ("Contract") is entered into this dd – mm - yy by and between The Health Research Capacity Strengthening Initiative (HRCSI) ("the Client") having its principal place of business at, P O Box..... Lilongwe, Malawi, and ("The Consultant") having its principal office located at P. O. Box, (City, Country) Tel, E-mail-.....

Whereas, the Client wishes to have the Consultant perform the services hereinafter referred to, and

Whereas, the Consultant is willing to perform these services,

Now therefore the parties agree as follows:

Health Research Capacity Strengthening Initiative (HRCSI) Procurement Plan									
Ref No.	Contract Description	Implemen- tation	Estimated Cost (MK)	Procurement Method	Advert date	Expected Bid Opening Date	Contract Award Date	Status	
Output Area 1	Activities								
Sub Output 1.1	Conference and accommodation	Planned	xx	Pre-qualification/quotations	Q1	Q1	TBA	Not started	
	Supply of office stationery	Actual							
	Supply of office stationery	Planned	xx	Pre-qualification/quotations	Q1	Q1	TBA	Advertised/RFQ sent out	
	Supply of toners	Actual							
	Supply of toners	Planned	xx	Pre-qualification/quotations	Q1	Q1	TBA	Evaluated	
	Photocopying services	Actual							
	Photocopying services	Planned	xx	Pre-qualification/quotations	Q1	Q1	TBA	Awarded	
	Diner and hospitality	Actual							
	Diner and hospitality	Planned	xx	Pre-qualification/quotations	Q1	Q1	TBA	Contract Signed	
	Local travel and transport services	Actual							
	Local travel and transport services	Planned	xx	Pre-qualification/quotations	Q1	Q1	TBA	Not started	
	Consultancy	Actual							
	Consultancy	Planned	xx	Tender	Q1	Q1	TBA	Advertised/RFQ sent out	
	Policy development and policy brief training consultancy	Actual							
	Policy development and policy brief training consultancy	Planned	xx	Tender	Q1	Q1	TBA	Evaluated	
Total		Actual	XXX						

The Internal Procurement Committee shall review the analysis and select at least 3 best suppliers per category. The suppliers will be included in the Pre-qualified supplier's master file.

Quotations will be sought from the list of suppliers in the pre-qualified list. Quotations that indicate their validity period may be re-used in subsequent procurement activities without a request for additional quotations during this validity period.

The Finance Specialist shall maintain a list of pre-qualified suppliers (and the services/ goods they have been prequalified for) as approved by the Program Procurement Committee or the Board and the corresponding minutes of the PPC or the Board approving such pre-qualification

Once the pre-qualification stage is completed, the program should compare prices of at least 3 suppliers from whom to procure goods or services.

1.12 Purchase requisition

A purchase requisition shall be used to seek approval from the programme manager to undertake procurement of goods and services as per the approved work plan and budget.

This shall form the basis for procurement of goods or services. A purchase requisition indicates the requirements of certain goods or services

The user will determine the need to purchase goods or services and develop the specification criteria with assistance from an expert if need be for the good or service to be procured. This information shall be indicated on the purchase requisition.

The user then raises a Purchase Requisition Form that should be approved by the Finance Specialist and the Program Manager

The Purchase requisition shall indicate the intended mode of purchase and other essential details such as the budget from which the item will be bought, a comparison of cost, terms etc from the three suppliers and a recommendation of the preferred supplier and the reason for the preference.

The purchase requisition shall be supported by quotations from the suppliers that were approached from the list of pre-qualified suppliers.

Where there are no prequalified suppliers, three quotes will be sought from competent and reputable suppliers of the goods or services as provided in the requisition and who have the capacity to deliver on the specification criteria. The programme manager shall evaluate all requisitions in relation to cost, quality, specification criteria, after sales support, credit terms, urgency, reputation, previous experience etc.

Quotations that indicate their validity period may be re-used in subsequent procurement activities without a request for additional quotations during this validity period.

Once the purchase requisition has been approved the user will proceed to procure the goods or services. A sample Requisition & Quotations Analysis Form is attached under Annex 3.

1.13 Sourcing of quotations

1.13.1 Three Quotations

Three quotations shall be obtained by the Programme Administrator from the list of pre-qualified suppliers and evaluated in relation to cost and quality. Where there are no prequalified suppliers, three quotes (Sealed Bids for values above USD 5,000) will be sought from competent and reputable suppliers of the goods or service as provided for in the purchase requisition process and who have the capacity to deliver the specified criteria.

For procurements involving amounts above USD 10,000 the quotes shall be forwarded to the Programme Procurement Committee (PPC).The PPC shall evaluate the quotations and advice the DG or the board as appropriate for contract approval as per the approval thresholds provided in the HRCSI finance manual.

Splitting of procurements into smaller units with the aim of avoiding the PPC or the Board will be considered a contravention of these procedures.

1.14 Bid/Tender documents preparation

The purpose of bidding documents is to inform and instruct potential bidders of the requirements expected of them in particular procurement opportunities.

Bid documents should clearly set out:

- Instructions to bidders;
- The goods or services to be supplied;
- The rights and obligations of the purchaser and of suppliers and contractors; and
- The conditions to be met in order for a bid to be declared valid and responsive (evaluation criteria).

Important considerations while preparing bid documents include:

- The procurement method selected — determines the details included in the documents.
- Accessibility and cost — should be available and affordable.
- Language — should be comprehensible.

Refer to Annex 4 for a sample Request for Proposal (RFP). The sample RFP and the evaluation criteria should be customised to suite each specific procurement.

The PPC shall have the responsibility of preparing the tender document, including the evaluation criteria.

NB: Also suggest that. Also suggest post tender clarifications are carried out in writing only and any error or alterations are presented to the PPC i.e. the original documents are presented together with any updated documents.

1.14.1 Errors in RFP Documents

Where errors are identified in the RFP documents, at least 2 PPC members shall review and record a file note re: the error. The corrective action may include a written communication with the vendors.

1.14.2 Clarifications to RFPs

The PPC shall communicate any clarifications to vendors through a written communication. This will be to clarify any queries raised in the procurement process.

1.15 Bid/Tender Receipt and opening

The PPC shall use a tender box for receipt of all competitive bids. The tender box shall be sealed after the deadline of the procurement notice, such that late bids will not be accepted, and shall be returned to the sender unopened.

At least 3 people should be involved in bid opening and record date / time / whether the package completely sealed or tampered with / supplier name / were the required number of bids contained within it / value of the proposal / opening by name and signature / witnessed by name and signature. Refer to Annex 11 for sample tender opening form.

1.16 Tender evaluation

HRC SI through the PPC will evaluate bids, quotations or proposals received. The results of the evaluation will be summarised on a score sheet.

A tender shall only be awarded to the bidder whose bidding documents best meets the evaluation criteria.

Final selection procedures may include the following methods depending on the items/ services being procured:

- Least cost selection or - where the primary consideration is the cost of goods and/or services
- Quality based selection - where the primary consideration is quality of the goods and/or services
- Quality and Cost based selection – where the selection considers both quality and cost. The weights be carried by each must be specified in advance

Evaluation should be done based on tender documents and should be driven by the following;

- Price
- Availability of goods/services
- Delivery period and
- Quality
- After sales support and warranty

2.7 Annex 7 - Goods Received Note (GRN)

HRC SI - GOODS RECEIVED NOTE (GRN)							
ADDRESS:		Phone:	Fax:		E-mail		
Lilongwe, Malawi							
GRN NUMBER		LPO NUMBER			DATE:		
No.	Item Description	Account Code	Delivery Note Number	Invoice Number	Quantity	Unit Price	Amount
				TOTAL			

6. Goods rejected on any grounds will be returned to or collected by the Supplier at his own expense.
7. Goods are to be consigned to the address (es) shown on the order and the costs are to be included in the prices quoted. Any demurrage or similar charges incurred through the Supplier's liability will be recovered from the Supplier.
8. The prices shown include the satisfactory packaging and packing of the goods to ensure safe transit and must be of robust construction sufficient to withstand rough handling and over storage in stores.
9. The No. 2 copy of this Order constitutes an acceptance of this order and must be signed and returned to HRCSI within 30 days. Failure to comply may be taken as non-acceptance and the order is liable to cancellation.
10. HRCSI will make any amendment to this order in writing and communications or enquiries relative to the order or subsequent amendment must be addressed to HRCSI.
11. Payment terms are strictly 30 days net after supply. Orders not supplied within 30 days from the Local purchase order date are automatically void.

2.6 Annex 6 - ToRs for Programme Procurement Committee (PPC)

- Prepare annual procurement plan based on the budget and work plan and monitor implementation its implementation
- Develop terms of reference , bid documents and evaluation criteria for procurement
- Undertake the procurement of goods and services that fall under their threshold
- Determine criteria for suppliers and service providers qualifying to be included on the pre-qualified list of service providers and ensure that this criteria is adhered to
- Ensure disclosures and management of conflict of interest as per the provisions of HRCSI's conflict of interest policy
- Monitor compliance with procurement policies and procedures
- Ensure adherence to the delegated authority matrix and make suggestions for amendments as necessary
- Review and approve high value procurement that may be procured through single sourcing, competitive bidding, national or international tendering.
- Conduct post tender negotiations with successful bidders to negotiate discounts, improve on delivery lead-times, or better payment terms for HRCSI
- Develop, review and update the procurement policies and procedures and recommend to the Board for approval.
- Monitor compliance with HRCSI's conflict of interest policy and ethical standards and procedures
- The Committee may consider and make recommendations to the Board as it sees fit on procurement related matters that require approval by the Board
- The Committee may at its discretion consider whether to carry out its investigations on matters relating to ethical business conduct of HRCSI's staff in order to make credible informed recommendations
- Develop terms of reference for procurement of goods and services
- Monitor the progress on long term contracts and take necessary measures as per the contract terms and conditions
- Maintain records of procurement documents

A Tender Evaluation Form" form and the selection criteria within this shall be agreed by the PPC prior to the invitation to tender or RFP being issued. Referred to in Annex 4 but should be bespoke for larger projects to ensure fitness for purpose.

1.17 Contracting guidelines

The bidder with the highest score is awarded the tender and a Purchase Order or Contract will be issued to them. HRCSI may negotiate the terms and conditions of contracts with potential suppliers. A permanent record of such negotiations such as minutes of meeting shall be retained by HRCSI.

A sample Local Purchase/Service Order is attached in Annex 5, and a sample contract template Annex 10. LPOs shall be issued where the value of the procurement is below USD 10,000. Above this amount, a contract shall be issued, unless the purchase is for very straightforward goods or services i.e. office supplies etc.

The Purchase/Service Order or Contract shall explicitly indicate the following terms and conditions;

- Any changes to the agreed scope of work or service, quantity or quality of goods, costs and period of the contract or delivery must be approved by HRCSI in writing prior to commencing on the proposed adjustments.
- HRCSI has no responsibility for ensuring tax compliance of suppliers except as may be specifically indicated in the particular contract.
- Withholding taxes shall be deducted at source as per local tax regulations

Where advance payments or deposits are required together with the LPO, such advance payment shall be reflected in the LPO as one of the terms of purchase, and the balance reflected (Please refer to the Finance manual for guidance on prepayments). The LPO issued shall specify the terms of the delivery of the goods and/or services.

The LPO/contract shall be printed in triplicate. The original shall be sent to the supplier, one copy will be sent to Finance for processing of payment and the other shall be filed in the LPO's and Contract file maintained by finance.

Before LPO's/contracts are approved, they must be supported by:

- An approved Requisition Form with full supporting documentation
- Where applicable, a supporting minute/resolution of the Program Procurement Committee or the Board.

LPO's and contracts will be approved as per the approval mandates in the Finance Manual.

A file for all Purchase/Service Orders and Contracts issued will be maintained. The program Finance Specialist will also maintain a log of all Purchase/Service Orders and Contracts. The log shall show the status of each of these documents i.e. whether fully or partially supplied, whether paid or outstanding etc so as to have an adequate record of HRCSI's liabilities at a particular point in time.

All Purchase Orders or Contracts must be approved as set out in the HRCSI finance manual.

1.18 Procurement by grantees

Generally, the procurement of goods and services by grantees shall remain the grantees responsibility and not that of HRCSI

HRCSI shall ensure that grantees have robust procurement systems and the capacity to carry out procurement.

Grantees will generally use their procurement guidelines unless such guidelines are considered inappropriate by HRCSI during pre award assessment

HRCSI may procure on behalf grantees (researchers and institutions) under the following circumstances;

- Where there is a compelling reason for a significant amount of supplies or inputs to be of standard quality or specifications for a group of HRCSI grantees
- Where it can be clearly demonstrated that by procuring on behalf of the grantees, the program and the grantees stand to benefit significantly in terms of discounts, convenience, quality, time etc
- Where a significant risk of HRCSI funds being used by grantees for reasons other than what the funds are intended for can be demonstrated

1.19 Contract management

Contracts management will ensure that contracts (including LPOs and LSOs) are closely monitored and executed. Contract administration functions are as follows:

- Ensures that both HRCSI and the supplier/contractor understand their responsibilities under the contract;
- Flush out and resolve potential problems before the contract takes effect;
- Check (after the contract becomes effective) to ensure that the supplier/contractor provides goods or services in accordance with the contract;
- Document problems and take the appropriate action to resolve and/or minimise anticipated impact;
- Ensure that all necessary contractual requirements are spelled out clearly, correctly and concisely;

The Finance Specialist will maintain a procurement control file and a contract file for each contract and monitor the delivery of services and progress in each of the contracts. The procurement file will among other things show the following details where applicable:

- Contract name
- Supplier/contractor
- Effective date
- Contract Amount and currency
- Payment schedule

The contract file shall show the following details where applicable:

- Deliverables of the specific contact
- Timing of deliverables
- Percentage of completion
- Amounts paid to date and balance remaining etc

All deliverables by contractors will be reviewed by the program manager, Finance specialist, PPC and/or the Board as the case may be before any payment is made. To ensure this, HRCSI will only pay invoices once deliverables have been approved.

1.20 Receipt of goods or services

The user or the program administrator as the case may be shall receive the goods or services and shall acknowledge so by generating a Goods Received Note which will be forwarded alongside the supplier's invoice and delivery note to finance for processing of payment. See Annex 7 for a sample Goods Received Note (GRN).

1.21 Conflict of Interest

A person has a conflict of interest with respect to a procurement if the person or a "relative" of the person seeks, or has a direct or indirect pecuniary interest in another person or vendor who seeks, a contract for the procurement; or owns or has a right in any property or has a direct or indirect pecuniary interest that results in the private interest of the person conflicting with his duties with respect to the procurement. For purposes of clarity, a "relative" means the person's spouse, child, parent, brother or sister or an in law/ step in the manner aforementioned

Each employee shall sign the conflict of interest policy in Annex 2.

Persons or parties with vested interests should be excluded from competing for contracts. No officer of HRCSI, NCST or Government will be allowed to participate in the selection, award or administration of a contract if a real or apparent conflict of interest is involved.

No contractor or consultant involved in developing or drafting specification requirements, statement of works or request for proposal will be considered for such procurement.

'HRCSI's shall not transact any business with persons who commit, threaten to commit or support acts of terrorism'.

1.22 Claims, disputes and appeals

Complaints, claims, disputes, and appeals that may arise are likely to be based on tender information. Dissatisfied bidders may send their complaints directly to the Chairperson of the PPC or the Programme Manager or the Director General or the Chairperson of the Finance and Audit Committee who shall review the complaint and address in the most appropriate manner in accordance with the prevailing procurement guidelines, laws and regulations.

Annexes

2.5 Annex 5 - Sample LPO/LSO

HRCSI - LOCAL PURCHASE/SERVICE ORDER				
ADDRESS:		PHONE:	FAX	
Lilongwe, Malawi				
LOCAL PURCHASE/ SERVICE ORDER (LPO/LSO)		NUMBER	DATE	
NAME OF SUPPLIER				
ITEM CODE			EXPENSE CATEGORY	
EXPENSE SUB-CATEGORY			SOURCE OF FUNDS	
PLEASE SUPPLY THE FOLLOWING GOODS/SERVICES				
	ITEM DESCRIPTION	QTY	UNIT PRICE	TOTAL
QUOTATION NUMBER AND DATE				
REQUESTED BY			SIGN	DATE
REVIEWED BY			SIGN	DATE
APPROVED BY			SIGN	DATE

See overleaf for conditions applicable to this LPO/LSO

CONDITIONS APPLICABLE TO THIS PURCHASE ORDER

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

1. The execution of all or part of this order is subject to the following conditions unless otherwise stated in writing, HRCSI reserves the right to reject any suppliers not confirming to these conditions.
2. All goods covered by this order are to be met strictly in accordance with samples/specifications/schedule of requirements/brochures submitted with your quotations and accepted as the standard of supply. No alterations in any respects are permitted without prior agreement by HRCSI in writing.
3. Deliveries must be made within the accepted delivery period and specified in this order unless agreement has been reached and written confirmation given of the alteration. If the goods are not delivered within this period, this order may be cancelled without cost to HRCSI or alternatively supply may be obtained from other sources and you will be liable to defray any additional costs such action will incur.
4. All articles, materials, workmanship or services covered by this order shall be the subject of HRCSI's tests at all times before, during or after completion.
5. The supplier warrants that all articles, materials or services delivered or performed to be free from defect of material or workmanship and this warranty shall survive any inspection, delivery, acceptance or payment by HRCSI of the article, material or workmanship.

- i. In the first stage, the Technical Proposals are evaluated on the basis of their responsiveness to the RFP. Evaluation is conducted in accordance with the criteria set out in the section "Technical Evaluation Criteria".
- ii. In the second stage, the only Financial Proposals considered are those of the prospective supplier whose Technical Proposals have equalled or exceeded the minimum score of xxx% of the obtainable score of 100%. The Financial Proposals of those prospective suppliers are opened, evaluated and compared. The winning proposal will be that of the prospective Supplier that has the highest technical score combined with the lowest financial terms on a weighted basis (xx% technical and xx% financial).
- iii. If the Evaluation Panel should agree that the Technical & Financial Proposals from two or more prospective suppliers are equal both technically & financially, the deciding factor will be deliberated and decided upon by NCST.

Technical evaluation criteria

The criteria and the relevant obtainable points that will be used for evaluating the technical proposals are set out on the table xxx below. The obtainable number of points specified for each criterion indicates the relative significance or weight of the item in the overall evaluation process.

Table xxx: Technical Evaluation criteria and points

Criteria	Points Obtainable	Prospective Suppliers' Scores				
		A	B	C	D	E
A	Administrative conditions					
	Completeness of the proposal	5				
B	Technical Response					
	Meets minimal technical requirements	60				
C	Approach and work plan					
	Understanding of the user requirements	5				
	Methodology	5				
	Timelines and work plan	5				
D	Expertise and Experience					
	Qualification of key project management and technical personnel	5				
	References	5				
E	Competitive position and future commitment					
	Maintenance and support	5				
	Upgrades and enhancements	5				
TOTAL		100				

Award of contract

NCST reserves the right to accept or reject any proposal; to annul the bid process; and reject all proposals at any time prior to award of contract, without thereby incurring any liability to the affected prospective suppliers or any obligation to inform the affected prospective Supplier or prospective suppliers of the grounds for NCST's action. Prior to expiration of the period of proposal validity, NCST will award the contract to the qualified prospective supplier Proposal after being evaluated is considered to be the most responsive to the needs of the NCST.

The NCST's Right to Vary Requirements at the Time of the Award

NCST reserves the right at the time of award of contract to vary the quantity of services and goods specified in the RFP without any change in price or other terms and conditions.

Signing of the Contract

Within xxx days of receipt of the contract, the successful prospective Supplier shall sign and date the contract and return it to the NCST.

In this regard therefore:

- Tender terms and conditions for procurement should be clear on dispute resolution.
- Bidders should be aware of the options and procedures available for dispute resolution.

1.22.1 Dispute resolution

If a bidder contests a procurement decision, the Program Procurement Committee shall refer the appeals to the Finance and Audit Committee (FAC) to institute an independent review of the procurement process and decision.

All procedures related to the procurement in question shall be suspended until a direction is issued by the FAC.

The Programme Manager shall communicate the decision of the FAC to concerned bidder in writing. If the bidder is not satisfied with decision, the Director General shall escalate the issue to the Board for further direction.

1.23 Key risks and controls

The procurement process has in-built controls against risks that may materialise during the procurement process. Some key risks and controls are highlighted in the table below. The risks and controls highlighted in this table are not conclusive and act to show the controls that have been input into the procurement process.

No.	Risk	Controls
1.	Procurement of in appropriate goods and services	<ul style="list-style-type: none"> • Proper design of specifications and terms of reference with the help of experts if necessary • Pre - qualification of suppliers to ensure contracting of the best suppliers
2.	Loss of procurement documents	<ul style="list-style-type: none"> • Custody and responsibility over procurement documents to be vested in the FS.PPC • Sequential numbering of procurement documents
3.	Lack of value for money	<ul style="list-style-type: none"> • Competitive bidding to ensure the best supplier is contracted • Adherence to the budget • Contract management to ensure specifications are followed
4.	Payment for undelivered goods and services	<ul style="list-style-type: none"> • Contract management by ensuring invoices posted into the system relate only to goods and services that have been received • Segregation of responsibilities and clarity in authorisation levels • All procurement must be authorized appropriately • Confirmations from users
5	Double payment of goods or services.	<ul style="list-style-type: none"> • Stamp 'PAID' after payment

NB: Since procurement has a high risk of fraud, having at least 2 people at all the key stages of the procurement and sealed bids with witnessed opening and recording would go some way to protect this.

1.24 Procurement records

HRCSI shall maintain a record and preserve documentation in respect of procurement or procurement proceedings including originals of bids received. This documentation shall be maintained for a period of at least seven years from the later of;

- date of contract award or,
- date of termination or cancellation of the contract or,
- date of contract completion

1.25 Auditing

Procurement activities of HRCSI shall be subject to regular auditing through the normal audit procedures. This is to ensure that:

- HRCSI funds are expended for the intended purpose.
- The program maximises benefits accruing from procurement by getting value for money in procurement.
- Proper and accountable systems are in place and adhered to
- Weaknesses in procurement are identified

2. ANNEXES

2.1 Annex 1 - Change Request Form

HRCSI CHANGE REQUEST FORM		
Section of the manual to be changed:		
.....		
.....		
.....		
Proposed changes to the manual:		
.....		
.....		
.....		
PROPOSED BY:	SIGN	DATE
REVIEWED BY:	SIGN	DATE
APPROVED BY:	SIGN	DATE

2.2 Annex 2 - Conflict of interest policy

HRCSI employees each owe a fiduciary duty of loyalty, fidelity and allegiance to act at all times in the best interests of the organization and any of its affiliated subsidiaries and divisions. No employee shall do any act, which would, directly or indirectly, injure the organization's business, interests, or reputation. Any direct or indirect interest in, connection with, or benefit from any outside organisation or activities, particularly commercial activities, which interest might in any way adversely affect the HRCSI, or any of its funders/donors or grantees, involves a possible Conflict of Interest.

In keeping with employee's fiduciary duties to HRCSI, employees shall not knowingly become involved in a conflict of interest with the HRCSI, its funders, donors or grantees, or upon discovery thereof, allow such a conflict to continue. Moreover, no employee shall engage in any activity, which might involve a possible conflict of interest without first declaring such possible conflict of interest and obtaining approval in accordance with the HRCSI's policies and procedures. Failure to adhere to the conflict of interest policy may result in disciplinary procedures as will be determined by the Board.

HRCSI employees shall at all times comply with and be subject to such policies and procedures as the organization may establish from time to time, including but not limited to the HRCSI's Ethics Policy.

Iacknowledge receipt of the notes on the Conflict of Interest as guidelines on Standard of Code of Conduct and confirm that I have read and understood the contents thereof.

Sign: Date:

- The second inner envelope shall contain two copies of the "Financial Segment" of the Proposal. One copy should be marked "Original" and the second should be marked "Copy".
- If any of the inner envelopes is not sealed and marked in accordance with the instructions in this clause, NCST will not assume responsibility for the Proposal's misplacement or premature opening.

Deadline for submission of proposals

Proposals must be received by NCST at the address specified no later than dd – mm -yy. NCST may, at its own discretion, extend this deadline for the submission of Proposals by amending the bid documents in accordance with clause Amendments of Bid Documents, in which case all rights and obligations of NCST and the prospective suppliers previously subject to the deadline will thereafter be subject to the deadline as extended.

Late proposals

Any Proposal received by NCST after the deadline for submission of proposals will be rejected.

Modification and withdrawal of proposals

The prospective Supplier may withdraw its Proposal after the Proposal's submission on condition that the written notice of the withdrawal is received by NCST prior to the deadline prescribed for submission of Proposals. The Prospective Supplier's withdrawal notice shall be prepared, sealed, marked and dispatched in accordance with the provisions of the clause Deadline for Submission of Proposals [Section xxx above]. The withdrawal notice may also be sent by email or fax on condition that it is followed by the original signed confirmation copy. No Proposal may be modified subsequent to the deadline for submission of proposals. No Proposal may be withdrawn in the Interval between the deadline for the submission of proposals and the expiration of the period of proposal validity specified by the Prospective Supplier on the Proposal Submission Form.

OPENING AND EVALUATION OF PROPOSALS

Opening of proposals

The proposals will be opened in the presence of a special Evaluation Panel formed to evaluate these proposals.

Clarification of proposals

To assist in the examination, evaluation and comparison of proposals, NCST may, at its discretion, ask the prospective Supplier for clarification of its proposal. The request for clarification and the response shall be in writing and no change in price or substance of the Proposal shall be sought, offered or permitted.

Preliminary examination

NCST will examine the Proposals to determine whether they are complete; whether any computational errors have been made; whether the documents have been properly signed; and whether the Proposals are generally in order.

- Arithmetical errors will be rectified on the following basis:
 - If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected.
 - If the prospective Supplier does not accept the correction of errors, its Proposal will be rejected.
 - If there is a discrepancy between words and figures, the amount in words will prevail.
- Prior to the detailed evaluation, NCST will determine the substantive responsiveness of each Proposal to the RFP. For purposes of these Clauses, a substantively responsive Proposal is one that conforms to all the terms and conditions of the RFP without material deviations.
- NCST's determination of a Proposal's responsiveness is based on the contents of the Proposal itself without recourse to extrinsic evidence.
- A Proposal determined as not substantially responsive will be rejected by NCST and may not subsequently be made responsive by the prospective supplier by correction of the non-conformity

Evaluation and comparison of proposals

A Two-stage procedure will be utilised in evaluating the proposals. The evaluations of the Technical Proposals are completed prior to the opening, evaluation and comparison of the Financial Proposals:

3 reference sites that can be contacted by NCST

- Proposed implementation plan. A detailed project plan should be submitted within xxx working days of signing of the contract for discussion with NCST.
- Proposed project team and their qualifications
- Proposed technical staff and their qualifications

In the technical proposal, the supplier should clearly demonstrate that the following minimum requirements have been met for consideration of their bid:

- Company profile which shall briefly outline registration details, size of operations, services offered, organizational structure and information about affiliates (where applicable)
- Certification documents including business licenses, software licenses, tax registration and compliance certificates, and/or authorization letter from the software manufacturer to distribute the software in Malawi.
- Demonstration of how user requirements will be met. The supplier is required to clearly demonstrate how user requirements will be met.
- Support services available: Comprehensive explanation of on-going support and maintenance in addition to set-up.
- Warranty period.

Financial proposal

This section shall outline all costs in relation to the procurement, these may include:

- licenses costs in case of intellectual property
- Design costs in case of construction works, software etc
- Training costs
- Annual maintenance and support costs
- Any other costs relevant for implementation and operation such as insurance, renewal fees etc

Clearly specify whether prices are inclusive or exclusive of all relevant taxes. All prices should be quoted in (insert currency).

Demonstration

The prospective supplier shall be required to demonstrate the proposed solution. The technical proposal shall include a statement of readiness to provide the proposed and a demonstration of how the user requirements will be met within xxx working days from the date of the notice from NCST.

SUBMISSION OF PROPOSALS

Sealing and marking of proposals

The prospective supplier:

- Shall seal the Proposal in one outer and two inner envelopes, as detailed below.

The outer envelope shall be addressed to:

*The National Commission for Science and Technology
Attention: (Insert name), (insert title), National Commission for Science and Technology
And marked: "RFP for Supply of"*

- Shall ensure that the inner envelopes indicate the name and address of the prospective supplier. The first inner envelope shall state "Technical Proposal" & shall contain two copies of the Technical Proposal. One copy should be marked "Original" and the second should be marked "Copy".

2.3 Annex 3 - Requisition & Quotation Analysis Form

HRCISI –REQUISITION & QUOTATIONS ANALYSIS FORM				
ADDRESS:				
Lilongwe, Malawi	DATE:	PHONE:	FAX	
Required service and specifications:				
Mode of Purchase:		Budget Line:		
Quotation Details:	Supplier 1	Supplier 2	Supplier 3	Supplier 4
Item 1				
Item 2				
Item 3				
Total				
Recommendation:				
Reason for recommendation:				
Analysis done by:	Signature:		Date:	

2.4 Annex 4 – Sample Request for Proposal Document

Request for Proposal

(Insert what is to be procured)

Table of contents

Administrative conditions

Contracting authority	National Commission of Science and Technology (NCST)
Postal address	Private Bag B303, City Center, Lilongwe
Courier address	Lingadzi House, Robert Mugabe Crescent, City Center, Lilongwe
Contact person	(Name) (Title) National Commission for Science and Technology Private Bag B303, City Centre, Lilongwe Telephone:
Last date to tender	dd – mm - yy
Address and marking	The tender must be sealed and addressed to the contracting authority. The envelope must be clearly marked as indicated below: ""
Tenders submitted by fax or e-mail	Not allowed.
The tender shall be valid until	xxx days from the last date to tender
Term of Contract	xxx days

Background

The National Commission for Science and Technology (NCST) was established as a parastatal through the Science and Technology Act number 16 of 2003 with a mandate to advise government and other stakeholders on all science and technology matters in order to achieve a science and technology led-development. The Commission has 4 directorates namely:

- Directorate of Research and Technology Transfer
- Director of Planning, Monitoring and Evaluation
- Directorate of Documentation and Information Services
- Directorate of Finance and Administration

NCST is a parastatal sub-vented by the Government of Malawi to finance its operations. The Commission hosts a number of donor funded projects that contribute or are in line with its mandate.

Introduction

General

This request for proposal (RFP) has been prepared by the National Commission for Science and Technology with respect to HRCSI to obtain all-inclusive proposals for the supply of The procedures and practices presented in this RFP have been developed to enable suppliers to prepare responsive bids.

The procedures and practices presented in this RFP have been developed to reflect the requirements of international procurement best practice.

Where specific definitions for any of the above mentioned products are required, it would be explicitly defined in that section.

NCST welcomes any feedback or comments from the users of this RFP which will assist in clarifying requirements of the client at least xxx days before deadline for submission of bids.

Cost of proposals

The prospective supplier shall bear all costs associated with the preparation and submission of the Proposal. NCST will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bid.

BID DOCUMENTS

Contents

Prospective suppliers are required to submit proposals for all the services outlined in this RFP. Proposals offering only part of the requirement will be rejected. The prospective supplier is expected to examine all corresponding instructions, forms, terms and specifications contained in the RFP. Failure to comply with RFP requirements will be at the prospective supplier's risk and may affect the evaluation of the Proposal.

Clarification

A prospective supplier requiring any clarification of this request for proposal may notify NCST in writing. Requests for additional information should be addressed to NCST's contact data set out in the first page of this RFP. NCST will respond in writing to any request for clarification of the RFP that it receives earlier than xx days prior to the deadline for the submission of proposals. Written copies of the organisation's response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective suppliers that have received the RFP.

Amendments

At any time prior to the deadline for submission of Proposals, NCST may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective supplier, modify the Bid Documents by amendment. All prospective suppliers that have received the Bid Documents will be notified in writing of all amendments to the Bid Documents. In order to afford prospective suppliers reasonable time in which to take the amendments into account in preparing their offers, NCST may, at its discretion, extend the deadline for the submission of Proposals.

PREPARATION FOR PROPOSALS

Language of the proposal

The Proposal and all correspondence and documents relating to the Proposal and the Request for Proposal exchanged by the prospective suppliers and NCST shall be written in the English language.

Documents comprising the proposal

The Proposal shall contain the following:

- Technical segment of the Proposal: This should include all relevant information and documentation necessary to demonstrate that the prospective supplier meets all requirements stipulated in this RFP;
- Financial segment of the Proposal set out in the Financial Data Format;

The prospective Supplier shall ensure the following:

- The Technical Segment does not contain any pricing information on the services offered unless specifically requested. Pricing information shall be separated and only contained in the Financial Segment.
- All references to relevant and descriptive materials and documents are included in the appropriate response paragraph
- The information that the Prospective Supplier considers proprietary is clearly marked "proprietary" next to the relevant part of the text. NCST will then treat the information accordingly.

For the financial proposals, the prospective Supplier shall indicate in its financial segment the prices of the professional services it proposes to supply under the contract. All prices shall be quoted in (insert currency). Local suppliers will be paid in Malawi Kwacha.

Validity period for proposals

Proposals shall remain valid for xxx days after the closing date for submission of proposals as stipulated in Section xxx "Deadline for Submission of Proposals". A Proposal valid for a shorter period may be rejected by NCST on the grounds that it is non-responsive. In exceptional circumstances, NCST may solicit the prospective supplier's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. A prospective supplier granting the request will not be required nor permitted to modify its Proposal.

Signing of proposals

The Prospective Supplier shall prepare two copies of the Proposal, clearly marking them "Original Proposal" and "Copy of Proposal" as appropriate. In the event of any discrepancy between them, the original shall prevail.

The two copies of the Proposal shall be typed or written in indelible ink and shall be signed by the Prospective Supplier or a person or persons duly authorised to bind the Prospective Supplier to the contract. The latter authorisation shall be indicated by written power of attorney accompanying the Proposal.

A Proposal shall contain no interlineations, erasure, or overwriting except, as necessary to correct errors made by the prospective Supplier. In which case, the person or persons signing the Proposal shall initial such corrections.

Preparation of the proposal guidelines

In preparing their Proposal, a supplier is expected to examine in detail this RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal. If the supplier associates with another entity to enhance their qualification, the principal bidder shall be clearly identified in the proposal.

The estimated number of person days for key professional staff envisaged to implement the software should be clearly shown in the proposal.

The proposed staff must be available to perform the assignment.

Technical proposal

The supplier is required to submit a technical proposal which shall provide the following information.

- (Include issues to do with design and implementation, approach)
- (Include training approach including name of proposed training courses, objectives and intended audience etc)
- List of clients to whom you have provided similar systems in Malawi and/or in the region. This shall include