



**SOUTHERN AFRICAN
DEVELOPMENT
COMMUNITY
SECRETARIAT**

**PROCUREMENT
GUIDELINES**

AUGUST 2011

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GLOSSARY OF TERMS

Accounting Officer	Is the Executive Secretary's of SADC Secretariat.
Addendum	Is the document through which significant modifications to the terms and conditions of a bidding document or a contract are introduced.
Appeal	Is the procedure to be followed by an unsuccessful bidder/applicant. to contest the result of a decision issued by Procuring Entity during the procurement process.
Applicant	Is the economic operator responding to a Procuring Entity Invitation to Pre-qualification or Request for Expression of Interest.
Application Form	Is the document to be sent by an applicant in response to Procuring Entity Request for Expression of Interest or Invitation to Pre-qualification.
Approved Supplier	Is an economic operator registered in the SADC Secretariat Database of Approved Suppliers.
Award Notice	It is the procurement notice issued by Procuring Entity to advertise the award of a contract.
Best value for money	See "most economically advantageous offer".
Bid	Is a written and/or formal offer to supply goods, perform services or execute works for an agreed price.
Bidding Documents	Is the dossier containing all the documents needed to prepare and properly submit a bid for general services, goods and works.
Bid security	Is a security provided by the economic operator to the Procuring Entity to secure the fulfilment of any obligation referred to in bidding documents and includes such arrangements as bank guarantees, surety bonds, stand-by letters of credit, cheques on which a bank is primarily liable, cash deposits, promissory notes and bills of exchange
Bidder	Is a legal person or joint venture/consortium submitting an offer willing to conclude a contract.
Board of Auditors	Is the body of External Auditors established as per the requirement of Article 29 of the Treaty.

Cancellation Notice	Is the procurement notice issued by Procuring Entity to inform bidders or applicants about the cancellation of a procurement process.
Contract	Is a written agreement between two or more persons or entities, with specific terms and an undertaking to provide services, goods and/or works in return for a financial consideration.
Contractor	Is an economic operator entering into a contract with the Procuring Entity following a procurement procedure. This term shall apply irrespective of the category of procurement (i.e.: services, goods or works) which is subject of the contract.
Contractual document	Is any type of contract and its subsequent addenda between Procuring Entity and a Contractor.
Conflict of interest	In the context of this Guidelines means that an economic operator shall not be allowed to get engaged in any procurement process for delivery of any kind of services, goods or works that would be in conflict with their prior or current obligations to other clients, or that may place them in the position of being unable to carry out the contract in the best interest of the SADC Secretariat and of the Procuring Entity.
Controlling Officer	It the budget holder who has the roles and responsibilities as defined in the SADC Secretariat Financial Regulations.
Consulting Services	“Consulting Services” refers to wide variety of services such as advisory services; research/investigation , management; engineering; construction supervision; design and architectural services, training/training like education services, audit, financial (other than banking operation); legal and procurement services. Includes also feasibility studies, social and environmental studies; identification, preparation, and implementation of projects services, etc or any other services in which the “human factor” is determinant for the output of the contract. By extension, the operational costs of implementation of the project, including research, Institution or participation in workshops, study visits and exchange programmes, etc. shall be assimilated to “Consulting Services”.
Council of Ministers	Is the governing body of the SADC Secretariat, established by Article 9 of the Treaty.
Database of Approved Suppliers	Is SADC Secretariat database of prequalified economic operators which are invited by the Procuring Entity to submit bids, proposals and/or quotations, under the conditions of Local and Regional Restricted Bidding procurement methods.

Day	Is calendar day unless otherwise specified.
Deputy Executive Secretary	It is the person appointed by the SADC Institution as Deputy Executive Secretary of the SADC Secretariat as defined in Article 15.3 of the Treaty.
Economic operator	Is any natural or legal person or public entity or joint venture/consortium of such persons and/or bodies wishing or entering into a contract with the SADC Secretariat following a procurement procedure.
Equipment	Is machinery, apparatus, components and any other articles intended for use in the works.
Estimated value of a contract	Is an estimation of the price of performing the contract.
Executive Secretary	It is the person appointed by the Council of Ministers as Chief Executive Officer of the SADC Secretariat as defined in Article 10.7 of the SADC Treaty.
Expert	Is person engaged to provide the expertise required for the proper performance of a contract.
Explanatory note	Is a summary at the beginning of a contract dossier or addendum dossier, explaining the purpose and essential features of the contract or addendum.
Financial proposal	Is the section of a bid containing all the financial elements of the bid, including its summarized budget and any detailed price breakdown or cash-flow forecast required by the tender dossier.

<p>Force Majeure</p>	<p>Is an exceptional event or circumstance:</p> <ol style="list-style-type: none"> (1) which is beyond SADC Secretariat/Procuring Entity control; (2) could not reasonably have provided against before occurrence; (3) not substantially attributable to SADC Secretariat/Procuring Entity; and (4) which, having arisen, SADC Secretariat/ Procuring Entity could not have reasonably avoided or overcome. <p>Force Majeure may include, but is not limited to, exceptional events or circumstances of the kind listed below, so long as conditions (1) to (4) above are satisfied:</p> <ol style="list-style-type: none"> i. war, hostilities (whether war be declared or not), invasion, act of foreign enemies, ii. rebellion, terrorism, sabotage by persons other than the SADC Secretariat/ Procuring Entity staff, revolution, insurrection, military or usurped power, or civil war, iii. riot, commotion, disorder, strike or lockout by persons other than the SADC Secretariat/ Procuring Entity, iv. munitions of war, explosive materials, ionising radiation or contamination by radio-activity, explosives, radiation or radio-activity, and v. natural catastrophes such as floods, earthquake, hurricane, typhoon or volcanic activity.
<p>General Services</p>	<p>The term “General Services” refers to services bid and contracted on the basis of performance of a measurable physical output. They are: transport services, accommodation services, printing, editing, broadcasting, cleaning services, security services, insurance services, medical services, manufacture or conditioning of goods, communication services, renting or leasing of property or equipment, installation, commissioning, operation and maintenance of facilities or plant, surveys, exploratory drilling, aerial photography, satellite imagery, or any other similar type of services not assimilated to “Consulting Services”. Unless the specific circumstances require transportation, insurance, installation, commissioning, training, and maintenance services associated to procurement of goods to be purchased separately from the main goods, such services shall be incorporated as requirements in the goods and be considered goods.</p>
<p>General Conditions</p>	<p>Is the general contractual provisions setting out the administrative, financial, legal and technical clauses governing the execution of all contracts of a particular type.</p>

Goods	The term “Goods” refers to all commodities (including books and journals), raw material, machinery, equipment, and industrial plant including the related services to be provided by the vendor along them, such as transportation, insurance, installation, commissioning, training and initial maintenance.
International Restricted Bidding	Is a competitive procurement method which entails a pre-qualification process open to all economic operator, as the first step, and an invitation to bid open only to the prequalified bidders, as the second step. For more details on conditions of application and use see Article 6.2.2 of the Guidelines .
Invitation to bid	Is the letter sent to selected economic operators inviting them to submit a bid.
Invitation to Registration	Is the solicitation document advertised or sent by Procuring Entity to invite economic operators to apply for registration in the SADC Secretariat Database of Approved Supplies.
Installations	Is machinery, apparatus, components and any other articles intended to work together to fulfil certain functionalities.
Institution	Is SADC Secretariat.
Limited Bidding	Is a procurement method which is essentially the Restricted Bidding method with the exception that the shortlist is established by the Procuring Entity without pre-qualification or open advertisement. For more details on the conditions of application and use see Article 6.2.5 of the Guidelines .
Local Restricted Bidding	Is a variation of Restricted Bidding which entails that the request for quotations/request for proposals is sent by the Procuring Entity only to those economic operators register in the relevant lot of the local section of the SADC Secretariat Database of Approved Suppliers. For more details on conditions of application and use Article 6.2.2 of the Guidelines .
Open Bidding	Is a procurement method which involves an open invitation to submit a technical and financial proposal in competitive bidding process to all interested economic operators. For more details on condition of application and use see Article 6.2.1 of the Guidelines .
Multiple Framework Contract	Is an agreement between the Procuring Entity and several contractors, with the purpose of establishing the terms governing specific contracts which may be awarded during a given period, mainly concerned with the duration, subject, price, implementation rules and quantities.
Personnel	Is a natural persons employed by bidders or contractors as experts or staff.

Plant	Appliances and other machinery, and the temporary structures on the site required to carry out the works, but excluding the equipment or other items required to form part of the permanent works.
Procurement	Is the legal acquisition by any means of goods, works or services required to satisfy the needs of the SADC Secretariat.
Procurement Notice	Is the documents issued by the Procuring Entity to advertise its procurement processes. It includes General Procurement Notice, Invitation to Pre-qualification, Requests for Expressions of Interest, Shortlist Notice, Award Notice and Cancellation Notice
Procurement method	Is the procedures through which the Procuring Entity purchase services, goods and works.
Procurement procedure	Is the overall process of issuing a contract out for tender, starting with the publication of a procurement notice and successfully ending with the award of the contract. It also includes the registration in the Database of Approved Suppliers, and if applicable, the appeal procedures.
Procuring Entity	Is the SADC Secretariat designated Accounting Officer represented by the specialized unit in charge of the procurement activities of the Institution, or any decentralized structure of the Institution or procurement agent employed by the SADC Secretariat to act on its behalf.
Proposal	Is a bid which is submitted by an economic operator in response to the Procuring Entity submission of a Request for Proposals.
Purchase Order	Is a written authorization of the Procuring Entity requesting an economic operator to furnish the services, goods and works indicated in its offer/quotation. The purchase order becomes a simplified contract when it is signed by both parties.
Quote/Quotation	Is a formal statement of bid by potential contractor to furnish the services, goods and works requested by the Procuring Entity.
Restricted Bidding	Is a competitive procurement method which entails a pre-qualification process open to all economic operator, as the first step, and an invitation to bid open only to the prequalified bidders, as the second step. For more details on conditions of application and use see Article 6.2.2 of the Guidelines

Regional Restricted Bidding	Is a variation of Restricted Bidding which entails that the request for quotations/request for proposals is sent by the Procuring Entity only to those economic operators register in the relevant lot of the regional section of the SADC Secretariat Database of Approved Suppliers. For more details on conditions of application and use Article 6.2.2 of the Guidelines .
Request for Expression of Interest	Is a document issued by Procuring Entity to advertise the needs for Consulting Services to be delivered by individual consultants.
Invitation to Pre-qualification	Is a document issued by Procuring Entity to advertise the opportunity for a Procuring Entity contract and the conditions to be met by economic operators in order to be invited to bid.
Request for Quotations	Is a simplified Bidding Document for general services, goods and works.
Request for Offer	Is the simplified solicitation document sent to the selected economic operator to express the Procuring Entity intention to purchase services, goods of works through negotiation with a single source, under the single source procurement method.
Request for Proposals	Is the Bidding Document containing all the documents needed to prepare and properly submit a bid for consulting services.
SADC	Is Southern African Development Community and its institutions established by the Treaty
SADC Procurement Appeals Review Committee	Is the Committee appointed by the Council of Ministers, with the role and responsibility in handling the procurement appeals procedures in accordance with the Article 42 of the SADC Secretariat Procurement Policy.
SADC Secretariat	Is the principal executive institution of SADC responsible for, amongst others, the strategic planning and management of SADC programmes, implementation of decisions of SADC policy organs and institutions, such as, Summit, Council and the Troikas.
SADC Tender Committee	Is the Committee appointed by the Executive Secretary and entrusted with the authority and responsibility to take executive decision in relation to all procurement processes financed by the SADC Secretariat.
Shell company	Is a company which serves as a vehicle for business transaction without itself having significant assets or operations and which was set either to obscure the real identity of the natural or legal person which in effect conducts business transaction. By no means the subsidiary/branch or the agent of a legal person shall be assimilated to a “shell company”.

	shall
Shortlist Notice	Is the document issued by Procuring Entity, under an International Restricted Procedure, to invite the selected economic operators to submit a bid.
Single Source procedure	Is an exceptional non-competitive procurement method that can only be used under the conditions described in article 6.2.6 of the Guidelines
Solicitation Documents	Is documents issued by the Procuring Entity to inform potential bidders about its procurement requirements. It includes Bidding Documents, Request for Proposal, Request for Quotations, Request for Offer and Request for Expression of Interest.
Special Conditions	Is an integral part of the contract and includes clarifications and/or supplements to the General Conditions.
Subcontractor	Is a natural or legal person employed by the Contractor to undertake parts of the activities to be performed under the contract.
Supplier	Is any natural or legal person or public entity or consortium of such persons and/or bodies offering to supply services, goods or works.
Technical proposal	Is the part of a tender containing the non-financial elements of the bid, i.e., all elements other than the financial offer required by the Bidding Document/Request for Proposal. The technical offer shall not contain any financial indications.
Treaty	Is the treaty establishing SADC, as amended.
Threshold	Is a monetary value of the estimated procurement contract which is set for separating the conditions of applications of the various procurement methods or set the procurement approving authority.
Works	The term “Works” refers to: i) all works associated to construction, refurbishment or maintenance of buildings or civil infrastructure (roads, bridges, ports, channels, dams, sewage systems, etc); ii) land reclamation (such as earthworks, drainage, flooding, etc) and iii) civil installations (waste treatment plants, irrigation systems, electricity lines, etc).

PART I. GENERAL

1. Introduction

1.1 Purpose and Use of the Guidelines

- (1) These Guidelines are intended to provide guidance on the policies and procedures that govern the procurement of goods, works, and services (consulting and general) to all the staff members involved in the various stages of the procurement activities conducted by the SADC Secretariat.
- (2) The Guidelines and any subsequent amendments shall be governed by the SADC Secretariat's Financial Regulation and SADC Secretariat Procurement Policy.
- (3) The Guidelines define the principles of division of responsibilities between the various actors engaged in the procurement processes.
- (4) The procedures stated in the Guidelines are designed to ensure that Procuring Entity staff can act in accordance with the Procurement Policy and Guidelines, and assisting those economic operators and natural persons seeking to enter into procurement contracts with the Institution, and assure that their bids are considered and assessed in a fair and transparent manner.
- (5) When involved in procurement activities for the SADC Secretariat, all staff members are required to comply with the provisions of the Guidelines.
- (6) At the same time, for those seeking SADC Secretariat business, the Guidelines set out the conditions to be mandatorily fulfilled for being awarded a SADC Secretariat procurement contract.

1.2 Amendments and revisions to the Guidelines

- (1) For reasons of efficiency, transparency and, the technology changes over time, the Guidelines shall be subject to review from time to time through a consultative process. The review process shall be coordinated by a relevant committee appointed by the Executive Secretary,
- (2) All amendments will come into effect only after approval by the Executive Secretary and publication on the SADC Secretariat website.
- (3) To ensure stability and predictability of the SADC Secretariat procurement system, any procurement process already started at the time of the revision of the Guidelines shall follow the procurement rules and procedures stipulated in the Guidelines in force at the time when the procurement process started.
- (4) Any amendment to the Guidelines shall not apply retrospectively.

2. Procurement Responsibilities

2.1 Roles and responsibilities

- (1) Within the limits set by the Guidelines, the overall responsibility for all the Procurement Functions of the SADC Secretariat shall be entrusted to the Procurement Function. Hence, all procurement activities of the Institution shall be coordinated and conducted by the Procurement Function.

- (2) In the case of decentralised structures of the SADC Secretariat or in the case of independent projects or programmes funded by the Institution, with the prior approval of the Executive Secretary, the role and responsibilities of the SADC Secretariat Procurement Function may be delegated to decentralized Procurement Functions or to external contractors to provide Procurement Agent Services.
- (3) Prior to delegating the procurement roles and responsibilities to an external Procuring Entity, SADC Secretariat shall sign memorandum of understating defining the extent or responsibilities and the exact role and procedures which shall be followed by the procuring entities. However, irrespective of role and responsibilities delegated to the external Procuring Entity, SADC Secretariat shall be ultimately held responsible for the outcome or the legality of the procurement processes and for the implementation and administration of contracts financed by the Institution.

2.2 *General responsibilities in implementation of the procurement activities*

- (1) Pursuant to provisions under the Treaty, as amended, in particular the responsibilities of the SADC Secretariat (Article 14), Executive Secretary and Deputy Executive Secretary (ies) (Article 15) and Financial Provisions (Articles 28 to 30) and other instruments established under the provisions of the Treaty including the Procurement Policy, the following general responsibilities shall apply on procurement:
 - (2) **Council:** shall also be responsible for:
 - (i) approval of the Procurement Policy and its amendments
 - (ii) appointing and revoking membership of the SADC Procurement Appeals Review Committee; and(iii) receive and consider reports on compliance with the Procurement Policy.
 - (3) **Executive Secretary:** Has the overall responsibility and accountability for proper implementation of the Procurement Policy and Guidelines. He is exercising his role in procurement by:
 - (a) performing his attribution as Accounting Officer;
 - (b) proposing to the Council amendments to Procurement Policy and implementation structure;
 - (c) establishing a schedule of delegation of authority to commit resources;
 - (d) establishing decentralisation of Procurement Function to implementing partners;
 - (e) appointing and revoking membership of the SADC Tender Committee;
 - (f) approving procurement regulations, including procurement guidelines, standard procurement and solicitation documents (such as bidding documents, contracts, procurement notices, evaluation reports, etc) and other similar procurement operational manuals, as well their subsequent modifications; and
 - (g) approving the use of Single Source and Limited Bidding procurement methods.
 - (3) **Deputy Executive Secretary(ies):** Assisting the Executive Secretary in the development and implementation of organisational policies. The Deputy Executive Secretary (Finance and Administration) shall oversee the provision of corporate procurement services by discharging the following responsibilities:
 - (i) approving the overall corporate procurement plan;
 - (ii) overseeing management of risks in procurement,
 - (iii) monitoring and continuous assessment of the procurement processes; and
 - (iv) making recommendations to the Executive Secretary on strategic procurement matters such as structural and policy issues.

- (4) **Other functions:** The SADC Secretariat applies instruments governing financial provisions which are established under the Treaty and approved by Council such as Financial Provisions (Article 28 to 30), Procurement Policy, Internal Audit Charter, e.t.c. Roles established under the SADC Secretariat organisational structure with responsibilities to facilitate procurement operations are as follows:
- (i) **Budget and Finance Function:** their responsibilities in the area of procurement are determined by the provisions of the Financial Regulations and Procedures, and for purposes of procurement these are aimed at facilitating adherence to principles of sound finance management of economy, efficiency and effectiveness. Specifically, Finance Officer shall verify compliance with the relevant provisions in the financial regulations through the verification of the contractual instrument (e.g: contract, purchase order, etc) committing funds for:
 - (a) existence and allocation of budgetary appropriations; and
 - (b) compliance with the decision of award taken by the relevant authority as stipulated in Article 6.4 of the Guidelines.
 - (ii) **Legal Affairs Function:** their responsibilities in the area of procurement are determined by the mandate of their function, and for purposes of procurement these are aimed at facilitating adherence to legal and contractual requirements aimed at safeguarding interests of the SADC Secretariat.
 - (iii) **Controlling Officer:** their responsibilities in the area of procurement are determined by the mandate of their function, and for purposes of procurement these are aimed at facilitating adherence to budget management regulations. In procurement, a Controlling Officer's specific responsibilities are set out in the Procurement Guidelines under the Requisition Function.
 - (iv) **Internal Audit Function:** their responsibilities in the area of procurement are determined by the provisions of the Internal Audit Charter, and these do not permit them to engage in a line operational role.

2.3 *Specific responsibilities in implementation of the procurement activities*

- (1) **Requisition Function.** The Requisition Function is held by any SADC Secretariat Controlling Officer, and generally they shall represent a directorate, section, department or unit being the direct or indirect beneficiary of the services, goods or works procured by the Institution through procurement processes. The holder of the Requisition Function is to be defined in the SADC Secretariat Financial Regulations and re-confirmed during the process of preparation of the annual budgets and procurement plans. In relation to the procurement processes, the Requisition Function is responsible, but not limited, to the following:
- a) identifying the needs of the Procuring Entity, in the area of their operations;
 - b) estimating the cost for procuring their requirements;
 - c) securing the funds for procurement of the needs through budgetary allocations;
 - d) preparation of procurement plans;
 - e) provision of support to the Procurement Function in preparation of the procurement strategy of the Institution;
 - f) preparation of Technical Specifications and Terms of Reference,
 - g) preparation of qualification, selection, evaluation and award criteria;

- h) provision of assistance to the Procurement Function in drafting the technical parts of the Bidding Documents, Request for Proposals, Request for Expression of Interest, Request for Quotations Request for Offers or any other similar solicitation documents.
- i) provision of needed technical input for response to bidders or applicants request for clarifications;
- j) provision of technical support to the Evaluation Committees by appointing the members;
- k) providing support to the Negotiation Committees in negotiation of contracts by appointing members for the Negotiation Committee.
- l) the day to day management of the contracts;
- m) monitoring and assessing the performance of the Contractors;
- n) accepting the deliverables and certifying their compliance with the contractual requirements;
- o) endorsing the request for payments as specified in the contracts; and
- p) maintaining the records of the contractual deliverables (including any approval or rejection of such deliverables).

(2) **Procurement Function.** The Procurement Function has the overall responsibility of coordination and implementation of the procurement processes of the SADC Secretariat. With the exceptions indicated in the procurement rules and procedures as well as in the financial regulations of the Institution, it is the only unit within the SADC Secretariat vested with the attribution to procure services, goods and works on behalf of the Institution. More specifically, the Procurement Function responsibilities shall include, but not limited to, the following:

- a) drafts and revises the procurement rules and procedures;
- b) drafts and revises the standard templates for procurement processes;
- c) coordinates the procurement planning and prepares the Overall Procurement Plan;
- d) reports on procurement performance and implementation of the overall procurement plan;
- e) prepares and revises the procurement strategy of the Procuring Entity;
- f) reviews the Technical Specifications and Terms of Reference for compliance with the procurement procedures;
- g) reviews the eligibility, qualification, evaluation and award criteria for compliance with the procurement procedures;
- h) advertises the procurement processes by (i.e.: General Procurement Invitation to Pre-qualification, Short List Notice, Contract Award Notice, Cancellation Notices);
- i) prepares the Bidding Documents, Request for Quotations/proposals, Request for Negotiation, Request for Expression of Interest and any other similar solicitation documents;
- j) develops application bid forms;
- k) coordinates the communications with applicants and disseminates the clarification information;
- l) provides logistic support to the Evaluation Committees;
- m) acts as the secretariat and provide the necessary logistical support to the SADC Tender Committee;

- n) prepares the contracts and the purchase orders,
 - o) notifies bidders and applicants on the outcome of the evaluation processes;
 - p) assists the Procuring Entity in the appeal processes;
 - q) assists the requisition function in the administration of contracts;
 - r) maintains the records of procurement processes,
 - s) responsible for facilitating the development, maintaining, advertising and up-dating the SADC Secretariat Database of Approved Suppliers;
 - t) nominates members of the Negotiation Committees,
 - u) approves the evaluation reports for local and restricted bidding procurement and procurement under multiple framework contract methods which are below in the limits set in the procurement approving authority matrix attached as **Schedule 2** of the Guidelines
 - v) **exercise the ex-ante control function of procurement processes and endorse for compliance with the SADC Secretariat Procurement Policy and Guidelines, all solicitation documents issued by the Procuring Entity.**
 - w) **ensure that all the contracts/purchase order sent for signature to the Accounting Officer have been cleared by the Legal Affairs Function and Budget and Finance Function and certifies they are awarded and drafted in compliance with the SADC Secretariat Procurement Policy and Guidelines.**
- (3) **SADC Tender Committee:** These are permanent body's of executive professionals appointed by the Executive Secretary, with the role of representing the Procuring Entity and the Executive Secretary all the procurement processes. The SADC Tender Committee(s) shall consist in an odd number of members with equal voting rights, no subordination relationships among themselves with the structure of the Institution and with no conflict of interest. The Procurement Function will provide the secretariat services to The SADC Tender Committee(s).

The role of the SADC Tender Committee(s) in procurement processes is the following:

- a) Reviews the overall Procurement Plan
- b) Approves, on behalf of the Procuring Entity, the solicitation documents prepared by the Procurement Function, prior to be released to the bidders/applicants and any subsequent modifications of these documents;
- c) Recommends any proposal for derogation from the standard procurement methods and standardized procurement documents prior to be approved by the Executive Secretary;
- d) Opens the bids and issues minutes of the bid opening when the International Restricted Bidding and Open Bidding procurement method is employed;
- e) If the attribution is delegated by the Executive Secretary to them, approves, , the use of the Single Source procedure and Limited Bidding as procurement methods;
- f) Approves or rejects the evaluation and negotiations reports;
- g) Approves the cancelation of procurement processes;
- h) Recommends to the Deputy Executive Secretary Finance and Administration the establishment of the Overall Procurement Plan;
- i) Approves the registration and deregistration of economic operators on the Database of Approved Suppliers;
- j) Approves the debarment of the economic operators;
- k) Recommends the award of the contracts prior to the execution by the Accounting Officer; and
- l) Recommends any subsequent addenda to the contracts prior to be sent for the execution by the Accounting Officer.

- (4) The SADC Secretariat shall have two Tender Committees, namely the External Tender Committee and the Internal Tender Committee.
- (5) The External Tender Committee will be responsible for adjudicating tender processes of values above US\$250,000.
- (6) The Internal Tender Committee will be responsible for adjudicating all procurement of value between US\$10,000 and US\$250,000.
- (7) The External Tender Committee shall also handle bidders complaints and appeals for all procurement adjudicated by the Internal Tender Committee.
- (8) The Chairperson and Deputy Chairperson of the Finance Sub-Committee shall handle bid complaints and appeals for all procurement handled by the External Tender Committee.
- (9)
- (10) **Procurement Appeals Review Committee:** The SADC Procurement Appeals Review Committee, is a permanent body appointed by the Council of Ministers, with the role and responsibility in handling the procurement appeals procedures in accordance with the **Article 36.3** of this Guidelines. The SADC Procurement Appeals Review Committee shall consist in an odd number of members with equal voting rights, no subordination relationships among themselves with the structure of the Institution and with no conflict of interest. The SADC Procurement Appeals Committee will be supported by the an officer from the Legal Affairs Function designated by the Executive Secretary as a Complaints Officer. The Members of the Committee shall be nationals of SADC Member States identified from the Troika Institutional Structure, with the Chairperson coming from the Member State chairing SADC.

PART II. GENERAL PRINCIPLES APPLICABLE TO ALL PROCUREMENT PROCESSES

3. Procurement principles

All procurement processes conducted by SADC Secretariat, directly or indirectly, shall comply with the following principles, deriving from the principles stated in Article 1 of the SADC Secretariat Procurement Policy:

- a) **Economy:** Procurement is a purchasing activity whose purpose is to give the SADC Secretariat the best value for money. For complex purchases, value may imply more than just price, since quality issues also need to be addressed. It is to be mentioned that , the lowest initial price may not equate to the lowest cost over the operating life of the item procured. Always the basic point remains as the ultimate purpose of sound procurement, this is to obtain maximum value for money.
- b) **Efficiency:** SADC Secretariat procurement system shall be simple and swift, producing positive results without protracted delays. In addition, efficiency implies practicality, especially in terms of compatibility with the administrative resources and professional capabilities of the SADC Secretariat and its procurement staff.
- c) **Fairness:** SADC Secretariat procurement system shall be impartial, consistent, and therefore reliable. It shall offer to all interested bidders a level playing field where to compete. This implies, among others, that the procurement processes shall be conducted based on the principles already announced, principles which shall not be artificially discriminatory, that no retrospective decision on procurement processes shall be taken, and that all bidders shall be equally treated prior and during the procurement processes.
- d) **Transparency:** SADC Secretariat procurement system shall establish and then maintain, rules and procedures that are accessible and unambiguous. They shall not only be fair, but also they shall be seen to be fair. In this respect, prior and during the bidding process, SADC Secretariat shall ensure equal access to procurement information to all bidders or prospective bidders.
- e) **Accountability:** SADC Secretariat procurement system shall hold its staff responsible for enforcing and strictly following the rules. It makes them subject to disciplinary hearings, and to sanction, if appropriate, for neglecting or bending those rules
- f) **Ethical Standards:** Accountability is at once, a key inducement to individual and institutional probity, a key deterrent to collusion and corruption, and a key prerequisite for procurement credibility.
- g) **Promoting competition:** By using as much as possible bidding procedures, standardized requirements, and non discriminatory qualification, selection and evaluation criteria.

4. Fraud, Corruption and Conflict of Interest

4.1. Fraud and Corruption

(1) The SADC Secretariat requires that the procurement processes and the award of contracts shall be free of fraud, corruption and conflict of interest. For the purpose of these Guidelines, the following concepts are defined:

- i. “corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;

- ii. “fraudulent practice” is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefits or to avoid an obligation;
- iii. “collusive practices” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- iv. “coercive practices” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- v. “obstructive practice”
 - (a) deliberately destroying, falsifying, altering or concealing material evidence to the investigation or making false statements to investigators in order to materially impede the SADC Secretariat, governmental or independent investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or
 - (b) acts intended to materially impede the exercise of the SADC Secretariat or governmental or inspection and audit rights.

4.2 Conflict of Interest

- (1) A bidder/applicant or a contractor shall not be allowed to get engaged in any procurement process for delivery of any kind of services, goods or works that would be in conflict with their prior or current obligations to other clients, or that may place them in the position of being unable to carry out the contract in the best interest of the SADC Secretariat and of the Procuring Entity. Without limitation, economic operators shall not be hired under the circumstances set forth below:
 - (i) Conflict between consulting activities and procurement of goods, works or services (consulting or general). A supplier or a contractor that has been engaged by the Procuring Entity to provide goods, works, or services for the Institution, and each of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services. Conversely, a bidder or a contractor hired to provide consulting services for the preparation or implementation of a project, and each of its affiliates, shall be disqualified from subsequently providing goods, works or general services resulting from or directly related to the contractor’s consulting services for such preparation or implementation.
 - (ii) Conflict among consulting assignments: Neither, economic operators (including their personnel and sub-consultants) nor any of their affiliates shall be hired for any assignment that, by its nature, may be in conflict with another assignment of the bidder or contractor. For instance, a contractor assisting the Procuring Entity to implement a project shall not be engaged to prepare an independent assessment for the implementation of the same project, or contractors hired to prepare Terms of Reference (TOR) for an assignment shall not be hired for the assignment in question.
 - (iii) Relationship with the Procuring Entity’s staff: economic operators (including their personnel and sub-contractors) having business or family relationship with a member of the Procuring Entity’s staff directly or indirectly involved in any part of: (i) the preparation of the Terms of References or Technical Specification of a contract, (ii) the selection process for such contract, or (iii) the supervision of the contract, may not be awarded the contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Procuring Entity throughout the selection process and the execution of the contract.

4.3 *Actions taken on fraud, corruption and conflict of interest*

- (1) When the economic operator is found in one of the situations described in paragraph 4.1 (i) and 4.1 (ii) above, the SADC Secretariat and/or the Procuring Entity shall take the following measures against the economic operator:
 - (i) reject its bid;
 - (ii) declare the bidder/the contractor, including its affiliates, ineligible for the award of a SADC Secretariat contract, either indefinitely or for a stated period of time of minimum two (2) years or any other period the Tender Committee might decide based on the nature of the offense committed
 - (iii) cancel or terminate any on-going contract with the bidder/the contractor;
 - (iv) request the relevant national authorities to conduct a joint investigation with the SADC Secretariat to inspect or carry out audits of the bidder/the contractor' accounting records and financial statements in connection with the contract in question for which it was found guilty of engaging in corrupt, fraudulent, collusive, coercive, or obstructive practices;
 - (v) forfeit the bid or performance securities of the bidder/the contractor;
 - (vi) suspend any payments due to the bidder/the contractor, under the contract in question or any other contract the bidder/the contractor might have with the Institution, until the extent of damage caused by its engagement in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the SADC Secretariat's contract are determined and recovered, and
 - (vii) sue the bidder/the contractor to recover the damages caused by its engagement in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question, if they are not fully recovered by the securities and the payments otherwise due to the bidder/the contractor.

5. Procurement Ethics and Professional Responsibility

5.1 *Procurement Officials' Ethics and Professional Responsibility*

- (1) The Procuring Entity and/or the SADC Secretariat staff engaged in the procurement activities such as but not limited to: requisitioning, planning, preparing, and conducting procurement proceedings, and administering the implementation of procurement contracts, or authorizing or effecting payments under the contracts shall:
 - (a) discharge their duties impartially so as to assure fair competitive access to procurement by bidders;
 - (b) always act in the SADC Secretariat's and or the Procuring Entity's interest, and in accordance with the objectives and procedures set forth in the Procurement Policy and these Guidelines.;
 - (c) at all times avoid conflicts of interest, and the appearance of impropriety, in carrying out their duties and conducting themselves, and shall not interfere in the work of internal oversight bodies, and
 - (d) not commit or abet corrupt or fraudulent practices, including the solicitation or acceptance of improper inducements.
- (2) If a Procuring Entity and/or the SADC Secretariat staff engaged in the procurement activities

benefits any pecuniary interest, direct or indirect, in any matter to be determined by him or any committee to which he is a member, he is required to declare the interest in accordance with the procedures set forth in the regulations, and is required to recuse himself from acting in any way in that matter and is required not take part in the consideration or discussion of, or vote on any question with respect to the matter.

5.2 Applicants, Bidders and Contractors' Ethics

- (1) The SADC Secretariat Procurement Policy requires that economic operators and contractors in relation with the Institution to act in a professional, objective and impartial manner in the mutual interest of the two parties and in line with the provision of **Article 4** of the Guidelines .
- (2) Any attempt by an economic operator to obtain confidential information, enter into unlawful agreements with competitors or influence, or try to, the members of the evaluation committee or the Procuring Entity or the SADC Secretariat staff during the process of examining, clarifying, evaluating and comparing bids, applications or proposals will lead to the rejection of its candidacy, proposal or bid.
- (3) A contractor and its staff or any other economic operator associated or linked with the contractor shall not, even on an ancillary or subcontracting basis, bid or be allowed to provide services, goods or works if this will raise a conflict of interest as defined in **Article 4.2** of the Guidelines .
- (4) When putting forward a bid or application the economic operator or individual shall declare that it is not affected by any potential conflict of interest, and that has no commercial relationship with other bidders, applicants, the Procuring Entity or the SADC Secretariat staff or contractors involved in the same procurement process. Should such a situation arise during the performance of the contract, the contractor shall immediately inform the Procuring Entity.
- (5) Civil servants or other officials of the public administration of any SADC country, regardless of their administrative situation, shall not be engaged as experts by bidders or contractors and/or neither be employed as individual consultants by the Procuring Entity or the SADC Secretariat.
- (6) The contractor shall at all times act impartially and as a faithful adviser in accordance with the code of conduct of its profession. It may not commit the Procuring Entity or the SADC Secretariat in any way without its prior written consent.
- (7) For the duration of the contract, the contractor and its staff shall respect human rights and undertake not to offend the political, cultural and religious morals of the beneficiary state. In particular and in accordance with the legal basic act concerned, the contractor shall respect core labour standards as defined in the relevant International Labour Institution conventions (such as the Conventions on freedom of association and collective bargaining; Elimination of forced and compulsory labour; Abolition of child labour).
- (8) The contractor may not accept any payment connected with the contract other than that provided for therein. The contractor and its staff shall not exercise any activity or receive any advantage inconsistent with their obligations to the Procuring Entity or the SADC Secretariat as laid down in their contract with the Institution.
- (9) The contractor and its staff are bound to maintain confidentiality for the entire duration of the contract and after its completion, as specified in the contract. All reports and documents drawn up

or received by the contractor during the performance of the contract are confidential and remain property of the Procuring Entity.

- (10) The contractor shall refrain from any relationship likely to compromise its independence or of its staff. If the contractor ceases to be independent, the Procuring Entity or the SADC Secretariat may, regardless of any damage complaints, terminate the contract without further notice and without the contractor having any right to complaint for compensation.
- (11) All bidding documents and contracts for works, goods and services shall include a clause stipulating that bidders will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are: (i) commissions not stated in the main contract or in the subcontracts stemming from the main contract, (ii) commissions not paid in return for any actual and legitimate service, (iii) commissions remitted to a tax haven; (iv) commissions paid to a recipient who is not clearly identified; (v) commissions paid to a company having every appearance of being a “shell company”, or (vi) commissions paid for lobbyist services.
- (12) The contractor shall make an undertaking to supply on request to the Procuring Entity or the SADC Secretariat and any relevant national authority or investigator representing the Procuring Entity or the SADC Secretariat with all the supporting documents relating to the conditions of the contract's execution. The Procuring Entity or the SADC Secretariat may carry out whatever documentary or on-the-spot checks it deems necessary to find evidence in cases of suspected or unusual commercial expenses.
- (13) Contractors found to have paid unusual commercial expenses on contracts funded by the Procuring Entity or the SADC Secretariat are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving Procuring Entity funds.

5.3 *Debarment of economic operators*

- (1) Procuring Entity shall have the right to debar economic operators which are found guilty of Fraud, Corruption and Conflict of Interest or are not upholding their ethic and professional responsibilities as defined in [Articles 4.1, 4.2 and 5.2](#) of the Guidelines.
- (2) The debarment shall be for minimum two (2) years or permanent depending of the gravity of the offense committed.
- (3) The decision on the debarment shall be taken by the Tender Committee at the recommendations made by the Procuring Entity.
- (4) The decision of debarment shall be communicated by the Procuring Entity to the debarred economic operator in writing and shall give specific details on the reasons leading to debarment.
- (5) The economic operator shall have the right to appeal the Procuring Entity decision in accordance with the [Article 36](#) of the Guidelines.
- (6) The SADC Secretariat shall maintain on its procurement website a record of all debarred economic operators indicating the name, the place of registration, nationality, owner(s) of business (if applicable), the date when the decision for debarment was taken , the duration of the debarment and brief description of offense committed.

6. Classification of procurement procedures

6.1 Categories of procurement

- (1) As much as possible procurement requirements shall not combine in the same contract services of goods and works unless they cannot be technically or economically separated from the main contract without becoming a serious inconvenience for the performance of the contract. To determine the category of procurement applicable to the procurement processes, it shall be considered the nature of the contract outcome (service, goods, works) or, if this is not sufficient, it will be determined by the component with the largest input in the implementation of the contract.

6.1.1 Consulting Services

- (1) “Consulting Services” refers to wide variety of services such as advisory services; research/investigation, management; engineering; construction supervision; design and architectural services, training/training like education services, audit, financial (other than banking operation); legal and procurement services. Includes also feasibility studies, social and environmental studies; identification, preparation, and implementation of projects services, etc or any other services in which the “human factor” is determinant for the output of the contract. By extension, the operational costs of implementation of the project, including research, Institution or participation in workshops, study visits and exchange programmes, etc. shall be assimilated to “Consulting Services”.
- (2) The Consultant shall be employed for activities not being part of the day to day function of the SADC Secretariat or Procuring Entity, unless the Institution in accordance with existing authorisation roles takes the decision to externalize such activities. Hence, part time, temporary and or permanent employment of staff for the SADC Secretariat or Procuring Entity shall not be considered “Consulting Services”. No employment of staff at the SADC Secretariat or the Procuring Entity shall be hidden as Consulting Services.

6.1.2 General Services

- (1) The term “General Services” refers to services bid and contracted on the basis of performance of a measurable physical output. They are: transport services, accommodation services, printing, editing, broadcasting, cleaning services, security services, insurance services, medical services, manufacture or conditioning of goods, communication services, renting or leasing of property or equipment, installation, commissioning, operation and maintenance of facilities or plant, surveys, exploratory drilling, aerial photography, satellite imagery, or any other similar type of services not assimilated to “Consulting Services”. Unless the specific circumstances require transportation, insurance, installation, commissioning, training, and maintenance services associated to procurement of goods to be purchased separately from the main goods, such services shall be incorporated as requirements in the goods and be considered goods.

6.1.3 Goods

- (1) The term “Goods” refers to all commodities (including books and journals), raw material, machinery, equipment, and industrial plant including the related services to be provided by the vendor along them, such as transportation, insurance, installation, commissioning, training and initial maintenance.

6.1.4 Works

- (1) The term “Works” refers to the any works such as: i) construction, refurbishment or maintenance of buildings or civil infrastructure (roads, bridges, ports, channels, dams, sewage systems, etc); ii) land reclamation (such as earthworks, drainage, flooding, etc) and iii) civil installations (waste treatment plants, irrigation systems, electricity lines, etc).

6.2 Exceptions to procurement processes

- (1) The procurement of the following goods and works services, will be exempted from the current procurement rules and be acquired based on the specific procedures set in the SADC Secretariat’s administrative and financial regulations, or any similar internal document of the Institution:
 - (a) any contracts for which a prior derogation from this Policy has been obtained from the Council of Ministers subject to Article 4 of the SADC Secretariat Procurement Policy;
 - (b) public utilities services: water, electricity, gas, and waste disposal;
 - (c) public transportation for persons (including railway and water transportation but excluding air transportation);
 - (d) landline communication services (if the landline communication provider is a national monopoly);
 - (e) national postal services: stamps, telex, registered mail, etc ;
 - (f) acquisition of land, buildings or similar facilities;
 - (g) acquisition of services or goods through contest of ideas (i.e.: artistic services of any kind, artworks and other assimilated goods and services);
 - (h) direct acquisition (by SADC Secretariat) of commodities through the stock exchange mechanism;
 - (i) employment contracts of any nature: part time, temporary or permanent duration;
 - (j) procurement of any employment benefit related services (health insurance, pension fund, rental of house, etc);
 - (k) education services other than training like services;
 - (l) banking services (except=financial services); and
 - (m) petty cash transactions (e.g.: car fuel, parking tickets and toll fees, visa fees, passport fees, fees for various licenses, fiscal and judicial charges or any purchase of services and good which are defined in the SADC Secretariat Financial Regulation as petty cash transactions).
- (2) The acquisition of these services, goods and works, shall use the SADC Secretariat Administrative Rules and Procedures and Financial Regulations.

6.2 Procurement methods

6.2.1 Open Bidding

- (1) This shall be the preferred method to be used for procurement of general services, goods and works.
- (2) The Open Bidding involves an open invitation to submit a technical and financial proposal in competitive bidding process to all interested economic operators.

- (3) Under the Open Bidding, any economic operator wishing to bid for the advertised contract receives, upon request, the Bidding Documents (which may have to be paid for), in accordance with the procedures laid down in the procurement notice. No short listing or other form of pre-selection shall be conducted in the application of this method.
- (4) This To avoid distortion of competition and corrupt practices, an economic operator and its affiliates, shall submit only one bid for the same contract on its own or as member of a joint venture/consortium. For this purpose affiliates are defined as: any legal entity (i.e.: the group of companies, firms, associations, etc) where the economic operator or any of the major shareholders in the economic operator owns at least twenty percent (20%) of the shares or the share capital. For the same purpose, major shareholder shall be defined as: any legal or natural person which owns no less than twenty percent (20%) of the shares or the share capital of the economic operator. If an economic operator deliberately or inadvertently submits more than one application per contract, it shall be automatically disqualified from any SADC Secretariat procurement processes for a period indicated in the SADC Secretariat's procurement regulations. If an economic operator deliberately or inadvertently submits more than one application per contract, it shall be automatically disqualified from any SADC Secretariat procurement processes for a period of a period of two (2) years.
- (5) The detailed steps on how this procurement procedure shall to apply for procurement of services, goods and works are presented further in **Part V** of the Guidelines.

6.2.2 Restricted Bidding

- (1) This is a competitive procurement procedure. The method shall be applied to procurement of consulting services and to procurement of large and/or complex general services, goods and works. By extension, this method shall be used for establishing framework contractors.

Stage 1: Pre-qualification of bidders

- (2) Under the Restricted Bidding, the first stage of the procedures is the pre-qualification. During the pre-qualification, the Procuring Entity issues an Invitation for Pre-qualification open to all the interested economic operators. The Invitation for Pre-qualification shall indicate the selection criteria to be mandatorily fulfilled by an economic operator to be shortlisted for participating in the bidding procedure. The purpose of the pre-qualification is to draw up a shortlist of applicants based on their qualifications before launching the bidding procedure. The selection procedure, where the long list (all applicants responding to the published notice) is reduced to a shortlist, consists in examining the responses to the requirements established in the procurement notice.
- (3) To avoid distortion of competition and corrupt practices, an economic operator and its affiliates, shall submit only one application for the same contract on its own or as member of a joint venture/consortium. For this purpose affiliates are defined as: any legal entity (i.e.: the group of companies, firms, associations, etc) where the economic operator or any of the major shareholders in the economic operator owns at least twenty percent (20%) of the shares or the share capital. For the same purpose, major shareholder shall be defined as: any legal or natural person which owns no less than twenty percent (20%) of the shares or the share capital of the economic operator. If an economic operator deliberately or inadvertently submits more than one application per contract, it shall be automatically disqualified from any SADC Secretariat procurement processes for a period of a period of two (2) years.

Stage 2: Invitation to bid to pre-qualified bidders

- (4) In the second stage of the Restricted Bidding, the Procuring Entity invites and sends the shortlisted applicants the Invitation to Bid and the Bidding Documents free of charge. In order to ensure fair competition, bids shall be submitted by the same economic operator or consortium shortlisted that has submitted the application form. No change whatsoever in the identity or composition of the bidder is permitted unless the Procuring Entity has given its prior approval in writing. A situation where such approval could be given is e.g. where a merger has taken place between a shortlisted applicant/member of a consortium with another company and where the new company is found to meet the eligibility and qualification criteria and does not raise any conflict of interest or unfair competition.
- (5) There are three types of Restricted Biddings, as follows:
 - (a) International Restricted Bidding (IRB), whereby the pre-qualification process is open to all interested economic operators;
 - (b) Regional Restricted Bidding (RRB), whereby only regional (including local) economic operators from the “Database of Approved Suppliers” are invited to bid;
 - (c) Local Restricted Bidding (LRB), whereby only local economic operators from the “Database of Approved Suppliers” are invited to bid.
- (6) The Local and Regional Restricted Bidding shall be used for procurement of services, goods and works of a small value and non recurrent nature. Only economic operators from the database of approved suppliers shall be invited to participate in procurement under these methods.
- (7) The detailed steps on how the three types of implementation of this procurement procedure shall apply for procurement of services, goods and works are presented further in **Part III, IV and V of the Guidelines**.

6.2.3 Procurement Procedure under Multiple Framework Contracts

- (1) Procurement under the Multiple Framework Contract is a simplified competitive procurement procedure to be used for acquisition of simplified or routine services, standardized or “off the shelf” goods and simple or low value works contracts of repetitive nature, required by the Procuring Entity on a recurrent basis, and when it is difficult to foresee the exact quantities and the time when they are needed.
- (2) A Multiple Framework Contract is an agreement between Procuring Entity and several contractors, with the purpose to establish the terms governing specific contracts which may be awarded during a given period, mainly concerned with the duration, subject, price, implementation rules and quantities.
- (3) The Multiple Framework Contract takes the form of separate contracts with a number of economic operators but concluded in identical terms, specifically: same general conditions, terms of delivery, maximum unit prices, type of services, goods and works to be delivered and the maximum cumulative contract value.
- (4) Multiple Framework Contracts are separated into lots. A lot can only cover a specific group of recurrent services, goods and works. For example, the lot covering travel agent services shall not include the supply of stationeries, or the lot covering the supply of office equipment or office furniture shall not contain the supply of IT equipment, etc.
- (5) In a rapidly changing market economy, the duration of such contracts shall not exceed two (2) calendar years.

- (6) The value of each Multiple Framework Contract shall be determined based on the estimated annual value of specific group of recurrent services, goods and works needed by the Institution as reflected in the specific annual budgetary allocation.
- (7) The procurement method to award Multiple Framework Contracts shall be similar to the Restricted Bidding, but the contract will be awarded to not less than four (4) and up to ten(10) economic operators, based on their ranks obtained during the evaluation process.
- (8) Procuring Entity may not make undue use of framework contracts or use them in such a way that the purpose or effect is to prevent, restrict or distort competition. Hence, the estimated value of each Request for Quotations/Proposals to be raised under a Multiple Framework Contract shall not exceed the value indicated in the Schedule 1 of the Guidelines.
- (9) The total sum drawn upon a Multiple Framework Contract shall not exceed the total value of said contract.

6.2.4 Selection of Individual Consultants

- (1) Individual Consultants are employed on assignments where: (a) teams of experts are not required, (b) no additional outside (home office) professional support is required, and (c) when the experience and qualifications of the individual are the main requirement.
- (2) The Procuring Entity shall not misuse this method of selection for an assignment normally carried out through an employment contract. Similarly, the method shall not be used for artificially splitting a consulting service assignment.
- (3) The use of this procurement method is not limited by the estimated value of the contract. However, the duration of the contract awarded through this method shall not exceed two (2) years and no Individual Consultant shall be awarded more than two (2) successive individual consultant contracts for the same Consulting Services.
- (4) There shall be no qualification criteria used under this procurement method.
- (5) The award criteria applicable to Individual Consultants shall be the highest evaluated Individual Consultant who has submitted a financial offer within the available budget.
- (6) Only individuals are eligible to submit application under this procurement method.

6.2.5 Limited Bidding

- (1) The Limited Bidding method is essentially the Restricted Bidding method with the exception that the shortlist is established by the Procuring Entity without pre-qualification or open advertisement.
- (2) Under this method, the Procuring entity restricts the issue of bidding documents to a limited number of economic operators when
 - a) the goods, works, or services required are of a specialized nature or can be obtained from a limited number of specialized contractors, service providers or reputable sources, all of whom are known to the procuring entity; or
 - b) the time and cost of considering a large number of tenders is disproportionate to the value of the procurement; or
 - c) there is an urgent need for the goods, works or services such that there would be insufficient time for the Procuring Entity to engage in open tendering, provided that the circumstances giving rise to the urgency could not have been foreseen by the Procuring Entity and have not been caused by dilatory conduct on its part.

- (3) This method shall only be deployed with prior approval of the Tender Committee and where the Procuring Entity has fully demonstrated that any of the conditions as laid out in paragraph 2 from (a) – (c) of this article have been met.
- (4) Under this method, for the procurement process to be considered successful, the shortlist shall consist of a minimum three (3) economic operators and the Procuring Entity shall receive at least two (2) responsive bids/quotations/proposals.

6.2.6 Single Source procedure

- (1) This is an exceptional non-competitive procurement method that can only be used under the following conditions, irrespective of the estimated value of the contract:
 - a) where, for reasons of exceptional circumstances that the Procuring Entity could not have foreseen and that can in no way be attributed to them, the time limits for the competitive procedures cannot be met. The circumstances invoked to justify extreme urgency shall in no way be attributable to the any department or staff of The Procuring Entity. For purposes of this clause, exceptional circumstances situations shall be one of the following situations:-
 - i) Where there is likely to be injury or loss of life;
 - ii) Where there is likely to be damage to property; or
 - iii) Where there is a situation arising from “Force Majeure”, as defined in Article 3(m) of Procurement Policy.
 - b) where, for technical reasons, or reasons involving the protection of exclusive rights/proprietary goods, services, the contract can be awarded only to a particular economic operator;
 - c) where, pursuant to **Article 41 of the SADC Secretariat Procurement Policy (transposed in Article 15.9 of the Guidelines)**, existing contracts are amended for:
 - (i) complementary services not included in the main contract but which, due to unforeseen circumstances, have become necessary to perform the contract, provided that the complementary services are technically and economically inseparable from the main contract, without bringing serious inconveniences for the Procuring Entity additional services consisting of the repetition of similar services entrusted to the contractor furnishing the services under the initial contract, provided that a procurement notice has been published for the initial contract and that the possibility of using the negotiated procedure for further services for the project as well as the estimated cost, were clearly indicated in the Bidding Documents or the Terms of Reference for the initial contract.
 - (ii) additional deliveries by the original contractor intended either as a partial replacement of normal goods or installations or as the extension of existing contracts for goods or works, where a change of contractor would oblige the Procuring Entity to acquire equipment having different technical characteristics which would result in either incompatibility or disproportionate technical difficulties in operation and maintenance.
 - (iii) additional works not included in the initial contract which due to unforeseen circumstances, became necessary for carrying out the works described therein and have been awarded to the contractor already carrying out the work: a) where such works cannot be technically or economically separated from the main contract without

serious inconvenience to the beneficiary; and b) where such works, although separable from the performance of the original contract, are strictly necessary to its completion.

6.3 Procurement thresholds and packaging of procurement contracts

- (1) The procurement thresholds under which various procurement methods shall apply are specified in the Schedule 1 of the Guidelines.
- (2) Procurement of services, goods and works with a value of less than two hundred (200) US\$, shall be considered as petty cash transaction. This threshold is subject to provision of the SADC Secretariat Financial Regulations.
- (3) The thresholds given in the above table are based on the maximum estimated value of the contract in question. Where contracts are subdivided in lots, the value of each lot shall be taken into account when calculating the overall threshold. If appropriate, in order to achieve economies of scale, to ensure maximum co-ordination between related activities, and to keep contract administration as simple as possible, care shall be taken to design projects allowing for maximum contract size and avoiding the unnecessary fragmentation of Procuring Entity budget resources into a series of small contracts. This purpose can be achieved in two ways:
 - a. Through Multiple Framework Contracts, for the recurring needs of the same item when the specific quantity and time of the need is difficult to assess when maintaining stocks will be not economically advantageous for the Institution; and
 - b. Grouping the required items in lots in such a way to ensure transparency, economy and efficiency in the procurement processes and delivery of the “right” services, goods and works at the “right” time for the Institution. The grouping shall be made by categories: Consulting Services, general services, goods and works. Within each category, needs shall be examined to see whether it is possible, sensible and commercially accepted to combine similar or related items in a single lot.
- (4) Under no circumstances grouping contracts into lots shall lead to situations when the achievement of a contractual obligation under one lot, shall depend on the fulfilment of the contractual obligation under another lot.
- (5) **The contracts shall not be split artificially to circumvent the procurement thresholds.**
- (6) **The following procurement methods can be applied regardless of thresholds** as long as the relevant conditions are met (see **Articles 6.2.4, 6.2.5, and 6.2.6**): Selection of Individual Consultants, Limited Bidding, and Single Source procedure.

6.4 Procurement authorization matrix

- (1) The Procurement Approving Authority is presented in the Schedule 1 of the Guidelines and depends on the estimated value of the contracts to be placed through procurement processes.

7 Terms of Reference

7.1 Introduction

- (1) Terms of Reference are key in acquiring Consulting Services. It explains the objectives, scope of assignment, activities, tasks to be performed, and the respective responsibilities of the Procuring Entity and the Contractor, including the expected results and deliverables of the assignment.

- (2) Adequate and clear Terms of Reference are of utmost importance for the proper understanding of the assignment and its correct execution. It reduces the Procuring Entity's risk of unnecessary extra work, delays, and additional expenses. In addition, they help minimizing the risk of ambiguities during the preparation of bidders' proposals, the contract negotiation and execution of services.
- (3) Drafting the Terms of Reference require expertise with the type of the requested assignment and the necessary resources, as well as the familiarity with the assignment background and the environment where the assignment will be implemented.
- (4) The responsibility for drafting Terms of Reference stay with the Requisition Function. However, when the Terms of Reference need to cover areas of responsibility of several units within Procuring Entity's Institution, a working group, comprising representatives of all the concerned units with the stake in the assignment, shall be formed. The working group for Terms of Reference shall be coordinated by the Requisition Function, which was identified during the process of preparation of the Overall Procurement Plan as the main beneficiary of the assignment.
- (5) When the Terms of Reference are drafted by an external contractor under a consulting service contract, the Requisition Function coordinating the work of the contractor shall ensure the adequacy of the Terms of References and therefore held responsible for their quality.
- (6) The Terms of Reference shall be approved, as part of the process of the approval of the solicitation documents in which they have to be incorporated, by the relevant authority within the Procuring Entity organizational structure, depending on the threshold and the procurement method used for procuring the consulting services described in the Terms of Reference.

7.2 Content of the Terms of Reference

- (1) The Terms of Reference may include at least the following information:
 - (i). background of the project;
 - (ii). objectives of the assignment;
 - (iii). scope of assignment;
 - (iv). data, local services, personnel and facilities to be provided by the contractor;
 - (v). objectively verifiable indicators, list of reports, schedule of deliveries, period of performance;
 - (vi). data, local services, staff, and facilities to be provided by the Procuring Entity;
 - (vii). institutional arrangements, and
 - (viii). downstream work.

a) Background of the project

- (1) The background summarizes the main features of the project and describes the assignment's objectives and its general purpose. In particular, it shall include:
 - (i). name of the Procuring Entity and if applicable the name of the end Beneficiary of the assignment;
 - (ii). assignment location;
 - (iii). rationale of the assignment ;
 - (iv). assignment history (what has been already done and by whom, what is the current state of affairs where the consulting assignment is expected to continue working);
 - (v). list of relevant studies and basic data;
 - (vi). need for consultants in the assignment and issues to be resolved;
 - (vii). source of financing for the assignment; and
 - (viii). supervision arrangements.

b) Objectives of the consulting assignment

- (1) To avoid misleading the bidders or applicants, the Terms of Reference shall describe precisely the objectives and expected results of the assignment.

c) Scope of Assignment

- (1) This section of the Terms of Reference details the main activities (or tasks) to be conducted by the contractor and the expected results. The Terms of Reference should normally describe only the requested activities, not the approach or methodology to achieve the results, since these are precisely the tasks the bidder's or applicants are contracted for.
- (2) Nevertheless, when looking for Individual Consultants and/or for Procurement Procedure under Multiple Framework Contracts, if the evaluation criteria considers only the professional qualifications of consultants, the Terms of Reference shall provide suggestions on the approach or methodology that contractor should use to execute the assignment.
- (3) In the Terms of Reference, the scope of work of the assignment is usually defined by addressing the following issues:
 - (i). task to be performed by the contractors, including: definition, scope, limits, and criteria of acceptance of the assignment;
 - (ii). desired level of detail (level of design, accuracy, composition of cost estimates, and so forth);
 - (iii). span of projections (time horizon, life span of project components, and so forth);
 - (iv). necessary comparison of the assignment with similar projects;
 - (v). main issues to be addressed;
 - (vi). alternatives to be considered;
 - (vii). necessary surveys, special analyses and models;
 - (viii). special equipment requirements;
 - (ix). institutional and legal framework of the project;
 - (x). transfer of knowledge, objectives and scope;
 - (xi). language requirements;
 - (xii). units of measurement to be used;
 - (xiii). need for continuity, such as data gathering; and
 - (xiv). quality management requirements (if needed).

d) Requirements concerning the personnel and facilities to be provided by the contractor

- (1) The Terms of Reference shall provide detailed information regarding personnel and facilities to be provided by the contractor.
- (2) Concerning the personnel requirements, these shall indicate the key expert positions and if a pool of experts is required, the qualifications, skills, general and specific professional experience for the key experts as well as for the pool of experts, the minimum number of days to be used by each key expert as well as the experts.
- (3) The key expert shall be considered the expert having a relative higher input in the implementation of the assignment or whose expertise is paramount for the successful implementation of the contract.
- (4) The requirements concerning the qualifications, skills, general and specific professional experience shall not be unjustifiably restrictive or not able to be evaluated based on the intrinsic documents. For instance, a requirement asking the expert to have a Master or PhD degree, or hold specific professional certifications, shall only be requested if they are absolutely necessary for implementing the assignment. Also, requirements such as "very good communication skills", that cannot be proved by the Curriculum Vitae, or being difficult to assess objectively, shall not be permitted.

- (5) Concerning the facilities to be provided by the contractors, the Terms of Reference shall indicate if the consultant shall make provision for office accommodation, computers, cars or any specialized equipment or software. The Terms of Reference shall also indicate whether these expenses shall be covered by the contractor under their operational expenses or by the Procuring Entity under the incidental expenses budget to be included in the contract.
- (6) When the facilities to be provided by the contractor are to be financed under Incidental Expenses, the Terms of Reference shall indicate the maximum budget for such expenses, the category of expenses eligible to be financed under the incidental budget stating that the incidental budget shall be included in the bidder's or applicant's financial proposals as a lump sum, without any modifications.

e) Objectively verifiable indicators, Reports and schedule of deliveries

- (1) The Terms of Reference shall indicate the estimated duration of the assignment, from the date of commencement to the date the Procuring Entity receives and accepts the contractor's final report or a specified completion date.
- (2) The assignment's reporting requirements shall be clearly specified. When possible, each task of the assignment shall have a task report as a deliverable. This is of paramount importance, in particular in the case of Lump Sum contracts, since each report might constitute a delivery (study, design, technical specification, assessment, etc), and hence be associated with payments
- (3) The Terms of Reference shall indicate the format, frequency, and content of the reports as well as the number of copies, language and the names of the prospective recipients.

f) Data, local services, staff, and facilities to be provided by the Procuring Entity

- (1) The Terms of Reference shall provide details about all the information and services to be made available by the Procuring Entity to the contractor. This may include:
 - office space, vehicles, computers, printers, copiers and other office equipment;
 - list of data to be made available to the consultant, specifying the format and the language;
 - training or other facilities the consultant might have access to, free of charge (i.e., phone, internet, transportation, etc) and
 - supporting staff provided to the consultant free of charge (if any).
- (2) Should the assignment envisage provision of support staff by the Procuring Entity, the TORs shall define the hierarchy and level of authority of the counterpart staff as well as the requested level of experience of the staff to be integrated into the contractor's team. This information shall be presented as a list indicating only the function, the level of professional experience and the responsibilities of the staff in the contractor's team.

g) Institutional arrangements

- (1) The Terms of Reference should define the institutional setup for the implementation of the assignment. This entails the definition of the mechanism for the contractor's interaction with the assignment stakeholders. Hence, the Terms of Reference shall define:
 - (i). the beneficiaries of the assignment ;
 - (ii). the coordination authority for the assignment ;
 - (iii). the reporting authority for the assignment;
 - (iv). the monitoring authority for the assignment; and
 - (v). the approving authority for the assignment's deliverables;

clearly defining the role and responsibilities of all the involved personnel, specifying the type, timing, and relevance of everyone's participation.

h) Downstream work

- (1) The Terms of Reference shall indicate if Procuring Entity envisages any additional or supplementary work which might be requested to the contractor following the completion or during the implementation of the main activities of the Terms of Reference.
- (2) Since any additional or supplementary work will be subject to an Addendum to the contract, the Procuring Entity shall pay particular attention when formulating these requirements so as not to breach the provisions of **Article 15.9** of the Guidelines.
- (3) If as a result of the implementation of the activities under the Terms of Reference, subsequent procurement will be generated, clear references to the potential conflict of interests between the Terms of Reference activities and the downstream work to be procured as result of these activities shall be mentioned.

8. Technical Specifications

8.1 Introduction

- (1) The Technical Specifications is the document setting out the requirements and/or objectives in respect of the provision of general services, supplies or works, specifying, where relevant, the methods and resources to be used and/or results to be achieved.
- (2) The Requisition Functions are responsible for the Preparation of the Technical Specifications for the general services, goods and works to be procured by Procuring Entity. When the Technical Specifications are drafted by external contractors under consulting service contracts, the Requisition Function shall be responsible for checking and approving the quality of the consulting service result.
- (3) When drafting Technical Specifications, detailed descriptions of technical requirements for the general services, goods and works to be procured shall be given. Precise and clear specifications are prerequisite for bidders to respond realistically and competitively to the requirements.
- (4) Unless the Single Source procedure procurement method is used, the specification shall be prepared to permit the widest possible competition, and at the same time, make a clear statement of the required standards of workmanship to be provided, standards of supplies and performance of the general services, goods and works to be procured. Only then, the economy, efficiency and fairness in procurement processes can be ensured and an objective evaluation procedure can be conducted.
- (5) For goods and works, the specification shall require all supplies to be new, unused, and of the most recent or current models, and they have to incorporate all recent improvements in design and materials. Any reference to brand names, catalogue numbers or other details that limit any materials or items to a specific manufacturer shall be avoided as far as possible. Where unavoidable, such item description shall always be followed by the words “or substantially equivalent”.
- (6) Technical Specifications, shall be descriptive and give the full requirements in respect of, but not limited to, the following:
 - (i). standards of materials and workmanship required;
 - (ii). details of all factory tests required (type and number);
 - (iii). details of all work required to achieve completion;
 - (iv). details of all pre-commissioning and commissioning activities to be performed by the Contractor;
 - (v). details of all ancillary services requested, such as training, installation, maintenance, storage, operational manuals, etc, and

- (vi). details of all functional guarantees required, and liquidated damages to be applied in the event that contractual obligations are not met.
- (7) The Technical Specifications shall include the essential technical and performance characteristics and requirements, including maximum or minimum acceptable values.
- (8) When ancillary services are requested, the Technical Specifications shall provide full details about the required services allowing bidders to price them in their proposal. These details can cover aspects such as:
 - a) in case of training: the number of trainees, the location of training, the language of the training, the duration of the training, the requirement concerning the training materials, etc;
 - b) in case of maintenance services: the total period to be covered by these services (which shall not exceed the duration of the contract), the type of maintenance envisaged, the frequency of the maintenance, etc.
- (9) In case of installation services: the location of the place of installation, the complete technical details of the space where the goods will be installed (including drawings if needed), and the list of additional estimated materials requested by the contractor to perform the installation (if these are not included in the list of goods), the condition for the contractor's personnel to be given access to the site, etc.
- (10) In case of procurement of works and plants, the Technical Specification shall be drafted by certified experts in accordance with the international accepted standards.

8.2 *Content of the Technical Specifications*

- (1) Depending of the nature of general services or goods to be purchased, the Technical Specifications should address the following aspects, as appropriate:
 - a) General Description (including the quantities, place of delivery and other conditions);
 - b) Technical requirements;
 - c) Functional requirements;
 - d) Accessories and Attachments;
 - e) Tools or Other Required Items;
 - f) Maintenance Requirements;
 - g) Installation Requirements;
 - h) Spare Parts Required;
 - i) Manuals;
 - j) Required Performance;
 - k) Warranty Specifications;
 - l) Training Requirements;
 - m) Delivery requirement;
 - n) Storage Requirements; and
 - o) Other Requirements.

9. Types of Contracts

9.1 Types of Consulting Services Contracts

- (1) In order to determine the type of contract to be used for a specific consulting service, the following aspects shall be considered: (a) the nature and degree of definition of the assignment; (b) the distribution of risks between the Procuring Entity and the Contractors and (c) the level of contract supervision by the Procuring Entity.
- (2) The following types of contracts are referred to under the Guidelines:
 - a) lump-sum;
 - b) time-based; and
 - c) framework contracts.

a) Lump-sum contracts

- (1) Lump-sum contracts shall be used for assignments where the content, length of the services and the required output to be delivered by the contractors are precisely specified.
- (2) Lump-sum contracts are used in relatively simple and clearly defined assignments such as audits, planning and feasibility studies, environmental studies, detailed design of infrastructures, preparation of databases, and surveys. Lump-sum contracts are also adopted in cases of sophisticated and clear-cut assignments in which external factors generally do not influence (delay or substantially change) the outcome of the advice or study being provided.
- (3) Under a lump-sum contract, the Procuring Entity will pay the contractor a fixed sum of money upon submission and approval of the deliverables indicated in the contract. If payments are made against a schedule of percentage of work completed, then at least the progress report and the supporting evidence of the completed work shall be submitted to make the payment.
- (4) The lump-sum contract is easy to administer by the Procuring Entity and requires little technical supervision, as no matching of inputs to pay is required.
- (5) A lump-sum contract transfers the cost risk to the contractors and gives Procuring Entity certainty about the costs involved in procuring Consulting Services. The Procuring Entity shall put in place mechanisms to ensure the quality of deliverables by the contractor.

b) Time-based contract

- (1) Under this type of contract, the contractor provides services on a timed basis, according to quality specifications, and the contractor's remuneration is based on agreed unit rates for contractor's staff, multiplied by the actual time spent by the staff in executing the assignment.
- (2) Time-based contracts transfer the cost risk to the Procuring Entity. It requires a system to monitor and control the assignment progress and costs, because contractors have incentives to put more time resources on the job, including more senior resources.
- (3) Time-based contracts are recommended when:
 - (i). the nature and scope of the services are such that the Terms of Reference cannot be established with sufficient precision, as may be the case for complex or unusual assignments difficult to define, such as management of complex institutions or studies of new approaches;
 - (ii). the duration and quantity of services depends on variables beyond the control of the contractor, or the services are related to activities by third parties - for instance, supervision of implementation assignments;

- (iii). the output required from the contractor is difficult to assess, such as for technical assistance, institutional development, or emergency situations, in which the Procuring Entity needs assistance that may evolve during the execution of the assignment; and when transfer of knowledge and training between the contractor and Procuring Entity trainees is required.
- (4) This type of contract requires the Procuring Entity to closely supervise the contractor and to be involved in the daily execution of the assignment.
- (5) Since the administration of this type of contract requires considerable administrative effort and contract management capacity from the Requisition Functions, the Procuring Entity is advised only when it is appropriate.

c) Framework contracts

- (1) The purpose of Framework Contracts is to secure competitive prices for the duration of the contracts. The contract can include terms and conditions to review the price during the validity of the contract, provided that this is included in the Bidding Documents.
- (2) The Framework Contract does not commit Procuring Entity to purchase any of the products offered by the contractor, but secures their access to a very restrictive competition for the Procuring Entity business.
- (3) The Framework Contract will not indicate precise quantities to be ordered by Procuring Entity during the contract term. However it will indicate the estimated minimum and maximum volume of purchases. Under no circumstances the maximum volume of purchases shall exceed the budgetary allocation for the Framework Contract.
- (4) In order to increase the competition and to secure better prices, Procuring Entity may decide to guarantee to each Contractor a minimum annual volume of business. Such decision shall be stated in the Invitation to Pre-qualification, Bidding Documents and the Contract. Under no circumstances the minimum guaranteed volume of business shall exceed ten percent (10%) of the estimated annual volume of business. In such case the framework contract shall not be signed with more than five (5) companies.
- (5) Framework Contracts require intensive monitoring and administrative support from the Procurement Function and Requisition Functions, to ensure that contractors perform satisfactorily and in accordance with terms and conditions of the contract. Once a Framework Contract is in place, it can improve efficiency and lower costs due to economies of scale.

9.2 *Type of Contracts for General Services, Goods and Works*

- (1) Different categories of procurement imply different contractual risks and have specific requirements for managing the contract. SADC Secretariat has adopted standard contract templates for each category of procurement: general services, goods and works. These standard templates shall be used for procurement of all common general services, goods and works.
- (2) However, when the particular nature of the general services, goods and works to be procured requires a different type of contract, SADC Secretariat can develop other type of contracts to cover the particular contractual risks of the respective acquisition. Any addition of a new standard template shall be approved by the Executive Secretary before being used in procurement processes.

10. Preparation of the cost estimates to determine the contract value

10.1 Preparation of the cost estimates for a Consulting Services Contracts

- (1) The value of the contracts shall be estimated during the preparation of the Annual Procurement Plan, and Included in the Overall Procurement Plan. However, prior to the initiating a procurement process, the Requisition Function needs to estimate the cost of each category of expenses against the services required in the Terms of Reference.
- (2) The cost estimate shall include, as necessary, expenses relating to:
 - (a) consultant staff remuneration;
 - (b) travel and transport;
 - (c) mobilization and demobilization;
 - (d) staff allowances (per-diem, travel allowances, insurances, etc);
 - (e) communications;
 - (f) office rent, supplies, equipment, shipping, and insurance;
 - (g) surveys and training programs;
 - (h) report translation and printing;
 - (i) overheads, profit margin, taxes and duties; and
 - (j) contingencies.
- (3) The estimation of the cost is based on the approximated allocation of personnel (expert per month) required for carrying out the services, taking into account the level and area of expertise of the experts. It is important to define these inputs as accurately and realistically as possible to avoid failures in the procurement process.
- (4) To estimate the cost of this expense, the Procuring Entity's own operational expenses should be taken as a reference. However, to obtain the estimated total cost of the contract, the Requisition Function shall also include the cost of the insurances, the overheads, the profit margin, and the taxes and duties the contractor has to pay under the contract.
- (5) For certain highly specialized categories of Consulting Services it is recommended to conduct a market research prior to define the Terms of Reference and the estimated contract cost.
- (6) If the estimated total cost of the contract exceeds the available budget (as per the Overall Procurement Plan and budgetary allocation), the Requisition Function shall revise the Terms of Reference and reduce, if possible, the scope of the assignment to match the available budget. The Terms of Reference may indicate that the Procuring Entity will reserve the right to request the contractors to provide additional services under the contract, provided it will obtain additional funds to secure payments for the required additional services. In that case, the additional services shall be briefly defined in the Terms of Reference.

10.2 Preparation of the cost estimates for a General Services, Goods and Works Contracts

- (1) After the Technical Specifications have been drafted, the Requisition Function shall conduct a market research to estimate the value of the general services, goods or works to be procured.
- (2) Particular attention shall be given to grouping the procurement requirements in such a way as to ensure wide competition, economy and efficiency in the procurement process.
- (3) All similar or related items shall be grouped in a single package. Once the packages have been established, the Requisition Function with the support of the Procurement Function, shall assess if

- to procure them through one single procurement process with several lots, or if it is more convenient for some or all the packages to be independently procured.
- (4) The decision on how the packages shall be combined and procured, shall be based on the objective analysis of the market conditions and the time when the general services, goods or works are needed by the Institution. Under no circumstances, the decision shall lead to artificial splitting for the purpose of circumventing the procurement thresholds.
 - (5) The decision of procuring the packages should take into consideration the following aspects:
 - a) Are the packages of a similar nature?
 - b) In the national and international commercial practice are the general services, goods or works described in each package normally traded by same suppliers or by specialized suppliers?
 - c) Are the general services, goods or works described in each package needed at more or less the same time, or will there be long gaps between the desirable delivery times?
 - d) Is the local or the international market targeted?
 - e) Is there enough competition for the goods; are they widely available?
 - f) Is the size of the contract generating more competition and economy of scale to potential suppliers?
 - g) Is the time a main factor for the delivery of the general services, goods or works described in each package?
 - (6) Based on the information provided by the market research, and on the decision on how to package the general services, goods or works described, shall be determined the estimated value of the contract.
 - (7) If the estimated value of the contract exceeds the available budget for procuring the needs, the Requisition Function shall revise the Technical Specifications to adjust the requirements in order to bring the estimated contract value into the available budget.
 - (8) Under no circumstances such revision of the Technical Specification=shall affect the objectives the general services, goods or works are required for, or render the use of the general services, goods or works useless, unreliable or unsafe.

11. Procurement Planning

11.1 Responsibility

11.1.1 Introduction

- (1) Procurement planning is essential for the effective and timely launching of the procurement processes, award of contracts and delivery of the required services, goods and/or works.
- (2) Procurement planning also enables the Procuring Entity to better manage its resources to obtain value for money, by identifying the appropriate procurement category and method for the acquisition of the necessary services, goods and/or works. Clearly, the procurement planning is a vital and mandatory function of the SADC Secretariat procurement system.
- (3) The procurement plan serves as a monitoring tool for assessing the performance of the various departments engaged in the procurement processes of the Institution.
- (4) The Coordination of the procurement planning functioning shall be the responsibility of the Procurement Function. However, in order to avoid duplication of activities and inconsistencies, the procurement planning shall be integrated within the budgeting and planning of the SADC

Secretariat.

- (5) The Requisition Function responsibilities in the procurement planning are the following:
 - a) identify the specific needs of their own unit,
 - b) estimate the time when these needs will be required,
 - c) estimate the cost of procuring the needs,
 - d) secure the funding through budgetary allocations for the needs,
 - e) prepare the Annual Procurement Plan for their Requisition Function,
 - f) provide bi-annual updates of the Annual Procurement Plans, and
 - g) assist the Procurement Function in compiling all Annual Procurement Plans for the SADC Secretariat.
- (6) The role of The Procurement Function in the procurement planning process is to:
 - a) compile the Overall Procurement Plan of the SADC Secretariat based on the annual procurement plans provided by the Requisition Functions;
 - b) identify and formulate the strategy for procurement of the services, goods and works needed by the Procuring Entity, by recognizing synergies among the needs of the various Requisition Functions and selecting the most suitable procurement processes to acquire the needed services, goods and works.
 - c) monitor the performance of the implementation plan and take action to remedy the deviations from the set objectives on biannual basis, and
 - d) gather the biannual revised Overall Procurement Plan and the monitoring report of the procurement performance stated above.

11.1.2 Annual Procurement Plan

- (1) The Requisition Function shall start preparing the Annual Procurement Plan at least three (3) months prior to the commencement of the annual budget process, since the identifications of needs and estimating the cost for procuring might become a very time consuming process.
- (2) In the process of drafting an annual procurement plan, each Requisition Function shall start by putting together a list of all known goods, works and services to perform their mandate within the Institution.
- (3) Once the list is drawn, a market research shall be conducted to estimate the cost and the particular market conditions for the required services, goods and works.
- (4) The list shall also identify the timing when services, goods or works are required by the Requisition Function.
- (5) The Requisition Function shall prepare the annual procurement plan using the standard template **(see Annex XX)**.
- (6) The procurement plans shall be subject to approval of the Head of the Function under which the Requisition Function operates before being sent to the Procurement Function.

11.1.3 Overall Procurement Plan

- (1) As part of the annual budget process, the Procurement Function in collaboration with the Financial Department and The Directorate of Policy, Planning and Resource Mobilization, shall meet on annual basis with each Requisition Function to set up spending plans for the forthcoming

- budget period(s). This information shall be consolidated in the annual procurement plans.
- (2) The Annual Procurement Plans prepared by the Requisition Functions become the basis for the Overall Procurement Plan. The Overall Procurement Plan will establish how items of the Annual Procurement Plans should be combined or divided into different contract packages; what method of procurement/selection shall be used for each one; the scheduling for procurement activities and how the responsibilities shall be cascaded during the implementation of the procurement activities.
 - (3) The process will be coordinated by the Procurement Function since the consolidation of the annual procurement plans into the overall one implies a strategic decision about how procurement and contracting shall be executed.
 - (4) A main objective to be observed when putting together the Overall Procurement Plan, is to look for similar needs among the various Requisition Function, in order to obtain economy of scale in procurement and management of contracts.
 - (5) Each procurement method has particular requirements in terms of procedures and implementation time. After the preliminary packaging plans have been formulated and the methods of procurement or selection for each tentatively determined by the nature and size of the packages, it is necessary to verify whether the services, goods and or works will be delivered when they are required by the Requisition Function. The best way to check it, is to work backwards starting from the desired date of delivery and determine whether sufficient time is available to carry out all the necessary procurement steps for each item. Should the timing not be suitable, a different method of packaging and/or acquisition shall be considered.
 - (7) Sometimes it may be determined that no other approach is agreeable for a particular project component, and the time cannot be shortened by changing packaging or procurement/selection methods. In no case the procurement plans shall promote artificial splitting on non competitive procurement methods based on the ground of urgency.
 - (8) The consolidated overall procurement plan shall be presented in the standard template **(see Annex XX)**.
 - (9) The Overall Procurement Plan shall be reviewed by the SADC Tender Committee and established by Deputy Executive Secretary Finance and Administration.
 - (10) The approved Overall Procurement Plan shall be posted on the SADC secretariat website, within five (5) days after approval.

11.2. Market survey

- (1) It is expected that in the process of identifying needs and estimating the budget for procurement of such needs, the Requisition Function will conduct technical research into the economic sector that produces and delivers the services, goods and works needed, as well as participating in professional discussions in various forums to keep abreast of technological and other developments within their area of expertise.
- (2) However, in case of complex services, installations and works, when a simple market research is not adequate to determine the market conditions and technical requirements, the Requisition Function shall consider employing consultants to conduct the market survey and prepare the technical specifications or the terms of references for the needs of the Institution. In such case, the procedures to employ the contractor for conducting the market survey and develop the technical specifications or the terms of references shall commence within at least six (6) months prior to preparation of the Overall Procurement Plan.
- (3) To conduct the market survey the Procurement Function may:

- (a) Review the procurement database for identifying recent procurement processes aiming at acquiring similar needs;
 - (b) Review the results of recent market surveys undertaken to meet similar needs;
 - (c) Conduct internet inquiries with the industry;
 - (d) Obtain lists of similar items from other agencies, trade Institutions or other sources;
 - (e) Review catalogues and other product literature; or
 - (f) Employ external technical assistance to assist surveying the market, developing technical specifications or terms of reference, estimating the budget and assisting the evaluation of bids.
- (4) Under no circumstance a procurement process shall be launched with the only purpose to assess the market conditions.
 - (5) The results of the market research shall be documented in the market survey case file. It shall be kept in original by the Requisition Function, and a copy to the Procurement Function.

11.3 Modification and updating of the Procurement Plan and Overall Procurement Plans

- (1) During project execution, the original procurement plans shall be regularly monitored and updated to compare the actual performance with the planned activities, and to make changes or necessary adjustments in the plan. The need for changes simply demonstrates that planning is a dynamic process rather than a static picture.
- (2) The Procurement Function shall review the procurement performance on a bi-annual basis. The objective of the review is not fault finding but rather to:
 - (a) gain better understanding of the causes and reasons for delays or changes in plans,
 - (b) maintain efficiency in the procurement operations, and
 - (c) improve forecasting and planning for similar operations.
- (3) If slippage occurs in the award or execution of one major contract, it may require rescheduling of other related contract awards and deliveries of products.
- (4) The process of bi-annual review of the overall procurement plan shall be conducted following the procedures established for the initial overall procurement plan.

12. Eligibility, qualification, evaluation and award criteria

12.1 Eligibility

- (1) To foster competition, the SADC Secretariat Procurement policy permits all economic operators and individual consultants to be awarded a SADC Secretariat contract irrespective of their nationality.
- (2) The economic operators shall not be eligible for award of contracts where:
 - (a) They are bankrupt;
 - (b) Payments to them have been suspended in accordance with the judgment of a court of law other than a judgment declaring bankruptcy and resulting, in accordance with their national laws in the total or partial loss of the right to administer and dispose of their property;

- (c) Legal proceedings have been instituted against them involving an order suspending payments and which may result, in accordance with their national laws, in a declaration of bankruptcy or in any other situation entailing the total or partial loss of the right to administer and dispose of their property;
- (d) They have been convicted, by a final judgment, of any crime or offence concerning their professional conduct;
- (e) They are guilty of serious misrepresentation with regard to information required for participation in an invitation to tender;
- (f) They have been sanctioned by SADC Secretariat pursuant to the **Article 48 paragraph (3) letter b of the SADC Secretariat Procurement Policy**.
- (3) The Procuring Entity will accept, as satisfactory evidence, that the applicant or the bidder is not in one of the above situations described in (a), (b) or (e), on submission of a recent extract from the judicial record, or failing that, a recent equivalent document issued by a judicial or administrative authority in the country of origin showing that those requirements are satisfied. The Procuring Entity will accept, as satisfactory evidence, that the bidder/applicant, is not in the situation described in (d), on submission of a recent certificate issued by the competent authority of the State concerned. Where no such documents or certificates are issued in the concerned country, and for other cases of exclusion listed above, they may be replaced by a sworn / solemn statement (affidavit) made by the interested party in front of a judicial or administrative authority, a notary, or a qualified professional body in its country of origin or provenance.
- (4) The Procuring Entity takes into account that - as a rule - the exclusion criteria are related to the legal entity/ natural person acting as a bidder/applicant and not to the representatives in case of legal entities. However, depending on the legislation of the country where the bidder/applicant, is legally established and if the Procuring Entity considers necessary or has reasonable doubts concerning the personal situation, the above documents may also relate to natural persons, including company directors or any person with power of representation, decision-making or control in relation to the bidder. Whenever a bidder/applicant, due to its nature (for instance, national public administrations and international Institutions), cannot fall into one of the above categories and/or cannot provide the documents indicated above, a simple declaration explaining their situation will suffice.
- (5) For procurement under Restricted Bidding, the compliance with the eligibility criteria will be assessed during the pre-qualification phase. Hence, the documentation proving that the applicant does not fall in any of the categories defined in the exclusion criteria, shall be submitted along with the application form for pre-qualification.
- (6) In case of Single Source procedure, the evidence that the economic operator complies with the eligibility criteria shall be included with their proposal.
- (7) The date on the evidence or documents provided shall be up to one (1) year before the date of submission of the application or proposal. Applicants shall, in addition, provide a statement confirming that their overall situation has not weakened in the period since the evidence was drawn up to the date they submitted the bid.
- (8) The above required documents shall be submitted by the applicant, and in case of a joint venture, by all joint venture members. The documents may be originals or copies. If the documents are copies, they shall be certified by a public notary. However, at the Procuring Entity request, the bidder/applicant shall be able to provide any original document.
- (9) If sub-contractors are employed by the bidder/applicant., the same rules apply.
- (10) If the supporting documents are not written in an official SADC Secretariat language, an official and certified translation into an official SADC Secretariat language shall be attached.

- (11) Contracts shall not be awarded to applicants or bidders who, during the procurement process:
 - a) are subject to a conflict of interest;
 - b) are guilty of misrepresentation when submitting the information required by the Procuring Entity as a condition of participation in the contract procedure, or fail to submit this information;
 - c) find themselves in any situations of exclusion for the procurement procedure, after the bid or application was submitted.
- (12) The following economic operators are not allowed to participate in procurement process for award of SADC Secretariat procurement contracts:
 - a) Economic operators or goods manufactured in certain countries may be excluded if, (i) as a matter of law or official regulation, the SADC Member States prohibits commercial relations with those countries, or (ii) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the SADC Member States prohibits any import of goods from, or payments to, a particular country, person, or entity from those countries,
 - b) Government-owned enterprises and organizations, unless it can be clearly established that they (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not dependent agencies of the government,
 - c) Political or religious organizations, and
 - d) Economic operators banned, pursuant **Article 4.1 and 4.2** of the Guidelines.
- (13) Similarly, public servants from the SADC Member States or members of any of the SADC Institutions are excluded from participating or working in a SADC Secretariat financed contract.

12.2 Qualification criteria

- (1) The qualification criteria are a set of requirements that applicants or bidders shall fulfil in order to demonstrate their capability to execute the contract in question.
- (2) When the open method procedure is employed, the qualification criteria is called post-qualification criteria as the compliance with the criteria is verified only for bidder/applicant recommended for the award of the contract.
- (3) When the restricted method is employed, the qualification criteria is called pre-qualification criteria as the compliance with the criteria is verified during the pre-qualification and are used for developing the shortlist of economic operators invited to submit a bid (technical and financial proposal).
- (4) The criteria shall be objective and not discriminatory. Both, the criteria and the documents needed to prove the compliance with the qualification criteria shall be clearly stated in the procurement notice. Once announced, the criteria cannot be changed during the evaluation process.
- (5) Depending on the category of procurement, the qualification criteria are the following:
 - a) **Experience in implementing similar contracts:** The bidder/applicant is requested to demonstrate experience in the implementation of specific number of similar contracts, in at least last three to five years. By similar contracts shall be understood contracts of a same nature as the contract for which the bidding process was launched, not necessarily contracts with exactly the same specifications (for instance in case of a technical assistance in design and supervision of a highway, it shall not be looking for a firm experienced in design and supervision of highways with the same specific features as the requested highway but with

general experience in technical assistance in design and supervision of highways). Similarly, experience in the SADC country is not usually a relevant criterion; however, experience in countries with similar environment can be considered as a relevant factor for assessing the experience in implementation of similar contracts. The criteria shall be demonstrated by the provision of certified copies of similar contracts or letters of acceptance for services, goods and works from previous clients. In case of contracts for general services and goods not manufactured by the economic operator, the proof shall be presented in a form of a statement from the manufactures or suppliers of the services and goods, confirming that the economic operator is an accredited dealer for their products and services. The above statement shall also indicate the average volume and the type of products supplied by the manufacturer or supplier and traded by the economic operator in the last three years. If the Procuring Entity wants to confirm the quality or reliability of the manufacturer or supplier mentioned above, as the case may be, it may request from the economic operator additional information about the capacity of the manufacturer and supplier related to the quality of the goods and/or services as well as the technical support, maintenance and troubleshooting for the goods and services produced and traded by the economic operator.

- b) **Financial Resources:** The bidder/applicant is requested to demonstrate the availability of the financial means to fully finance the estimated contract cash flow for twelve months, net of requirements for other known commitments over the period of implementation of the contract. Usually, the following aspects are taken into consideration when evaluation this criteria: i) the average annual turnover over the last three years (it shall be a minimum of three times the estimated cash flow value of the contract); ii) the average liquidities over the last three years shall be equivalent to the estimated contract cash flow for twelve months; iii) the average profit and loss account, it has to be positive over the last three years; and iv) the minimum net worth of the economic operator shall be the minimum equivalent of the estimated contract cash flow for twelve months . The compliance with the requirement concerning the liquidities can also be demonstrated by providing the proof of access to a dedicated credit line, overdraft facility or other bank loans from a reputable bank, equal to the cash flow for twelve months. For contracts valued over US\$ 300,000, the proof of access to a dedicated credit line or overdraft facility shall be a mandatory requirement for proving the compliance with the liquidity criteria. For compliance with the other criteria, the economic operator shall provide certified copies of the balance sheets, audit reports and/or similar statements of the accounts, audited by certified reputable auditors or certified by the fiscal authority of the country where the economic operator is registered/incorporated.
- c) **Personnel Resources:** The bidder/applicant may be requested to demonstrate availability of a pool of experienced staff, capable of performing the key functions required for the contract. The requirements concerning this criterion shall list the essential functions, and the number of years of relevant experience of the personnel needed by the economic operator to prove compliance with this criterion. At least two staff members for each essential position shall be available. The Procuring Entity shall avoid using words such as “qualified” or “licensed” as well as “Master or PhD degrees”, unless they are essential for implementation of the contract. This request shall be proved by presenting a list of the available personnel and highlighting the compliance with the requirement. The list shall be accompanied by the Curricula Vitae of the proposed personnel.
- d) **Facilities Resources:** This is additional criteria which might be requested for bidders competing for general services, goods and/or works. In such instance, bidders or applicants are requested to demonstrate the availability of specialized equipment, essential for the execution of the contract, or facilities to provide maintenance or technical support at the site where the general services, goods or works will be delivered. The list of such requirements should be

limited to highly specialized or heavy equipment, as well to service facilities critical to the execution of the contract, which cannot be easily purchased, hired or leased in the market, or readily manufactured. To prove compliance with this criterion, the economic operator shall provide documents demonstrating the ownership of the equipment or facility, or any binding agreement with a local supplier to lease or rent the equipment and/or facility, or to provide technical support for maintenance and troubleshooting.

- (6) All the documents presented by the bidder/applicant to demonstrate the compliance with the aforementioned criteria shall be certified copies (by a public notary or Commissioner of Oath) and be in any of the SADC Secretariat official languages. When the documents are not written in a SADC Secretariat official language, they shall be accompanied by the original certified translation into one of the SADC Secretariat official languages.
- (7) The Procuring Entity reserves the right to request the economic operator to provide additional information. Procuring Entity may also contact any of the references mentioned in the supporting documents.

12.3 Evaluation criteria

- (1) The evaluation criteria are meant to determine the compliance of the services, goods and works offered by the bidders with the Procuring Entity requirements stated in the Terms of References or Technical Specifications.
- (2) The evaluation criteria shall be clearly stated in the Bidding Documents. It shall be precise, non-discriminatory and not prejudicial to fair competition. The evaluation criteria shall not be changed during the evaluation process.
- (3) The Procuring Entity allows the use of two systems of evaluation:
 - a) **Evaluation using the merit point system:** This system of evaluation entails that merit points or weightings are assigned for each relevant or critical aspect or sub-criteria, being evaluated and compared with the requirement. In such case, in order to preserve the relevance, no aspect or sub-criteria shall be assigned less than five percent (5%) of the overall score. This system shall be used for Consulting Services as well as for those complex general services, goods and works for which exact requirements cannot be clearly defined and where the bidders are allowed to propose variant solutions (e.g.: custom made services, goods and works).
 - b) **Evaluation on the compliance with the requirements and price:** This system of evaluation implies the comparison of the bids against the requirements. If a bid fails to comply with any critical requirement, it is automatically rejected. The technical compliant bids are ranked based on the price. This system shall be used for general services, goods and works with technical requirements clearly defined and widely available on the market.
- (4) A variation of the evaluation on the compliance with the requirements and price is **the evaluation on the Life cycle cost**. This procedure entails that the price of the offer shall be calculated on the basis of the initial acquisition cost plus the ownership's use cost, to determine the total cost during the life of a works plant or equipment. This method shall also be used for acquiring specialized Consulting Services (i.e.: procurement or fiscal agent services, privatization services, legal support services), or for works or equipment where the cost of operation and maintenance is substantial. A minor difference in the initial purchase price between two bids can easily be overcome by the difference of the operating cost.

12.4 Award criteria

- (1) Contracts are awarded on the basis of the award criteria established in the Bidding Documents in one of the following two ways:
 - a) price, in this case the contract is awarded to the bidder which, while satisfying the eligibility, qualification and evaluation criteria, quotes the lowest price;
 - b) quality and cost(i.e. the most economically advantageous bid). This award procedure entails the successful bid to be determined by applying a formula including the evaluation points and the offered price.

13. Regional Preference

13.1 General principles

- (1) The Procuring Entity may grant a margin of preference in the evaluation of bids under open bidding and international restricted bidding procedures to bids offering service, goods and works manufactured in the SADC countries, when compared to bids offering services, goods and works manufactured elsewhere.
- (2) In such cases, bidding documents shall clearly indicate the preference to be granted to regional manufactured services, goods and works and the information required to establish the eligibility of a bid for such preference.
- (3) The nationality of the economic operator shall not be a condition for determination of such eligibility.

13.2 Application of the Regional Preference principle

- (1) Measures shall be taken to encourage the widest participation of the economic operators of SADC Member States in the performance of contracts financed by the SADC Secretariat in order to permit the optimization of the physical and human resources of Member States. To this end:
 - (a) for works contracts, bids that offer at least fifty percent (50%) construction materials, equipment and labour in contract value of a SADC origin, shall be accorded a ten percent (10%) price preference on the evaluated contract price where bids of an equivalent economic, technical and administrative quality are compared.
 - (b) for goods and general services contracts, bids that offer goods and general services of at least fifty percent (50%) in contract value of SADC origin, shall be accorded a fifteen percent (15%) price preference where bids of equivalent economic, technical and administrative quality are compared.
 - (c) for consulting service contracts, bids who offer at least fifty percent (50%) in contract input (key experts staff days) of SADC experts, shall be accorded a fifteen percent (15%) price preference where bids of equivalent economic, technical and administrative quality are compared.
- (2) The determination of the percentage of SADC origin be done as following:
 - (a) for works contracts, the total value of construction materials, equipment and labour of SADC origin offered in the bid shall be divided by the total value of the bid.
 - (b) for goods and general services contracts, the total value of goods and general services of SADC origin offered in the bid shall be divided by the total value of the bid

- (c) for consulting service contracts, the total number of key staff days performed by experts who are citizens or permanent residents of a SADC Member State shall be divided by the total number of key staff days in the bid. (3) A contractor that was awarded the contract as a result of application of the margin of preference, must demonstrate prior to payment of the invoices that the services, good and works indicated in the bid as having SADC origin have been delivered and they are originating or manufactured in SADC Member State.
- (4) The documents to proof the origin shall be the following:
 - (a) For goods the poof of origin shall be the Certificate of Origin issued by the relevant authority where the goods were manufactured.
 - (b) For general services shall be a contractor sworn statement indicated the country where the general services originated from.
 - (c) For labour or experts shall be the proof of residence of the natural person.

14. Registration in the Database of Approved Suppliers

14.1 Database of Approved Suppliers

- (1) The SADC Secretariat shall maintain a computerized database of prospective economic operators for the supply of services, goods and works needed by the Institution.
- (2) The Database of Approved Suppliers includes two (2) sections: local approved suppliers and regional approved suppliers.
- (3) Furthermore, these sections are subdivided in categories of services, goods and works. This is based on the SADC Secretariat's classification codes.
- (4) The SADC Secretariat establishes qualification criteria for each section and category within the Database of Approved Suppliers.
- (5) The process of registration in the Database of Approved Suppliers shall be a once off yearly exercise open for minimum three (3) months period.
- (6) SADC Secretariat through its SADC Tender Committee shall regulate this process as follows:
 - (a) Establish categories of suppliers to exist in the Database of Approved Suppliers;
 - (b) Establish the minimum qualification criteria;
 - (c) Solicit application from eligible economic operators to apply to be considered for registration in the Database of Approved Suppliers;
 - (d) Approve the suppliers to be included in the Database of Approved Suppliers on an annual basis, and
 - (e) The Database shall be up-dated on annual basis.
- (7) Successful applicants are duly registered in the Database of Approved Suppliers, under the category they are qualified for.
- (8) Due to the rapidly changing market conditions, the registration is valid only for one calendar year from the date when the economic operator was confirmed as Approved Supplier.
- (9) Each year, the Approved Supplier shall apply for re-registration in the Database of Approved Suppliers, based on the updated compliance with the qualification criteria and conditions in force at the date of the re-application.

- (10) The Procurement Function is responsible for:
- a. maintaining and up-dating the Database of Approved Suppliers,
 - b. proposing the qualification criteria in consultation with the requisition functions,
 - c. develop the Invitation to Pre-qualification and Application Form,
 - d. advertising the Invitation to Pre-qualification and Application Form,
 - e. submission of application to the Evaluation Committee-and
 - f. advertising a simplified version of the Database of Approved Suppliers on the SADC Secretariat website.

14.2 *Consequences of registration*

- (1) Registration of an economic operator as a Contractor on the Database of Approved Suppliers does not guarantee the automatic award of a SADC Secretariat contract.
- (2) Placement in the Database of Approved Suppliers shall only guarantee that the applicant will receive the Bidding Documents for all the procurement issued under the category and the procurement method for which the applicant was approved as Contractor.

14.3 *Approved Supplier Information File*

- (1) A copy of the Invitation to Registration and the standard application form, original application form, supporting documents, the assessment report, and correspondence concerning the application and the approval of the assessment report, are to be duly filed in Approved supplier Information File. The original file shall be maintained by the Procurement Function while a copy shall be circulated to requisition functions
- (2) The same type of files shall be maintained for the disqualified economic operators.

14.4 *Approved Supplier's responsibility*

- (1) The Approved Suppliers shall respond, within the set timeframe, to all requests for quotations or services received from the Procuring Entity.
- (2) All registered Approved Suppliers shall be required to inform the Procurement Function immediately and in writing about any substantial change in the information provided to the application form including: change of name due to merger or acquisition, change of address, litigation where the Approved Supplier is a party, criminal convictions, civil judgments, financial impropriety or any other changes which might invalidate the eligibility and qualification criteria in force at the time when the application of registration in the Database of Approved Suppliers was submitted. The notification may be in the form of a letter, fax or other electronic means, shall include all the relevant documentation regarding the changes. Upon receipt of the information, the Procurement Function shall decide whether the changes require a re-evaluation of the Approved Supplier registration with the SADC Secretariat Database of Approved Suppliers.
- (3) Approved Suppliers who fail to inform the Procurement Function about substantial changes on the submitted information, may risk the suspension or the removal from the Database of Approved Suppliers for a minimum period of two (2) years and up to seven (7) years by the SADC Tender Committee.

14.5 *Update of the Approved Supplier's profile*

- (1) Due to the registration validity of only twelve (12) months from the date of notification of the registration, the Procurement Function shall request the Approved Suppliers to re-apply for

registration two (2) months prior to the expiration of registration validity subject to the direction of the SADC Tender Committee.

- (2) Should the Approved Supplier decide to re-apply, the application shall be treated as a new application and the assessment shall be carried out following the procedure described in the Invitation for Registration sent to them or advertised by Procuring Entity, subject to the direction of the SADC Tender Committee

14.6 Removal from Database of Approved suppliers

- (1) The Procurement Function shall on approval of the SADC Tender Committee remove from the Database of Approved suppliers, an Approved Supplier if at any time, based on substantial and documented evidence, can demonstrate that the Approved Supplier falls into one of the following situations:
 - a. is no longer able to fulfil the eligibility and qualification criteria in force at the time of submission of its application;
 - b. has failed to adhere to the terms and conditions of a contract with the SADC Secretariat, in such a way to justify the suspension or removal from the Database of Approved suppliers; and / or
 - c. has failed to respond to five (5) request for quotations or services in one (1) calendar year.
- (2) The approval to remove a contractor from the Database of Approved Suppliers shall be given by the SADC Tender Committee, based on the recommendations made by the Procurement Function

14.7 Notification of decision to remove a Contractor from the Database of Approved Suppliers

- (1) After the approval of the removal from the Database of Approved Suppliers, the Procurement Function will notify the Approved Supplier accordingly. The notice shall inform the Approved Supplier about the decision of removal, the period of time of removal and the reasons for the decision.
- (2) The notice shall be sent by mail, return receipt requested or, facsimile, and the return receipt or the “confirmation of transmission” copy shall be kept in the Approved Supplier Information File as proof of delivery.
- (3) The Approved Supplier can appeal the decision by following the procedures described in [Article 36](#) of the Guidelines.

15. Other general principles applicable to all procurements

15.1 Communication and language of procurement processes

- (1) The official languages of the procurement processes in SADC Secretariat are: English, French and Portuguese. All documents and correspondence during the procurement processes shall be written only in the official languages of the SADC Secretariat.
- (2) However, for practical reasons, the Procuring Entity shall be allowed to conduct the procurement activities in only one of the three languages, widely used for commercial transaction in the host country.
- (3) The official languages in which the procurement processes are to be conducted shall be specified in the solicitation documents.

- (4) Similarly, when the correspondence is verbal (i.e.: hearing procedures, negotiation procedures, interviews, site visits, presentation meetings, or any other official meetings, etc.) the Procuring Entity assumes that the representative of the applicant, bidder or contractor, has good knowledge of the any of the SADC Secretariat official language. However, the applicant, bidder or contractor may employ, at its own expense, a recognized translator to assist the communications with the Procuring Entity.
- (5) In case of a discrepancy between the original language and the translation, in documentation requested from the bidders/ applicants, the translation shall prevail.
- (6) All the communications between the Procuring Entity and the applicant, bidder or contractor shall be in writing.
- (7) When the communications between the Procuring Entity and the applicant, bidder or contractor are, under exceptional circumstances held verbally, the summary of discussions of the meeting shall be recorded in a minutes by Procuring Entity, and a copy of the minutes made available to the applicant, bidder or contractor.
- (8) The means and the address of the Procuring Entity where the written communications shall be sent to those stated in the procurement documents (Procurement Notices, Bidding Documents, Purchase Orders, Contracts, etc).

15.2 Use of standard documents

- (1) Procuring Entity shall use during the procurement processes, the standard templates attached to the Guidelines.
- (2) Any fundamental change in the standard templates shall be subject to approval of the Executive Secretary prior to be released to the applicants/bidders or contractors. The changes made shall not conflict with any procurement principles and rules set in the Guidelines or in the SADC Secretariat Procurement Policy.
- (3) Applicants, bidders or contractors preparing submissions to the Procuring Entity, will also use the standard templates indicated by Procuring Entity. Any deviation from the standard templates shall lead to the rejection of the submission.
- (4) Applicants, bidders, and contractors shall accept, without reservations, all the terms and conditions stipulated in the standard templates of the SADC Secretariat contracts or purchase orders.

15.3 Currency of bids and contracts

- (1) The official currency of SADC Secretariat business is the US Dollar. Hence all bids, proposals, securities, contracts, and invoices shall be expressed in US Dollars.
- (2) All bids, proposals, securities and invoices sent to Procuring Entity not denominated in US Dollars, shall be rejected as non compliant.
- (3) The Procuring Entity shall only make payments for the contracts in US Dollars. All the costs and risks associated to the exchange rate from US Dollars into the currency of the bidder or contractor shall be borne by the bidder or contractor.

15.4 Joint Venture or Consortium

- (1) When competing for a SADC Secretariat contract, any economic operator may submit an application or bid independently or in joint venture or consortium with other economic operators, provided they legally confirm joint and several liabilities for the bid in case of winning a contract for the implementation of the contract.

- (2) A joint venture or consortium may be either a permanent legally established group or a group constituted informally for the purpose to apply, bid and undertake a specific SADC Secretariat contract. In every case, all members of a joint venture or consortium are jointly and severally liable to the SADC Secretariat in relation to the application, bid, offer or contract for which it was constituted.
- (3) Applications and bids submitted by a joint venture or consortium of two or more economic operators shall also comply with the following requirements:
 - a) the application and the bid shall be signed to be legally binding on all members;
 - b) the application and the bid shall be accompanied by the original legally binding agreement for the all members; the document has to be certified by a Public Notary or a Commissioner of Oath; and
 - c) the agreement legally binding the members of the joint venture or consortium shall include the following mandatory provisions:
 - i. one of the members shall be nominated in charge, and this nomination shall be evidenced by submitting a power of attorney signed by the legally and authorized signatory members;
 - ii. the member in charge shall be authorized to incur liabilities and receive instructions for and on behalf of any and all the members of the joint venture or consortium. The entire communication during the bidding processes and for the execution of the contract, including payments, shall be made exclusively with the member in charge;
 - iii. if the joint venture or consortium are awarded the SADC Contract for, all members of the joint venture shall be liable jointly and severally for the execution of the contract in accordance with the contractual terms; and
 - iv. the members of the joint venture or consortium are not allowed to leave the joint venture or consortium, and decline their responsibilities, without the Procuring Entity written approval, or until they have been notified by the Procuring Entity that the contract was not awarded to the joint venture or consortium, or in the event they were awarded the contract, until the liability period indicated of the contract expires.
- (4) In case of applications or bids sent by a joint venture or consortium, each member shall demonstrate that they fulfil the eligibility criteria set in **Article 12.1** of the Guidelines. If one single member fails to demonstrate the compliance with the eligibility criteria, the whole joint venture or consortium shall be considered non eligible.
- (5) Regarding the compliance with the qualification criteria, an application or a bid sent by a joint venture or consortium shall satisfy the qualification requirements as a whole and not as individual member of the joint venture or consortium.
- (6) To avoid distortion of competition and/or corrupt practices, an economic operator and its affiliates, alone or as member of a joint venture or consortium, shall submit only one application or bid for the same Procuring Entity contract.
- (7) Affiliates are the group of companies, firms, associations, etc. where the economic operator or any of the major shareholders of the economic operator owns not more than twenty percent (20%) of the shares or the share capital. A major shareholder is any legal or natural person owning not less than twenty percent (20%) of the shares or the share capital of the economic operator.
- (8) If an economic operator submits, alone or as member of a joint venture or consortium, more than one application or bid for the same contract, all the applications or bids submitted by the economic operator shall be rejected and banned from participating for a minimum of two (2) and a maximum of (5) years in any other SADC Secretariat procurement process.

- (9) The restriction concerning the participation in more than one application or bid shall not apply to sub-contractors or personnel.
- (10) The Procuring Entity does not acknowledge or undertake any obligations towards the sub-contractors or personnel of the economic operator participating in a procurement process of the Institution.
- (11) The composition of the joint venture or consortium shall not be changed after pre-qualification or during the implementation of a contract awarded to the joint venture or consortium without prior approval of the Procuring Entity.
- (12) Procuring Entity shall approve the change in the composition of the joint venture or consortium composition only if the modification: (i) is supported by solid and objective arguments, (ii) does not alter the competition, (iii) is not generating a conflict, and (iv) is not invalidating the criteria and conditions in place when the joint venture or consortium was prequalified or awarded the contract.

15.5 *Securities*

- (1) The SADC Secretariat procurement procedures request three types of securities:
 - a) **Bid Security:** It is a precautionary measure by which the Procuring Entity requires all bidders to provide a guarantee to the bidding process, and in the event they are awarded a SADC Secretariat contract under the terms and conditions indicated in the bidding documents, the bidder will not refuse it; and
 - b) **Performance Security:** It is a precautionary measure by which Procuring Entity requires a Contractor, upon signature of a SADC Secretariat contract, to provide guarantees to fulfil their contractual obligations as stipulated in contract.
 - c) **Advance Payment Guarantee:** It is a precautionary measure by which Procuring Entity requires a Contractor, upon signature of a SADC Secretariat contract, to provide a guarantee to cover for the amount received by Contractor as an advance payment under the contract.
- (2) All securities shall be in the amount specified by Procuring Entity (in the bidding documents respectively in the Contract), denominated in US Dollars, and shall be:
 - a) in a form of a unconditional bank guarantee;
 - b) issued by a reputable financial institution selected by the bidder or contractor and acceptable to SADC Secretariat. It shall have a correspondent reputable financial institution located in any of the SADC Secretariat member states to make it enforceable;
 - c) in accordance with the standard template or other form approved by the Procuring Entity prior to submission;
 - d) promptly payable upon a written demand by the Procuring Entity, in case the conditions for forfeiture are met; be submitted in its original form; copies will not be accepted; and
 - e) valid for a period indicated in the bidding documents.
- (3) At any time, the Procuring Entity may reject the bidder's or contractor's choice of the financial institution issuing the security, by giving a written explanation for such decision. In that case the bidder or contractor shall provide another security issued by a financial institution acceptable to the Procuring Entity and then cancel the security with the financial institution not acceptable to Procuring Entity, in this precise order.
- (4) The Procuring Entity shall release the security to the bidder or contractor up to a maximum of thirty (30) days from the security expiration date.

- (5) The request for securities shall be a mandatory requirement for contracts over US\$ 200,000. For contracts of lower value, the Procuring Entity shall decide on requesting securities based on the assessment of risks implied by such decision.

15.6 The SADC Tender Committee

15.6.1 Composition

- (1) The SADC Tender Committee are appointed by the Executive Secretary for the minimum period of one (1) fiscal year and shall have the role of representing the Procuring Entity in all Procurement Functions. This entails that the SADC Tender Committee(s) shall be the sole entity responsible for the final review and decision-making on all procurement processes conducted by the Procuring Entity within the threshold as stipulated in **Article 6.4** of the Guidelines.
- (2) The SADC External Tender Committee shall have a minimum three (3) and maximum five (5) members comprised of senior procurement officials from the Troika Member States, and two officials from the SADC Secretariat namely the head of Budget and Finance or his designate and an officer nominated to represent the Executive Secretary.
- (3) The SADC Internal Tender Committee shall have minimum three (3) and maximum five (5) members, chosen among the directors of the SADC Secretariat with no subordination relationships among themselves with the structure of the institution.
- (4) The Executive Secretary shall appoint for each member Tender Committee an alternate, selected from senior officer of the SADC Secretariat, to replace him/her in the Tender Committee(s) in circumstances where his/her participation in the Tender Committee(s) meetings is not possible.
- (5) To have a quorum, the SADC Tender Committee(s) shall have at least tree (3) member from the technical directorates (such as: Directorate of Policy Planning & Resource Mobilisation, Directorate of Budget & Finance and Directorate of Human Resources and Administration) participating in the SADC Tender Committee(s) meetings.
- (6) The SADC Tender Committee(s) shall be supported by a Procurement Function which will act as a permanent secretariat of the SADC Tender Committee. The Secretariat of the SADC Tender Committee(s) is in charge with distributing the documents to be reviewed, logistic of the meetings, recording the deliberation and decision, securing the signatures of the members on the Tender Committee(s) decisions, and maintaining the record and archives of the SADC Tender Committees. The Head of the Procurement Function will act as Sectary of the Tender Committees meetings.
- (7) No member of the SADC Tender Committee(s) shall be involved in the procurement processes other than in the capacity of member of the SADC Tender Committee(s).
- (8) When a member of the Tender Committee(s) is also requisitioner for the services, goods and work for which the Tender Committee is requested to take a procurement decision, the respective member shall not be allowed to participated in the Tender Committee meeting and be replaced, for that specific procurement process, by an alternate from a different technical department which is not under the coordination of the requisitioner.

- (9) No member of the SADC Tender Committee(s) shall be part of the internal Institutional structures that audits the procurement processes.
- (10) All members of the SADC Tender Committee(s) have equal decision rights and the decision shall be settled by consensus. If a SADC Tender Committee cannot reach a decision by consensus, the Committee decision shall be taken by majority of vote. Such incidents shall be dully recorded in the minutes of the SADC Tender Committee meetings.
- (11) All members of the SADC Tender Committee(s) shall be free of conflict of interest as defined in [Article 4.2](#) of the Guidelines. The members shall sign a Declaration of Impartiality and Confidentiality using the standard template.
- (12) When a member becomes aware that he/she is in a situation which might generate a potential conflict of interest, he/she shall notify the SADC Tender Committee(s) by giving details of the particulars that created the potential conflict of interest and recuse him/herself from further participating in the SADC Tender Committee(s) meetings or decisions in relation with that particular bidding process. Such circumstances shall be recorded in the minutes of the SADC Tender Committee(s) meetings.

15.6.2 Role and responsibilities of the SADC Tender Committee(s)

- (1) The role of the SADC Tender Committee(s) in procurement processes are defined in the [Article 2.2 paragraph 3](#) of the Guidelines.
- (3) In relation to the above mentioned attributions, the SADC Tender Committee(s) has the following responsibilities:
 - a) Ensure that the overall Procurement Plan is develop in accordance with the procedures set in the [Article 11](#) of the Guidelines and that the document is aligned to the SADC Secretariat budget.
 - b) Ensure that the solicitation documents have been reviewed by the relevant authorities according with the procedures set in the Guidelines and standard procurement documents ;
 - c) Ensure that the principles of procurement as stated in the SADC Secretariat Procurement Policy and in [Article 3](#) of the Guidelines are applied in all solicitation documents and evaluation/assessment/ negotiation processes.
 - d) Ensure that the services, goods and works to be procured by the Institution are indispensable for the Procuring Entity and budgetary provision have been made to their acquisition.
 - e) Ensure that the appropriate procurement method is used for the procurement of the services, goods and works so as to obtain maximum value for the Procuring Entity.
 - f) Ensure that recommendations of the Evaluation / Negotiation Committees, as reflected in the evaluation/negotiation report, are sound and responsive to the qualification, evaluation and award criteria indicated in the solicitation documents.
 - g) Ensure that the request for using the single source procedure and limited bidding procurement methods is justifiable.
 - h) Ensure that any derogation from using the standard solicitation documents and procurement methods are necessary and that the interest of the SADC Secretariat and of the Procuring Entity will be protected.
 - i) Ensure that the contracts to be executed by the Accounting Officer are a true reflection of the evaluation/ negotiation processes and the award decision.

- j) Ensure that the addenda to the existing contract is opportune, justifiable and in the interest of the Procuring Entity and is complies with the provision of the Article 45 of the Procurement Policy and **Article 15.9** of the Guidelines.

15.6.3 Communication and records of the SADC Tender Committee

- (1) All correspondence, meetings and decisions of the SADC Tender Committee(s) shall be recorded in writing by the Secretary of the SADC Tender Committee(s) and shall be signed by all members of the SADC Tender Committee(s).
- (2) The SADC Tender Committee(s) shall communicate their request for clarification, objections, rejections or any other decision only to the Procurement Function who shall further distribute it to the relevant party.
- (3) Any decision of rejection or objection of a solicitation document or evaluation/negotiation report shall be justified by making reference to the clauses or articles of the Procurement Policy or Procurement Guidelines which have been breached by the Procurement Function or Evaluation Committee.

15.6.4 Decision Timelines

- (1) The SADC Tender Committee review and decision shall be taken in the shortest time possible from the receipt of the document to be reviewed.
- (2) The maximum time allowed to review a document shall not exceed fourteen (14) calendar days.

15.7 The Evaluation Committee

15.7.1 Composition

- (1) The Evaluation Committee is appointed timely and formally by the Controlling Officer. It comprises number of voting members (minimum of three for service and supply and five for works) from which a Chairperson and Secretary are selected.
- (2) The responsibility of proposing the composition of the evaluation committee rests with the Procurement Function. It will base its recommendations on the suggestions made by Requisition Functions.
- (3) The members shall possess the technical and administrative capacities necessary to give an informed opinion on the submitted applications or bids. It is beneficial that the person(s) who developed the Technical Specifications/Terms of References be included in the Evaluation Committee to provide the technical input.
- (4) Neither member of the Appeals Review Committee or of the Internal Audit Department, nor the Tender Committee members or members of the Tender Committee Secretariat, the Authorizing Officer and the Complaints Officers can be appointed as members of the Evaluation Committee.
- (5) All voting members of the Evaluation Committee have equal voting rights. To guarantee such equality, the Procuring Entity shall ensure that none of the members of the Evaluation Committee is directly or indirectly subordinated to another member in the hierarchy of the Institution.

15.7.2 Impartiality and confidentiality

- (1) All members of the Evaluation Committee shall sign a Declaration of Impartiality and Confidentiality (see Annex XX). Any Evaluation Committee member having a potential conflict of interest with any bidder/applicant shall declare it and immediately withdraw from the Evaluation Committee. He/she will be excluded from participating further in any capacity in these evaluation meetings. During the course of the evaluation, if such a situation occurs, The Chairperson of the Evaluation Committee reports back to the Controlling Officer for reconstitution of the Evaluation Committee.
- (2) While the procurement process is under way, all contacts between the Procuring Entity, Evaluation Committee and applicants/ bidders, shall satisfy conditions ensuring transparency and equal treatment; they may not lead to amending the conditions of the contract or the terms of the original procurement process. No information about the examination, evaluation or decisions about contract award can be disclosed to the bidders/applicants or to Procuring Entity staff that are not subject to declaration of confidentiality and impartiality
- (3) Any attempt by a bidder/applicant to influence the process in any way (whether by initiating contact with members of the Evaluation Committee or otherwise) may result in the immediate exclusion of its bid or application from further consideration and other consequences.
- (4) The Evaluation Committee are conducted in a dedicated secured environment and are confidential, subject to the Procuring Entity's policy on access to documents.
- (5) In order to maintain the confidentiality of the proceedings, the participation in the Evaluation Committee meetings is strictly limited to the members of the Evaluation Committee appointed by the Controlling Officer.
- (6) The bids or applications shall not leave the room where the committee meetings take place, before the conclusion of the work of the Evaluation Committee is reached. They shall be kept in a safe place.

15.7.3 Responsibilities of the Evaluation Committee members

- (1) The Chairperson is responsible for coordinating the evaluation process in accordance with the procedures set by the Guidelines and following the instructions provided to the applicants and the bidders in the solicitation documents issued by Procuring Entity. These will include:
 - a) inform and provide guidance to the members of the Evaluation Committee on SADC Secretariat procurement rules and procedures, in general, and in particular, the ones governing the specific procurement method or process for which the Evaluation Committee was appointed;
 - b) represent the Evaluation Committee in relations with applicants or bidders. All the correspondence of the Evaluation Committee with applicants and bidders shall be done through the Procurement Function;
- (2) The Secretary of the Committee is responsible for carrying out all the administrative tasks connected with the evaluation procedure. These will include:
 - a) circulating the application or bids(s);
 - b) handing and collecting the Declarations of Impartiality and Confidentiality;
 - c) at the request of the members of the Evaluation Committee, and based on their input, draft the correspondence for the invited economic operator(s). The correspondence shall be send out by the Procurement Function;

- d) keeping the minutes of all meetings of the Evaluation Committee, including the relevant records and documents;
 - e) registering the attendance at meetings and compiling the evaluation reports and its supporting annexes.
- (3) Only the members of the Evaluation Committee are allowed to evaluate the applications or the proposals. In the evaluation of the applications or bids, the members of the Evaluation Committee are not allowed to receive or to seek any external (e.g: outside the members of the Evaluation Committee) support for the assessment of the bids.
 - (4) The members of the Evaluation Committee meetings shall be collectively and individually accountable for any decision and the recommendations made by the Committee.
 - (5) Any request for clarification requiring correspondence with the bidders or applicants during the evaluation process shall be in writing, and copies of such correspondence shall be annexed to the Evaluation Report.
 - (6) If a bid or proposal infringes the formal requirements, the Evaluation Committee may use its discretion to decide whether or not it shall be considered during the rest of the evaluation process, while ensuring equal treatment of bidders and applicants and in accordance with the principle of proportionality. Whatever the Evaluation Committee decision is, it shall be fully recorded and justified in the Evaluation Report.

15.7.4 Decision Timelines

- (1) The Evaluation Committee shall be formed before bid opening to ensure the availability of the designated members during the period necessary to prepare and conduct the evaluation process. The evaluation shall be completed as soon as possible to allow the successful bidder/applicant to be notified by the Procuring Entity (after all necessary approvals) within the validity period specified in the solicitation documents.
- (2) The SADC Tender Committee shall explicitly and timely review the Evaluation Report and take a decision.

15.8 Award of the contract

15.8.1 Notifying the successful bidders/applicant

- (1) Before the period of validity of bids expires, and on the basis of the approved evaluations report, the Procuring Entity notifies the successful bidder/applicant in writing that its bids has been accepted, draws attention to any arithmetical errors corrected during the evaluation process requesting the applicant/bidder to accepted such correction, request the applicant /bidder to reconfirm the validity of their bid and, pursuant to **Article 15.8.2** of the Guidelines, invites the applicant/ bidder to negotiate the contract.
- (2) If from the deadline from submission of the bids and the date of notification of the successful bidder/applicant more than one hundred twenty (120) days have elapsed, the successful bidder/applicant shall be requested to produce updated information to demonstrate that they are continuing to satisfy the pre qualification (pre or post) criteria set in the solicitation documents. For this purpose the bidder/applicant shall be given fifteen (15) days to produce updated supporting documents demonstrating the compliance with the qualification criteria. Such requirement shall be indicated in the notification letter.

- (3) Such verification shall be conducted by same Evaluation Committee who evaluated the bid in the first instance. The findings shall be documented in a report, which shall and be subject to approval of the procuring authorisation authority stipulated in [Article 6.4](#) of the Guidelines.
- (4) Failing to produce the documents demonstrating the compliance with the qualification criteria within the given timeframe or failing to demonstrate compliance with the qualification criteria shall lead to the automatic rejection of the bid. Such decision shall be subject to the SADC Tender Committee's approval and shall be communicated in writing to bidder/applicant..
- (5) In such instance, the second best qualified bidder/applicant shall be awarded the contract, provided that it satisfies the qualification (pre or post) criteria, or the procurement procedure shall be cancelled, as the SADC Tender Committees considers appropriate.

15.8.2 Negotiation of the contract with success successful bidders/applicant

- (1) Except in the case of Single Source procedure method (see [Article 6.2.6](#) of the Guidelines) is employed, no negotiations of contract shall be permitted with the successful bidder prior to the award of any contract for general services, goods and works.
- (2) For consulting services, the negotiation of the contract with the successful bidder is permitted with the following limitation:
 - a) the negotiation shall be conducted in writing;
 - b) only availability of key experts, mobilization of the team and timeframe for delivery of reports shall be negotiated;
 - c) no factor that was considered during the evaluation, such as price, methodology and team composition, shall be negotiated; and
 - d) with the exception of the situation when any of the key expert is no longer available for the assignment, the negotiation of the contract shall not lead to the cancellation of the award recommendation to the successful bidder.
- (3) The negotiation shall be documented in a report and be attached as annex to the contract.

15.8.3 Contract preparation

- (1) Notwithstanding the conditions stated in [Articles 15.8.1 and 15.8.2](#) of the Guidelines, and following the procuring authorisation authority stipulated in [Article 6.4](#) of the Guidelines decision to award the contract, the Procurement Function is responsible for the preparation of the contract and the standard templates attached to the application form or bidding documents and the contractor's technical and financial proposal.
- (2) The contract shall be drawn up by the procurement function and is subject to financial and legal regulatory clearances prior to its signature by the Executive Secretary or any other Accounting Officer which have the authority to sign contracts on behalf of the Procuring Entity.
- (3) The contract shall be issued in five (5) originals, be stamped on each page with the Procuring Entity official stamp. The contract form and the Special Conditions of Contract shall be initialled on each page by the signatories of the contract.
- (4) Since the economic conditions offered by the economic operator might change rapidly and invalidate the offer, the contract shall be sent to the economic operator for its signature no later than forty five (45) days from that date of notification of the recommendation for the award of the contract.

- (5) The successful economic operator shall be given fifteen (15) days to sign the contract and return four (4) originals to Procuring Entity. If the economic operator fails to do so, Procuring Entity may consider cancelling the award of the contract to the successful bidder and the second best qualified bidder/applicant. shall be awarded the contract or the procurement process shall be cancelled, as the SADC Tender Committee considers appropriate.
- (6) The Procurement Function shall verify the power of representation of the natural person signing the contract on behalf of the legal entity awarded the contract.
- (7) The contract takes effect on the date of the latter signature.
- (8) On receipt of the four (4) signed originals from the contractor, the Procurement Function shall keep one original and send the remaining three to the execution requisition function, financial and legal service.

15.8.4 Publicizing the award of the contract

- (1) Regardless of the type of procedure, the Procuring Entity shall inform applicants and/or bidders as in seven (7) days of any decision reached concerning the award of the contract, including the grounds for not awarding a contract.
- (2) Once the contract has been signed, the Procurement Function shall prepare Contract Award Notice using the standard template (see Annex XX) and publish it as follows:
 - a) On the SADC Secretariat's website – for contracts procured through Local and Regional Restricted Bidding, Procurement under Multiple Framework Contract procurement methods, and
 - b) On the SADC Secretariat, the United Nations Development Business and in the DG Market websites – for contracts procured through Open Bidding, International Restricted Bidding Limited Bidding and Single Source procurement methods
- (3) The award notice shall be published within maximum five (5) days from the signing of the contract/purchase order by the parties.
- (4) The award notice shall be maintained on the SADC Secretariat's website for a minimum period of seven (7) years after the implementation of the contract ended.

15.9 Modifying contracts

15.9.1 Introduction

- (1) Contracts may be subject to modification during implementation provided that the following principles are observed:
 - (a) Contract modifications shall be formalized through an administrative order or an addendum to the contract in accordance with the provisions of the General Conditions of the Contract and accepted by contracting parties.
 - (b) No modification to the contract may alter the award conditions prevailing at the time the contract was awarded.
 - (c) The value of the initial contract may only be increased by an aggregate amount of up to twenty five percent (25%).

- (d) The duration of the contract may only be increased by an aggregate of maximum hundred percent (100%) the duration of the initial contract.
- (e) All modification shall be signed by parties prior to the expiration of the contract.

15.9.2 General principles

- (1) The following general principles shall always be respected:
 - a) No modification to the contract may alter the award conditions prevailing at the time the contract was awarded. Any fundamental alteration of the Terms of Reference/Technical Specifications, shall not be allowed.
 - b) There shall be justified reasons for modifying a contract. The purpose of the addendum shall be closely connected with the nature of the project covered by the initial contract.
 - c) Contracts can only be modified within the execution period of the contract.
- (2) Requests for contract modifications shall be made (by one contracting party to the other) well in advance to allow for the addendum to be signed by both parties before the expiry of the execution period of the contract.
- (3) Where the modification of the contract extends activities already underway, such cases are considered as Single Source procedures (see **Article 6.2.6** of the Guidelines).

15.10 Rejection of all bids, proposal, offers or quotations

- (1) The Procuring Entity may, following the evaluation process, reject all bids, proposal, offers or quotations received without the applicants or bidders being entitled to claim any compensation. The rejection of all bids proposal, offers or quotations may occur when:
 - (a) pursuant to **Article 6.2.2** to the Guidelines, the number of short listed candidates in an international restricted tender is insufficient to allow competition (e.g minimum four);
 - (b) pursuant to the **Article 6.2.5** to the Guidelines, the number of bids received is insufficient to allow competition (e.g minimum two (2) bids); and
 - (c) pursuant to **Article 15.11** of the Guidelines below, the procurement procedure is cancelled.
- (2) When all bids proposal, offers or quotations are rejected the procurement process shall be cancelled and provision of **Article 15.11** of the Guidelines shall be followed.

15.11 Cancellation of procurement processes

- (1) The Procuring Entity may, before the contract is signed, abandon the procurement exercise and cancel the procurement process without the applicants or bidders being entitled to claim any compensation. Cancellation may occur when:
 - (a) the bidding process has been unsuccessful, i.e. no qualitatively or financially worthwhile bids have been received or there is no response at all;
 - (b) the economic or technical data for the contract have been fundamentally altered;
 - (c) exceptional circumstances or Force Majeure render the normal performance of the contract impossible;

- (d) all technically compliant bids/ applications substantially exceed the available financial resources; and
 - (e) there have been flaws noted in the application of procurement procedures.
- (2) If the procedure is divided into lots, a single lot may be cancelled.
 - (3) If a procurement process is cancelled, all applicants/bidders shall be notified in writing of the reasons for the cancellation at the earliest time. In such instance, a cancellation notice shall be published on the SADC Secretariat website using the standard template **(see Annex XX)**.
 - (4) After cancelling a procurement process , the Procuring Entity may decide:
 - to launch a new process ; or
 - not to award the contract.
 - (5) Whatever the case may be, the final decision is taken by Procurement Entity in accordance with the Procurement Authorisation Matrix indicated in **Article 6.4** of the Guidelines.
 - (6) Under no circumstances the Procuring Entity shall be liable for any damages whatsoever including, without limitation, damages for loss of profits in any way connected with the cancellation of a procurement process, even if the Procuring Entity has been advised of the possibility of damages. The publication of a procurement notice does not commit the Procuring Entity to award the contract announced or accept any application or bid received.

15.12 *Appeal of a Procurement Decision*

- (1) Subject to paragraph (2) of this article, any economic operator that claims to have suffered, or that may suffer, loss or injury due to a breach of a duty imposed on the Procuring Entity by this SADC Procurement Policy and SADC Secretariat Procurement Guidelines, may appeal the procurement decision in accordance with the procedures stipulated in **Article 36** of this Guidelines.
- (2) The following shall not be subject to the review provided for in paragraph (1) of this article:
 - (a) The selection of a method of procurement pursuant to **Articles 6.2 and 6.3**;
 - (b) The choice of a qualification and eligibility criteria pursuant to **Article 12** of the Guidelines, if they have not been contested prior to submission of an application;
 - (c) A decision by the Procuring Entity under **Article 15.11** of the Guidelines to reject all bids, proposals, offers or quotations;
 - (d) The contractual requirements (as specified in the Terms or Reference or Technical Specifications) if they have not been contested prior to the submission of the application or the bid; and
 - (e) The content of the SADC Secretariat standard solicitation documents (including the general terms of the contracts, purchase orders, templates, etc).

15.13 *Procurement Documents and Record Keeping*

- (1) The Procuring Entity shall maintain records of each step taken during the procurement process.
- (2) Subject to the SADC Secretariat's policy on access to documents, these records shall be kept confidential and kept in accordance with the SADC Secretariat policy on archiving.
- (3) Unsuccessful applications and bids have to be kept for five (5) years from the submission date, while successful applications, bids and evaluation reports shall be kept for a minimum of seven (7)

years from the date of issuance. The contractual and financial documents have to be kept for a minimum period of seven (7) years from payment of the balance and up to the date of the decision of any dispute action regarding the law governing the contract. During and after this period, the Procuring Entity will treat the personal data in conformity with its privacy policy. The documents to be conserved shall include all the preparatory documents, the originals of all applications/bids submitted and any related correspondence.

- (4) It is recommended for each contract a separate procurement file to be opened and maintained. If possible the record shall be kept both, hardcopies and the electronic version.
- (5) The procurement record keeping matrix which shows the responsibilities of various functions of the Procuring Entity in keeping and distributing procurement documents is presented in the **Schedule 3** of the Guidelines.
- (6) Upon completion of procurement processes and in accordance with SADC Secretariat policy on access to documents, the procurement documents can be inspected on written demand and proper justification request by natural persons authorized by Procurement Function provided that the principles stated in the Article 11 of the Procurement Policy are respected.

15.14 *Monitoring and reporting of procurement processes*

- (1) Monitoring is the continuous assessment of the procurement processes implementation in relation to agreed schedules and the use of the procured services, goods, and works by the SADC Secretariat. SADC Secretariat's overall monitoring and evaluation framework shall also apply to procurement.
- (2) It is an integral part of the good management policy enforced by the SADC Secretariat. Its main objectives are to provide continuous feedback on implementation and to identify actual or potential successes and constrains as early as possible to facilitate timely adjustments to the procurement process.
- (3) Continuous monitoring and periodic evaluation of the procurement process can achieve the following issues:
 - Provide readily available analyses for decision making; and a reliable flow of information during the implementation;
 - Provide decision makers with information on procurement progress and adjust operations to take account of significant experiences in the procurement process, undertaking mid-course corrections where needed;
 - Help the SADC Secretariat in identifying targets and objectives for procurement implementation; and
 - Assist the SADC Secretariat to maintain easily retrievable records of procurement implementation that can be later used for evaluation purposes.
- (4) The reporting system attached to the monitoring activities includes Quarterly Procurement Progress Report and Annual Procurement Progress Reports.
- (5) The Responsibility of producing the Quarterly Procurement Progress Reports and Annual Procurement Progress Reports rests with the Procurement Function. However the Procurement Function can request the input of any other SADC Secretariat unit or department which deemed competent for providing relevant technical and other relevant information.

PART III PROCUREMENT PROCESSES COMMON TO ALL CATEGORIES OF PROCUREMENT

16. Procurement under Multiple Framework Contract

The procedures for procuring services, goods and works under the Multiple Framework Contract are the following:

- a) **Preparation of Request for Quotations/Proposals:** Upon the receipt from the Requisition Function of a request for services, goods and/or works accompanied by Technical Specifications/Terms of Reference, and the estimated value of the purchase, the Procurement Function identifies the Lot from where the respected services, goods and/or works shall be purchased, checks the availability of funds with the Requisition Function under the specific Multiple Framework Contract covering the lot, prepares a Request for Quotations/Proposals, using the standard template (see Annex XX), and send it by fax or email to all contractors from that specific Lot.

The Request for Quotations/Proposals including the Technical Specifications/Terms of Reference, and the estimated value of the purchase are subject to Procurement Approving Authority prior approval.

- b) **Communication with the Multiple Framework Contractors:** The Multiple Framework Contractors are allowed to request clarifications prior to the submission of their quotation/proposals. All communications among Multiple Framework Contractors and the Procuring Entity shall be in writing, and the questions received and answers given shall be made available to all the Multiple Framework Contractors simultaneously. The responsibility of circulating such correspondence rests with the Procurement Function.
- d) **Submission of quotations/proposals:** Depending on the complexity of the services, goods and works to be procured, the Multiple Framework Contractors shall be given from three (3) to fifteen (15) days to submit their quotation/proposal. The Multiple Framework Contractors shall send their quotations/proposals, either by fax or by e-mail, in the format and by the deadline set in the Request for Quotations/Proposals. If the quotation/proposal is sent after the deadline or it is presented in a format different from the indicated in the Request for Quotations/Proposals, or if the unit prices for services, goods and works quoted/ proposed are in excess to the ones agreed when the individual contract was concluded with The Multiple Framework Contractor, the respective quotation/proposal will be automatically disqualified.
- e) **Evaluation of quotations/proposals:** Soon after the deadline for submission of quotations/proposals has expired, the Evaluation Committee, appointed by the Procurement Function, prepares the draft Evaluation Report, using the standard template (see Annex XX), After completing administrative, technical and financial evaluation and the Evaluation Committee recommends the award of the purchase order to the Multiple Framework Contractor that submitted an administrative and technically compliant offer at the lowest total price (the most economically advantageous offer). Upon receipt of the Evaluation Report from the Evaluation Committee, the Procurement Function shall send it for approval to the Procurement Authority as stipulated in Article 6.4 of the Guidelines.
- f) **Preparation of Purchase Order:** Once the approval on the Evaluation Report is obtained, the Procurement Function issues a Purchase Order, in the standard format (see Annex XX), to the recommended Multiple Framework Contractor and informs all the others about the outcome of

the bidding process. Unsuccessful Multiple Framework Contractor can appeal the decision of the Procuring Entity following the procedures described in [Article 36](#) of the Guidelines.

The Purchase Order is subject to Approving Authority prior approval in accordance with provisions under Article 6.4 of the Guidelines

- g) Acceptance of Purchase Order by the Multiple Framework Contractor:* Upon the receipt of the Purchase Order, the successful Multiple Framework Contractor shall sign for acceptance and return it to the Procurement Function within five (5) days from the receipt of the order. The acceptance of the Purchase Order shall bind the Multiple Framework Contractor to deliver the services, goods and/or works as per the terms and conditions stipulated in the Purchase Order.
- h) General remark:* To prevent distortion of the competition, in case a Multiple Framework Contractor fails to respond to five (5) Requests for Quotations/proposals raised under a lot, the contract with the respective the Multiple Framework Contractor under that respective lot shall be automatically terminated and the performance security attached to the contract forfeited.

17 Regional Restricted Bidding Procedure

- (1) If there is no Multiple Framework Contract in place covering the services, goods and works required by the Procuring Entity, for all non-recurrent contracts for services, goods and works estimated to cost within the limits set in [Article 6.3](#) shall be awarded through the Regional Restricted Bidding Procedure.
- (2) This procedure shall be conducted as per the procedures for Procurement Procedures Under Multiple Framework Contracts ([see Article 16 of the Guidelines](#)), the only exception being that the Request for Quotation/Proposal is submitted to all economic operators included in the regional Database of Approved Suppliers at the category of services, goods and works which is relevant for the specific Request for Quotation/Proposal.
- (3) In case there are no regional economic operators in the Database of Approved Suppliers to submit bids for the required services, goods and works, the international Restricted Bidding procedure shall be used.

18 Local Restricted Bidding Procedure

- (1) If there is no Multiple Framework Contract in place covering the services, goods and works required by the Procuring Entity, for all non-recurrent contracts for services, goods and works estimated to cost within the limits set in [Article 6.3](#) shall be awarded through the Local Restricted Bidding Procedure.
- (2) This procedure shall be conducted as per the procedures for Procurement Procedures Under Multiple Framework Contracts ([see Article 16.1 of the Guidelines](#)), the only exception being that the Request for Quotation/Proposal is submitted to all economic operators included in the local Database of Approved Suppliers at the category of services, goods and works which is relevant for the specific Request for Quotation/Proposal.
- (3) In case there are no local economic operators in the Database of Approved Suppliers to submit bids for the required services, goods and works, the short-list shall be extended to include the regional specialized approved suppliers. If still there are no regional specialized approved suppliers, the International Restricted Bidding procedure shall be used.

19 Limited Bidding

- (1) The Limited Bidding shall apply, irrespective of the estimated value of the contract, only when the conditions specified on **Article 6.2.5 paragraph (2)** of the Guidelines are met.
- (2) The use of this method is subject to the Tenders Committee prior approval.
- (3) This procedure shall be conducted as per the procedures for International Restricted Tender (see **Articles 18.1 and 19.2** of the Guidelines), the only exception being that shortlist is determined by market research and not through a pre-qualification process.
- (4) For the procurement process to be considered successful, the shortlist shall consist of a minimum two (2) economic operators and the Procuring Entity shall receive at least two (2) responsive bids/quotations/proposals.
- (5) The successful bid shall be subjected to a post qualification.

20 Single Source Procedure

The Single Source procedure entails the following stages:

- a) **Request for Single Source procedure:** The Procurement Function, on the basis of the submission from the Requisition Function, prepares the request for the negotiation procedure, and sends it to the Executive Secretary for approval. The Request for Single Source procedure shall contain at least the following information: i) an explanatory note justifying why the negotiation procedure is required; ii) the Terms of Reference/ Technical Specifications to describe the needs of the Institution, and an estimated value of the contract, iii) the eligibility criteria to be fulfilled by the economic operators invited to submit a proposal; and iv) the name(s) of the economic operator (s) invited to submit a proposal. In case of negotiations for amendment of existing contracts or resulting from failures in two successive bidding procedures, the eligibility criteria shall be the same as the one used for the initial procurement process.

Once received from the Requisition Function, the Procurement Function will send the request for the prior approval of the SADC Tender Committee

- b) **Preparation of the Request for Offer:** Upon the approval of the Request for Negotiation Procedure by the SADC Tender Committee, the Procurement Function will prepare, using the approved standard templates (see **Annex XX**), the Request for Offer. Depending of the complexity of the requirements, the economic operators shall be given a minimum of thirty (30) and a maximum of sixty (60) days to submit a proposal in response to the Request for Offer.

The Request for proposal will be subject to the prior approval of the SADC Tender Committee.

- c) **Communication with the invited economic operator(s):** The economic operator(s) invited to submit a proposal is/ are allowed to request clarifications prior to submitting the proposal. However, all communications between economic operator (s) and Procuring Entity shall be in writing. To ensure fairness in the negotiation procedure, when more than one economic operator is invited to submit a proposal for the same contract, the request for clarification and the answers given by Procuring Entity shall be circulated among all the economic operators requested to submit a proposal.
- d) **Submission of proposal:** The invited economic operator(s) shall send the proposal in the format and by the deadline as set in the Request for Proposal. If the invited economic operator needs more time to prepare the proposal, it shall request the Procuring Entity to extend the deadline. The request shall be send at least 10 days prior to the expiration of the deadline for submission

of proposals. Procuring Entity has the right to grant or reject the request for extension. Procuring Entity shall inform simultaneously in writing to all the invited economic operators about its decision regarding the extension request.

e) Negotiation Committee:

- i. The Negotiation Committee shall be formed at least by a Chairperson, a Secretary and an odd number of members (minimum of five for contracts which value is above US\$300,000.00 and minimum of three for contracts below US\$300,000.00).
- ii. The Negotiation Committee shall possess, as a group, all the technical, legal, economical and administrative capacities necessary to give an informed opinion on proposal(s) to be assessed and negotiated, while each member of the negotiation committee shall be a specialist in an specific area subject to evaluation and negotiation (i.e.: technical, legal, financial, procurement, etc).
- iii. It is recommended that the person(s) who developed the Technical Specifications/Terms of References join the Negotiation Committee in order to provide the technical input.
- iv. Members of the Appeals Review Committee, the Internal Audit Function, the Accounting Officer or the Complaints Officers shall not be appointed as members of the Negotiation Committee.
- v. The responsibility of recommending the composition of the Negotiation Committee rests with the Procurement Function, based on the nominations made by technical units. The Negotiation Committee shall be subject to approval of the Controlling Officer.
- vi. All members of the Negotiation Committee shall sign a Declaration of Impartiality and Confidentiality using the standard template **(see Annex XX)**. Any Negotiation Committee member who has a potential conflict of interest with the economic operator submitting a proposal, or its affiliates (including subcontractors), shall declare it and immediately withdraw from the Negotiation Committee not taking part any longer in the negotiation proceeding.
- vii. The Negotiation Committee members shall attend all meetings.
- viii. All members of the Negotiation Committee have equal rights.
- ix. In order to maintain the confidentiality of the proceedings, participation in the Negotiation Committee meetings is strictly limited to the members of the Negotiation Committee designated by the Procuring Entity. The proposal (s) and any other working documents of the Negotiation Committee shall be kept in a safe place when not in use.
- x. Responsibilities of the Negotiation Committee members are:
 - a. All members of the Negotiation Committee shall be responsible for the evaluation of proposals/offers.
 - b. In addition to obligations indicated at point a. above, The Chairperson is responsible for coordinating the negotiation process in accordance with the procedures set by the Guidelines and for ensuring its impartiality and transparency. The duties will include:
 - To inform and provide guidance to the members of the Negotiation Committee on rules and procedures governing the SADC Secretariat

procurement processes, in general, and in particular, the ones governing the Single Source procedure;

- To represent the Negotiation Committee in relation with the invited economic operator(s) or any other party involved in the negotiation procedure. Hence, all the correspondence from the Negotiation Committee with other party(ies) shall originate from and bear the signature of the Chairperson;
- In case of disagreements among the members of the Negotiation Committee, decides on the dissolution of the Negotiation Committee. Such decision shall be justified in a Memo and approved by the SADC Tender Committee.

c. In addition to obligations indicated at point a. above, The Secretary to the Committee is responsible for carrying out all administrative tasks connected with the evaluation procedure. These will include:

- circulating the proposal(s);
- circulating and collecting the Declarations of Impartiality and Confidentiality;
- at the request of the members of the Negotiation Committee, and based on their input, draft the correspondence with the invited economic operator(s). The correspondence shall be send out only after being signed by the Chairperson;
- keeping the minutes of all meetings of the Negotiation Committee and the relevant records and documents;
- registering the attendance at meetings and compiling the Negotiation Report and its supporting annexes.

d. The members of the Negotiation Committee shall be liable jointly and severally for any decision and the recommendation made by the Committee.

f) *Assessment and Negotiation of Proposal:* (1) The purpose of the negotiation is to secure a contract for services, goods and/or works needed by Procuring Entity, under the most advantageous conditions for the Institution and in accordance with the principles governing the SADC Secretariat procurement processes. The negotiation may include all aspects of the proposal: technical (including quantity and quality of deliverables), financial (including the unit prices) or legal aspects (including the contractual conditions and qualification criteria).

(2) The negotiation between the Negotiation Committee and the invited economic operator(s) shall be conducted in writing to a feasible extent. Should the negotiations require a direct contact between the Negotiation Committee and the invited economic operator, a direct meeting can be organized. The place of negotiation shall always be the Procuring Entity Head Quarters and the invited economic operator shall bear all the costs associated to its participation in such meeting(s). The discussion and the conclusions of the meeting shall be recorded by the Secretary of the Committee and signed by all the participants in the meeting. The recorded minutes shall state that the agreements reached during the meeting(s) are not binding either party, until a procurement contract is signed between the economic operator and the Procuring Entity.

- (3) When the negotiation is conducted with more than one economic operator, the Negotiation Committee shall observe transparency and fairness at all times of the negotiation. During the negotiation, each economic operator shall be given the same chances to improve their proposal.
- (4) The assessment and the negotiation procedures shall not take more than thirty (30) days.
- g) Award of the contract:** (1) The Negotiation procedure is not a bidding procedure, and therefore there are no evaluation or selection criteria to determine which proposal is the most economic advantageous one. Once the economic operator(s) reached its best offer, the Negotiation Committee, applying the principle of best value for money, shall make a recommendation for award.
- (2) The entire negotiation process and the justification of the recommendation for award shall be documented in the Negotiation Report. It shall be prepared by the Secretary of the Negotiation Committee and shall be signed by all members of the Evaluation Committee. The standard template shall be used for drafting the Negotiation Report **(see Annex XX)**.
- (3) The Negotiation Report is subject to the SADC Tender Committee's approval.
- (4) After the SADC Tender Committee approval of the Negotiation Report, the procurement function shall inform the economic operator(s) the outcome of its deliberation.
- (5) When informing unsuccessful operators, the letter shall include detailed reasons for considering their proposal unsuccessful, it will also indicate the name of awarded economic operator (if any) and the value of the contract awarded for the services, goods or works
- (6) Unsuccessful economic operator(s) can appeal the decision of the Negotiation Committee following the procedures described in **Article 36** of the Guidelines.
- h) Preparation of the contract:** (1) The Procurement Function is responsible for the preparation of the contract, based on the standard templates and the agreements reached in the Negotiation Report. The contract shall be drawn up by the Procurement Function and is subject to financial and legal regulatory clearances prior to its signature by the Executive Secretary or any other Accounting Officer. The contract shall be issued in five (5) originals, be stamped on each page with the Procuring Entity official stamp.
- (2) Since the economic conditions offered by the economic operator might change rapidly and invalidate the agreements reached during the negotiation procedures, the contract shall be sent to the economic operator for its signature up to thirty (30) days from that date of notification of the recommendation of the Negotiation Committee for the award of the contract.
- (3) The economic operator shall be given fifteen (15) days to sign the contract and return four (4) originals to Procuring Entity. If it fails to do so, the Procuring Entity may consider cancelling the award of the contract. Such decision shall be subject to the procurement approving authority as stipulated in Article 6.4 of the Guidelines and shall be communicated in writing to the economic operator. In such case, the negotiation procedures made shall be cancelled or, if the negotiation was conducted with more than one economic operator, shall be reactivated with the one that submitted the second best proposal, as the Procuring Entity considers appropriate.
- (4) The Procurement Function shall verify the power of representation of the natural person who signs the contract on behalf of the awarded legal entity.
- (5) The contract takes effect on the date of the later signature.
- i) Publication of the award of contract:** After the signature of the contract by both parties, the Procurement Function shall publish the notification of award of the contract, using the standard

template (see Annex XX), on the SADC Secretariat website, within five (5) days from the date of signature of the contract,

j) Cancellation of the negotiation procedure: (1) Procuring Entity shall not be bound to accept any proposal submitted by, or commence any negotiation with, the invited economic operator (s).

(2) At any time and without being liable for any compensation to the invited economic operator(s), the Procuring Entity can cancel the negotiation procedures if:

- no proposal have been received within the deadline set in the Request for Proposal;
- after evaluating the proposal(s) submitted by the economic operator (s), the Negotiation Committee decides that the quality of the proposals makes a mutual acceptable agreement improbable or very difficult;
- if the negotiations with the economic operator(s) fail
- if the recommended economic operator fails to sign the contract which was subject to Single Source procedures,
- if the technical and/or economic conditions or the needs of the Procuring Entity changed from the moment of launching the procurement processes and the services, goods and works subject to procurement under the negotiation procedures are no longer justified.

(3) The decision of cancellation of the negotiation procedure shall be taken by the SADC Tender Committee and shall be communicated to the invited economic operator(s) by the Procurement Function.

PART IV PROCUREMENT PROCESSES FOR PROCUREMENT OF CONSULTING SERVICES

21 *International Restricted Bidding*

(1) The International Restricted Bidding shall be used for all consulting service contracts estimated to cost within the limits set in the Schedule1 of the Guidelines.

(1) The steps in the International Restricted Bidding are the following:

a) Publication of General Procurement Notice

(1) The scope of the General Procurement Notice is to make aware the economic operators about the upcoming Procuring Entity procurement contracts, to enable bidders to express their interest for particular contracts to be tendered by Procuring Entity.

(2) The General Procurement Notice shall be prepared by the Procurement Function, based on the updated Overall Procurement Plan. Only contracts to be procured under the international Restricted Bidding shall be mentioned in the General Procurement Notice. The General Procurement Notice shall be prepared using the standard template.

(3) The General Procurement Notice shall be published simultaneously on the SADC Secretariat, United Nation Development Business and the DG Market websites as well as in at least one newspaper of wide circulation in each SADC Member State.

(4) Procuring Entity shall not engage in any correspondence with interested economic operators with regards to the information published in the General Procurement Notice.

(5) A General Procurement Notice shall be published within five (5) days from the approval of the Overall Procurement Plan or from any subsequent revision of the Overall Procurement Plan.

b) Preparation and publication of Invitation to Pre-qualification

(1) The Invitation to Pre-qualification notice, shall provide the interested economic operators with the information they require to determine their capacity to fulfil the contract in question. It will include the eligibility and qualification criteria as well as a brief description of the services requested and the profile of the key experts.

(2) The qualification criteria published in the Invitation to Pre-qualification shall be:

- clearly formulated, without any ambiguity,
- easy to verify on the basis of the information submitted using the standard application form (see Annex XX),
- devised to allow a clear YES/NO evaluation to define whether the bidder satisfies a particular selection criterion, and
- possible to prove by the applicants with intrinsic documentary evidence.

(3) The qualification criteria shall be adapted to the nature, cost and complexity of the contract.

(4) The Invitation for Prequalification shall be published simultaneously on the SADC Secretariat, United Nation Development Business and the DG Market websites as well as in at least one newspaper of wide circulation in each SADC Member State.

(5) The Invitation for Prequalification shall be accompanied by a Pre-qualification Document to be prepared by the Procurement Function using the standard Pre-qualification Document (see Annex XXX). The Pre-qualification Document shall be published on the SADC Secretariat website and be easily accessible for download to the interested economic operators.

- (6) The time allowed for economic operators to submit their applications shall be sufficient to allow proper competition. The minimum deadline for submitting applications is thirty (30) days from the date of publication of the Invitation to Pre-qualification on the regional newspapers. The actual deadline will be determined by the contract's size and complexity.
- (7) The Invitation for Prequalification and the Pre-qualification Document shall be clear enough to avoid applicants from having to request additional information during the process. However, the interested economic operators are entitled to address, in writing, any request for clarification to the Invitation to Pre-qualification, up to fifteen (15) days prior to deadline for submission of the application.
- (8) The Procuring Entity shall have the responsibility of publish on the SADC Secretariat website a consolidated list of questions received from the interest applicants (without disclosing the name of the economic operator who raised the question) and the Procuring Entity's answers to these questions with at least ten (10) days prior to deadline for submission of the applications.
- (9) If the Procuring Entity, either on its own initiative or in response to the request of an applicant, decides to amend information published in the Invitation to Pre-qualification or in the Pre-qualification Document , an addendum setting out the changes shall be published on the SADC Secretariat website at least ten (10) days prior to deadline for submission of the applications. In this case, the deadline for the submission of applications may be extended to allow applicants to take into account the changes.

c) Establishment of the shortlists

- (1) The short-listing of applicants shall be carried out by an Evaluation Committee appointed following the procedure set in **Article 15.7** of the Guidelines.
- (2) The selection procedure involves:
 - establishing a long list **(see Annex XX)** summarizing all the applications received;
 - eliminating the ineligible applicants **(see Article 12.1)**; For the supply of supporting documents for exclusion and selection criteria, see **Article 12.1**.
 - applying the published selection criteria without any modification.
- (3) After examining the applications, all the qualified economic operators will be short-listed.
- (4) The short-list shall contain a minimum four (4) economic operators. If the number of eligible economic operators is less than four (4), the Procuring Entity shall cancel the procurement process. After examining the situation leading to the cancellation of the procurement process, the Procuring Entity may re-publish the Invitation to Pre-qualification, only after new conditions are defined to allow better competition.
- (5) The pre-qualification process and the final shortlist itself shall be fully documented in the Pre-qualification Report **(see AnnexXX)**.
- (6) The Pre-qualification Report shall be signed by the Chairperson, the Secretary and all voting members of the Evaluation Committee
- (7) The Pre-qualification Report shall be subject to SADC Tender Committee's approval.
- (8) Applicants not selected will be informed by the Procurement Function mailing a standard letter **(see Annex XX)**. Shortlisted applicants will receive a letter of invitation to bid and the bidding documents **(see Annex XX)**. Simultaneously, the final short-list will be published on the SADC Secretariat website.

- (9) The Procurement Function is responsible for preparing the shortlist notice using the standard template **(see Annex XX)** and publishing it on the SADC Secretariat website in maximum of five (5) days.
- (10) Unsuccessful applicants can appeal the decision of the Evaluation Committee following the procedures described in **Article 36** of the Guidelines.

d) Establishment of the Evaluation Criteria

- (1) The evaluation criteria shall be established in accordance with the principles stated in **Article 12.3** of the Guidelines.
- (2) For Consulting Services, the following criteria shall be considered: (a) the quality of the proposed methodology, and (b) the qualifications of the proposed key staff,
- (3) Each criterion shall be marked on a scale of 1 to 100. The marks shall be weighted to become scores. The following weights are indicative. The actual percentages to be used shall suit the specific assignment within the ranges indicated below. The proposed weights shall be stated in the Bidding Documents.

Methodology:	20 to 50 points
Key experts:	30 to 60 points
Total:	100 points

- (3) These criteria are normally divided into sub-criteria. For example:
 - (a) Sub-criteria under methodology may include, as applicable :
 - i. Rationale/understanding of Terms of Reference,
 - ii. strategy,
 - iii. workplan, and
 - iv. training programme/ transfer of know how.
 - (b) The key experts' criteria may be divided into:
 - i. general qualifications: general education and training, length of experience, positions held, time with the consulting firm as staff, experience in developing countries, etc.
 - ii. adequacy for the assignment: education, training, experience in the specific sector, field, or subject relevant to the particular assignment; and
 - iii. experience in the region: knowledge of the local language, culture, administrative system, government Institution, etc.
- (5) The number of criteria and sub-criteria shall be kept to the essential minimum.
- (6) More weight shall be given to the methodology only in the case of complex assignments where the understanding of the scope of assignment, the approach and management of the team of experts is vital for the success of the assignment (i.e.: delivery of various training programs under the same contract, public relations and information campaigns, assistance in privatization, etc).
- (7) For assignments where the experience and qualification of experts is paramount for the successful implementation of the assignment, the emphasis shall be put on the qualifications of the key experts.

e) Preparation and issuance of the Request for Proposals

- (1) The Procurement Function is responsible for the preparation of the Request for Proposals. For the preparation, the Procurement Function shall use the standard template **(see Annex XX)**.
- (2) The Request for Proposals shall be clear enough to avoid short listed economic operators to request additional information during the procedure.
- (3) The content of the standard Request for Proposals is the following:
Section 1: Letter of Invitation (LOI);
Section 2: Information to Bidders (ITB) (including the Data Sheet);
Section 3: Technical Proposal—Standard Forms;
Section 4: Financial Proposal—Standard Forms;
Section 5: Terms of Reference;
Section 6: Standard Form of Contract (including General Conditions of Contract (GCC),
Special Conditions of Contract (SCC), and appendices).
- (4) The Procurement Function will fill in only the sections 1, 2, 5, and 6, while the section 3 and 4 are left to be completed by the bidders.
- (5) It shall be noted that in the Section 2, the content parts called “Information to Bidders (ITB)” and in the Section 6: Standard Form of Contract, the “General Conditions of Contract (GCC)” can not be altered.
- (6) When needed, the Information to Bidders clauses will be modified through instructions in the Data Sheet.
- (7) Similarly, the Special Conditions of Contract (SCC) shall be used to modify the content of the General Conditions of Contract.
- (8) Request for Proposal shall be sent for the SADC Tender Committee’s approval simultaneously with the Pre-qualification Report.
- (9) Upon the approval of the Pre-qualification Report and Request for Proposals by the SADC Tender Committee, the Request for Proposal shall be sent to short-listed economic operators by email and courier.
- (10) The short-listed economic operators shall acknowledge, in writing, within fifteen (15) days from the submission of the Request for Proposal, whether they will deliver a proposal in response to the Invitation to Bid or the reasons for not doing it.
- (11) Short-listed economic operators not informing in writing Procuring Entity about their reasons for not submitting a bid in response to the Procuring Entity’s Invitation to Bid, may risk to be banned to participate in any SADC Secretariat procurement process for a period from two (2) to five (5) years.

f) Preparation and submission of bids

- ↔ Depending on the type and size of the assignment, a period from thirty (30) to a maximum of sixty (60) days shall be given to short-listed economic operators to prepare and submit their bids. The period refers to actual preparation time; additional time to submit the bids (if requested) might be granted.
- (2) If the Procuring Entity, either on its own initiative or in response to the request of a short-listed economic operator, provides additional information or clarifications to the bidding documents, will also send such information in writing to all short-listed economic operators at the same time.

- (3) Short-listed economic operators may submit questions in writing, up to fifteen (15) days before the deadline for submission of bids. The Procuring Entity will reply simultaneously to all short listed economic operators without indicating the source of the inquiry. The answer will be send no later than ten (10) days prior to deadline for submission of bids.
- (4) Under no circumstances, the additional information given by the Procuring Entity shall alter the provision of the Request for Proposals (including the Terms of Reference).
- (5) However, when the additional information produces important changes to any part or provisions of the original Request for Proposals, the change be made through amendments to the Request for Proposals.
- (6) In such instance, Procuring Entity will extend the deadline for the submission of proposals to enable the short-listed economic operators to take into account the changes.
- (7) The amendments to the Bidding documents are subject to the SADC Tender Committee's approval.
- (8) If the Request for Proposals provide for a pre-bid conference meeting, the minutes of the meeting shall be recorded and sent to all short-listed economic operators. The participation of the short-listed economic operators to the pre-bid conference meeting shall not be a mandatory requirement.
- (9) Bids shall be submitted in accordance with the double envelope system, i.e., in an outer parcel or envelope containing two separate and sealed envelopes. One will bear the words "Envelope A - technical proposal" and the other one "Envelope B - financial proposal". Envelope A will include everything but the financial proposal.
- (10) Bidders shall prepare their bids using the standard templates and follow the instructions provided in the Request for Proposals.
- (11) Any infringement of these rules (e.g.: unsealed envelopes, references to prices disclosed in the technical proposal, incomplete bids or bids submitted in a non standard format) is considered a breach of the rules, and will lead to the rejection of the bid.

g) Establishing the Evaluation Committee

- (1) The Evaluation Committee shall be appointed following the procedure set in [Article 15.7](#) of the Guidelines.

h) Receipt of the bids

- (1) Bids shall be submitted at the designated place (indicated address, office and room number), no later than the date and time indicated in the Request for Proposals.
- (2) Bids received after the deadline for submission, are disqualified and will be returned to the bidder unopened.
- (3) When receiving bids, the Procuring Entity shall register the date and time of reception of the bids and acknowledge the receipt to the bidder. The envelopes containing the bids shall remain sealed and be kept in a safe place until they are opened. The outer envelopes of the bids shall be numbered in order of receipt (whether they are received or not before the deadline for submission of bids).
- (4) The opening of bids shall be during a public opening session. Only the representatives of the bidders and the Tender Committee members are allowed to participate in public opening sessions. Any other interested person shall request, in writing, the Procuring Entity's permission to participate in a specific bid opening session.
- (5) During the bid opening, the Tender Committee shall decide whether bids comply or not with the formal submission requirements (i.e. following the opening of the outer envelope and the opening of the technical proposal).
- (6) The financial envelopes, shall be kept sealed, shall be stored in a safe place under the custody of the Secretary of the Tender Committee.

- (7) Upon assessing the bids for compliance with the formal submission requirements, the bids opening session shall be declared closed.
- (8) The bid opening proceedings shall be recorded by the Secretary of the Tender Committee in the Minutes of the Bids Opening Session. The minutes shall be drafted using the standard template.
- (9) The minutes shall be sent to all bidders and be attached as an annex to the Technical Evaluation Report.
- (10) Once the opening session is concluded and the Minutes of the Bids Opening Session are issued to the Bidders, the Technical Proposals are passed to the Evaluation Committee for evaluation.

i) Evaluation of technical proposals—quality evaluation;

Part 1: Preparatory phase

- (1) Immediately after the closing of the bid opening session, the Chairperson presents formally to the members of the Evaluation Committee the purpose of the bid, explains the procedures to be followed by the Committee and introduces the evaluation grid, award criteria and weightings specified in the bidding documents.
- (2) The Bidding Documents should have been circulated in advance to the members of the Evaluation Committee.
- (3) At this stage, the Chairperson shall check whether any member of the Evaluation Committee has a potential conflict of interest with any of the bidders (on the bids received, consortium members and any identified subcontractor).
- (4) After checking, the Secretary of the Evaluation Committee shall request all members of the Evaluation Committee to sign the Declaration of Confidentiality and Impartiality (see Annex XX). The signed Declarations of Confidentiality and Impartiality shall be collected by the Secretary of the Evaluation Committee and attached as an annex to the Technical Evaluation Report.

Part 2: Administrative compliance

- (1) The Committee checks the administrative compliance of bids with the instructions given in the bidding documents using the administrative compliance grid (see Annex XX). Any major formal errors or major deviations from the requirements that may affect the performance of the contract or distort the competition, will result in the rejection of the bid under evaluation.
- (2) Bidders shall provide documents supporting the qualifications of the proposed key experts. They shall include copies of the diplomas mentioned in the Curricula Vitae and employers' certificates or references proving the professional experience indicated in the Curricula Vitae. If any proofs are missing they shall requested be to the bidders. If the bidder cannot document more than thirty percent (30%) of the listed experience, the bid shall be rejected.
- (3) The administrative proceedings for compliance will be recorded in the Technical Evaluation Report and the administrative compliance grid duly filled in, shall be attached as annex to the report.

Part 3: Technical compliance

- (1) Only the voting members of the Evaluation Committee shall evaluate the technical proposals. Each voting member of the committee shall evaluate, individually and independently, all the submitted technical proposals.
- (2) The Evaluation Committee shall not seek clarifications or additional information from bidders that could change the substance of their proposal. Proposals are evaluated based on what has been submitted by bidders.

- (3) When evaluating technical proposals, each voting member awards each proposal a score out of a maximum one hundred (100) points, as stated in the Request for Proposals. Under no circumstances the Committee or members' can change the evaluation criteria published in the bidding documents.
- (4) It is recommended that technical proposals be scored for a given criterion one by one, rather than scoring each technical proposal for all criteria before moving to the next. To determine the scores, each technical proposal shall be evaluated against the requirements stated in the Terms of Reference, but never against other technical proposals. Where the contents of a technical proposal is incomplete or deviates substantially from one or more requirements of the Terms of Reference (e.g.: the work plan is missing, the composition of the team of experts is not in line with the requirements of Terms of Reference, etc), the bid shall be automatically rejected, without receiving a score, being the rejection properly justified in the technical evaluation report.
- (5) When evaluating key experts, only diplomas and documented experience will be taken into account.
- (6) Each voting member of the Committee completes an evaluation grid (see Annex XX) to record his/her assessment of each technical proposal, in order to establish a general appreciation of strengths and weaknesses of the individual technical proposals.
- (7) After each voting member has independently completed the evaluation grid, the Evaluation Committee shall meet to review, and if necessary discuss, the merits of individual evaluations and scores. In addition to the numerical score, each voting member shall explain the reasons for his/her choice and justify his/her scores in front of the Committee.
- (8) Some evaluators tend to be generous while others will be rigid in their judgment and ratings. Such disparity does not matter, provided each evaluator is consistent and differences in scores are not too large (more than 20%). Large differences shall be reviewed and explained since they are often caused by improper or inaccurate use of the rating system.
- (9) As a result of these discussions, voting members may revise some of their ratings and scores if necessary; these changes shall be recorded in the Technical Evaluation Report.
- (10) When discussions are over, each voting member finalises his/her evaluation grid on each of the technical offers and signs it before handing it over to the Secretary of the Evaluation Committee. The Secretary shall then compile a summary of the comments of the voting members as part of the Evaluation Report.
- (11) The Secretary calculates the aggregate final score; it is the arithmetical average of the individual final scores.
- (12) Once the voting members have established each technical proposal's average score (the mathematical average of the final scores awarded by each voting member), any proposal short of the eighty (80) points threshold established in the bidding documents, is automatically rejected. If no proposal receives at least eighty (80) points, the procurement procedure shall be cancelled.
- (13) For technical proposals reaching the eighty (80) points' threshold, the Technical Score shall be calculated by the Secretary of the Evaluation Committee based on the formula stated in the Request for Proposals.
- (14) Unless otherwise stated in the Request for Proposals, the formula for calculating the Technical Score shall be the following:
Technical score = (final score of the technical offer in question/final score of the best technical offer) x 100.
- (15) The result of the technical evaluation shall be recorded by the Secretary of the Evaluation Committee in the Technical Evaluation Report. The standard template shall be used for the

preparation of this document. The report shall be signed by all members of the Evaluation Committee.

- (16) The Technical Evaluation Report shall be subject to the SADC Tender Committee's approval.
- (17) Immediately after the approval of the Technical Evaluation Report by the SADC Tender Committee, the Procurement Function shall notify all bidders the outcome of the technical evaluation. For this purpose, the standard letters shall be used.
- (18) The letters sent to the technically qualified bidders shall inform the date, time and place set for opening the financial proposals. The opening date for the financial proposals shall be at least five (5) days after the notification of the outcome of the technical evaluation, to allow enough time for consultants to make arrangements to attend the opening if they wish to be present.
- (19) Unsuccessful bidders can appeal the decision of the Evaluation Committee following the procedures described in [Article 36](#) of the Guidelines.

j) Evaluation of financial proposals—cost evaluation;

- (1) Financial Proposals shall be opened publicly by the Chairperson of the Tender Committee in the presence of the representatives of the qualified bidders who choose to attend. The name of the technical qualified bidders and their technical scores shall be read aloud. The Financial Proposal envelopes of the technical qualified bidders will be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be opened, and the total prices read aloud and duly recorded.
- (2) During the opening session, the Tender Committee checks if the financial proposals satisfy all the formal requirements, including the one stating that the financial proposal shall not exceed the maximum budget for the contract. A financial offer not meeting the requirements shall be rejected. Every rejection will have to be fully justified in the Evaluation Report.
- (3) Once the proceedings have finalized, the public opening session shall be closed.
- (4) The bid opening proceedings shall be recorded by the Secretary of the Tender Committee in the Minutes of the Financial Proposals Opening Session. The minutes shall be drafted using the standard template.
- (5) The minutes shall be sent to all qualified bidders and be attached as an annex to the Financial Evaluation Report.
- (6) After the closure of the opening session, the Financial Proposal shall be sent to the Evaluation Committee, who shall collectively evaluate them. This evaluation entails:
 - a) correction of any computational errors;
 - b) determination of price deviations; and
 - c) calculation of the financial score.
- (7) When correcting computational errors, in case of discrepancy between a partial and the total amount, or between word and figures, the former ones will prevail.
- (8) In the process of determining price deviations, the following actions shall be taken:
 - a) if activities and items are described in the Technical Proposal but not priced, they shall be assumed to be included in the prices of other activities or items; and
 - b) If an activity or line item is quantified in the Financial Proposal differently from the Technical Proposal, (i) if the Time-Based form of contract has been included in the Bidding Documents, the Evaluation Committee shall correct the quantification indicated in the

Financial Proposal to make it consistent with what is indicated in the Technical Proposal, apply the relevant unit price included in the Financial Proposal to the corrected quantity and correct the total Proposal cost, (ii) if the Lump-Sum form of contract has been included in the Request for Proposals, no corrections are applied to the Financial Proposal in this respect.

- (9) Unless otherwise stated in the Request for Proposals, the Financial Score shall be calculated using the following formula:

Financial score = (lowest total fees / total fees of the financial proposal being considered) x 100.

- (10) The result of the financial evaluation shall be recorded by the Secretary of the Evaluation Committee in the Technical Evaluation Report. The standard template shall be used for the preparation of this document.
- (11) If opened financial proposals do not comply with the formal requirements, the procurement process shall be cancelled.

k) Recommendation of award of the contract

- (1) Unless otherwise stated in the Request for Proposals, the award criteria shall be “quality and cost”. This entails that bids will be ranked based on their combined technical and financial scores, using the weights stated in the Request for Proposals.

- (2) The formula to determine the combined technical and financial score is the following:

$S = St \times T\% + Sf \times P\%$. (where St is the technical score, T is the weight given to the Technical Proposal; Sf is the financial score and P is the weight given to the Financial Proposal; $T + P = 1$).

Where T shall be no less than seventy percent (70%) and P shall be no less than twenty percent (20%).

- (3) The bidder achieving the highest combined technical and financial score shall be recommended for the award of the contract.
- (4) The entire procedure (financial evaluation and the recommendation of award of the contract) shall be recorded by the Secretary of the Evaluation Committee in the Financial Evaluation Report. The standard template shall be used for the preparation of this document. The report shall be signed by all members of the Evaluation Committee.
- (5) The Financial Evaluation Report shall be subject to SADC Tender Committee’s approval.
- (6) Immediately after the approval of the Financial Evaluation Report by the SADC Tender Committee, the Procurement Function shall notify all technically qualified bidders the outcome of the technical evaluation. For this purpose, standard letters shall be used.
- (7) Unsuccessful bidders can appeal the decision of the Evaluation Committee following the procedures described in **Article 36** of the Guidelines.

l) Award of the contract

- (1) The procedures for awarding the contract are stated in **Article 15.8** of the Guidelines.

m) Cancellation of the procurement procedures

- (1) The procedures for cancelling the procurement process are stated in **Article 15.11** of the Guidelines.

n) Modification of the signed contract

- (1) The procedures for modifying a signed contract are stated in the relevant article of the General Conditions of Contract and subsequent modification made in the Special Conditions of Contract.
- (2) However, the general principles and procedures for modifying a signed contract are stated in **Article 15.9** of the Guidelines.

22. Procurement under Multiple Framework Contract

- (1) See **Article 16** of the Guidelines.

23 Regional Restricted Bidding Procedure

- (1) See **Article 17** of the Guidelines.

24 Local Restricted Bidding Procedure

- (1) See **Article 18** of the Guidelines.

25 Selection of Individual Consultants

The Selection of Individual Consultants procurement methods requires the following processes:

- a. **Preparation of Terms of Reference:** The Requisition Function has the responsibility to prepare the Terms of Reference, using the standard template (**see Annex XX**), the evaluation criteria and the estimated budget of the contract.
- b. **Preparation of the Request for Expression of Interest and Application Form:** Upon the review of the Terms of Reference, the evaluation criteria and the estimated budget received from Requisition Function the Procurement Function shall prepare the Expression of Interest, Application Form and Standard Contract for the approval of the procurement authority as stipulated in **Article 6.4** of the Guidelines.

Once approved by the Procuring Entity, the Procurement Function shall publish the Request for Expression of Interest on the SADC Secretariat, the United Nations Development Business and in the DG Market websites using the standard template (**see Annex XX**). Additionally, the Procurement Function shall publish, only on the SADC Secretariat website, the Application Form (**see Annex XX**), the Terms of Reference for the assignment, the template for Curriculum Vitae (**see Annex XX**), the standard Contract for Individual Consultant (**see Annex XX**) and any other forms and documents to be used by interested Individual Consultants for the preparation of their submission.

- c. **Communication with interested Individual Consultants:** Interested Individual Consultants are allowed to request clarifications up to seven (7) days prior to the deadline for submission of an application. All communications shall be in writing, and the questions received and answers given shall be posted on the SADC Secretariat website no later than three (3) days prior to the deadline for Submission of the applications.
- d. **Submission of applications:** The interested Individual Consultants shall be given the choice to send the application by courier or e-mail. The time allowed to Individual Consultants for submitting their application shall be not less than twenty one (21) days from the date of publication of the Request for Expression of Interest. To be considered for evaluation, the application shall be submitted in the requested format, before the deadline and be accompanied by the documents indicated in the Expression of Interest. Incomplete applications or not compliant with these requirements shall be automatically disqualified.
- e. **Evaluation Committee:** The Evaluation Committee shall be appointed and have the responsibilities stated in **Article 15.7** of the Guidelines.

f. ***Receipt and registration of applications:*** On receipt of the applications, the Procurement Function shall register them stating the date and time of reception, issuing a receipt of the application to all applicants. The standard template shall be used for such notifications (see Annex XX).

g. ***Evaluation of applications:***

Part 1: Preparatory phase: The first meeting of the Evaluation Committee shall be held immediately after the deadline for submission. The Chairperson shall introduce the purpose of the evaluation and explain the procedures to be followed by the Evaluation Committee, including the evaluation grid, award criteria and weightings specified in the Request for Expression of Interest. At the end of this phase, the Secretary of the Evaluation Committee shall give to all evaluators copies of all applications received and ask them to sign a declaration of Impartiality and Confidentiality (see Annex XX). However, the Terms of Reference and the Request for Expression of Interest should have been circulated in advance to the members of the Evaluation Committee.

Part 2: Compliance with formal submission requirements: The Evaluation Committee shall decide whether or not the application complies with the formal submission requirements (i.e. deadline for submission, format of the Curriculum Vitae, completeness of the submission as per the Request for Expression of Interest and the application form requirements). At this stage it shall be also checked whether the Individual Consultant complies with the requirements concerning the eligibility criteria stated in the Request for Expression of Interest. Non compliant Applications shall not be further considered in the evaluation. The deliberation of the Evaluation Committee at this stage shall be recorded in the Evaluation Report using the standard template (see Annex XX).

Part 3: Technical Evaluation: (1) At this stage, the Evaluation Committee examines only the submissions that passed the formal compliance evaluation (see part 2 above).

(2) When evaluating the application, each member awards each offer a score out of a maximum 100 points in accordance with the technical evaluation grid (setting out the technical criteria, sub-criteria and weightings) as presented in the Request for Proposal (see point 3.3.4). Under no circumstances may the Evaluation Committee or its members change the technical evaluation grid stated in the Request for Expression of Interest.

(4) Each voting member of the Evaluation Committee completes an evaluation grid (using the standard template) to record his/her assessment in order to establish a general appreciation of strengths and weaknesses of each application.

(5) On completion of the technical evaluation, the points awarded by each member are compared at the Evaluation Committee's session. Besides the numerical score, a member shall explain the reasons for his/her choice and defend his/her scores before the Evaluation Committee.

(6) The Evaluation Committee discusses each application and every member awards it a final score. The Evaluation Committee members may modify their individual evaluation grids as a result of the general discussion on the merits of each offer. Once discussed, each Evaluation Committee member finalizes his/her evaluation grid of each evaluated application and signs it before handing it to the Secretary of the Evaluation Committee. The Secretary of the Evaluation Committee shall then compile a summary of the comments of the Committee members as part of the Evaluation Report.

(7) In the case of major discrepancies, a full justification has to be provided by the dissenting members during a meeting of the Evaluation Committee.

(8) The Secretary of the Evaluation Committee calculates the aggregate final technical score, which is the arithmetical average of the individual final scores, and communicates the result to the Evaluation Committee.

(9) Applications not receiving the minimum seventy (70) points required as a final technical score, shall be disqualified.

Part 4: Recommendation of Award: Individual Consultants are selected on the basis of their professional qualifications for the assignment. Hence, the contract shall be awarded to the Individual Consultant who has obtained the highest final technical score and has a financial proposal within the available budget for the assignment.

(1) All above mentioned evaluation proceedings shall be recorded by the Secretary of the Evaluation Committee in the Evaluation Report, and signed by all members of the Evaluation Committee.

(2) The Evaluation Report, along with the Draft Contract, shall be subject to SADC Tender Committee's approval.

h. **Notification of award of the contract:** (1) After the Evaluation Report approval by the SADC Tender Committee, the Procurement Function shall notify the outcome of the evaluation to all applicants.

(2) The notification sent to the unsuccessful applicants shall provide information on the final technical score that his/her application received, or the reason for having been disqualified, as the case may be. The standard template shall be used for these letters (see **Annex XX**).

(3) The notification sent to successful applicant shall provide - in addition to the information on the final technical score that his/her application received - the draft contract the Individual Consultant is expected to sign to start his/her assignment. The successful applicant shall be requested to confirm in writing, within seven (7) days from the notification of award, his/her interest and availability for the assignment, the acceptance of the conditions of the contract and the date when he/she will be able to commence the assignment. Unless otherwise agreed by the two parties, the starting day of the assignment shall be no less than thirty (30) days from the notification of award of the contract.

(4) If the recommended applicant fails to respond to the notification, or is no longer interested or available for the assignment, or does not accept the terms and conditions of the contract including the commencement day of the assignment, the application shall be disqualified and the procedures for award shall be repeated with the other qualified applicants in the descending order of their final technical score, until a contract is secured.

(5) Unsuccessful applicants can appeal the decision of the Evaluation Committee following the procedures described in **Article 36** of the Guidelines.

i. **Award of the contract:** (1) The Procurement Function is responsible for the preparation of contract, based on the standard templates and the information stated in the Evaluation Report.

(2) The contract is subject to financial and legal regulatory clearances prior to its signature by the Executive Secretary or any other Accounting Officer which have the authority to sign contracts on behalf of the Procuring Entity.

(3) The contract shall be issued in five (5) originals, be stamped on each page with the Procuring Entity official stamp.

(4) The awarded Individual Consultant shall be given fifteen (15) days to accept to sign the contract and return it to the Procuring Entity. Once received, the awarded Individual Consultant will sign all five (5) originals and, at its own cost, shall arrange for a secured return of four (4) originals to the Procuring Entity prior to the fifteen (15) days deadline. If it fails to do so, the Procuring Entity may consider to cancel to award the contract to the recommended the Individual Consultant, and start the same procedures with the second best applicant, until the contract is awarded.

- j. **Publication of the award of contract:** After the signature of the contract by both parties, the Procurement Function shall publish on the SADC Secretariat website, within five (5) days from the signature of the contract, the notification of award of the contract, using the standard template.
- k. **Cancellation of the procedure:** (1) Procuring Entity shall not be bound to accept any proposal submitted by an applicant in response to the Request for Expression of Interest.
- (2) At any time, and without being liable for any compensation, Procuring Entity can cancel the procurement procedure for selection of an Individual Consultant:
- if no application is formal or technically compliant;
 - if no application, formal and technically compliant, falls within the budget limit for the contract.
 - if the recommended applicant fails to accept the conditions of contract (including the commencement date of the assignment) and there is no other applicant with a formal and technically compliant proposal within the budget limit set for the contract, and
 - if the technical and economic conditions or the needs of the Procuring Entity have changed from the moment the procurement process was launched, and then, the services requested to the Individual Consultant are no longer needed by the Institution.
- (3) The decision to cancel the procedure shall be taken by the SADC Tender Committee and be published on the SADC Secretariat website.

26 Limited Bidding

- (1) See **Article 19** of the Guidelines.

27 Single Source Procedure

- (1) See **Article 20** of the Guidelines.

PART V PROCUREMENT PROCESSES FOR PROCUREMENT OF GENERAL SERVICES, GOODS AND WORKS

28 Open Bidding

- (1) The Open Bidding shall be used for all contracts estimated to costs within the limits set in the Schedule1 of the Guidelines.
- (2) The steps for the Open Bidding are the following:

a) Publication of General Procurement Notice

- (1) See **Article 21 point a)** of the Guidelines

b) Establishment of the Post-qualification and Evaluation and Criteria

- (1) The post qualification and evaluation criteria shall be established respecting the principles stated in **Articles 12.2 and 12.3** of the Guidelines.
- (2) For procurement off-the-shelf/common general services, goods or standard commodities, the only the evaluation criteria shall be the compliance with the requirements and the offered price. This entails:
 - (i). all bids shall be assessed for compliance with the requirements stated in the Technical Specifications; and
 - (ii). the technical compliant bids shall be ranked based on their price.
- (3) For complex goods, works and installation, where the evaluation merely compliant with the technical requirement and initial purchase price is deemed inadequate, may be carried out by assigning **merit points** or weights for price and other relevant aspects. This system is usually applied by allocating points to a number of factors as illustrated below:

Item Range of Points

Evaluated price of goods	60 - 90
Cost of common list spare parts	0 - 20
Technical features and maintenance and operating costs	0 - 20
Availability of service and spare parts	0 - 20
Standardization	0 - 20
Total	100

The technically compliant bids are ranked based on the received score being the bid obtaining the highest score ranked first.

- (4) For complex goods, works and installations where the cost of operation during the life cycle is more relevant than the initial purchase price, **the evaluation on the Life cycle cost** shall be used. This evaluation entails for the evaluation purpose and not for the contract to be signed, that the offered priced shall be adjusted based on a specific methodology to determine the evaluated price. The technically compliant bids shall be ranked based on their price.
- (5) Normally the methodology for evaluation on life cycle cost applies price adjustments to the initial price (e.g.: increase or decrease in the price) for:
 - (i). deviations in delivery schedule;
 - (ii). deviations in payment schedule;
 - (iii). the cost of major replacement components, mandatory spare parts, and services;
 - (iv). the availability of spare parts and after-sales services in the country or area where the general services, goods and works are delivered;
 - (v). the projected operating and maintenance costs during the life of the equipment; and
 - (vi). the performance and productivity of the equipment offered.
- (6) When the evaluation is conducted based on the merit points or life cycle cost, the methodology for the evaluation shall be clearly stated in the Bidding Documents

c) Preparation and issuance of the bidding documents and Specific Procurement Notice (SPN)

- (1) The Procurement Function is responsible for the preparation of the Bidding Documents and **Specific Procurement Notice (SPN)**. For the preparation of the Bidding Documents, the Procurement Function shall use the standard template. The SADC Secretarial has three (3) specialized standard Bidding Documents for each category of procurement: general services, goods and works.
- (2) The level of detail and complexity of bidding documents vary depending on the category of procurement. However, they generally include the following:
 - i) *Invitation for Bid*, normally used to invite shortlisted bidders to submit bids and provide brief information about the bidding process.
 - ii) *Instructions to Bidders*; providing information to bidders regarding the form, procedure and timing of bidding.
 - iii) *The Bid Data Sheet*; which specifies the parameters of the Instructions to Bidders for the particular procurement including the source of funds, eligibility requirements, procedure for clarification, bid preparation form, number of copies to be submitted, language of the bids, pricing, instructions on modification and withdrawal of bids, bid submission procedures, closing date, bid validity period, opening, evaluation and award criteria, procedure for correction of mathematical discrepancies in bids; notification of award and procedures for signing of contracts.
 - iv) *Post-qualification and Evaluation Criteria*; this section specifies the methodology to be used to evaluate the Bids and includes the evaluation grid.
 - v) *Bidding Forms*; include the Bid Submission Sheet and Price Schedules, the Bid Security Forms, the Contract Form, the Performance Security Form, the Bank Guarantee Form for Advanced Payment and the Manufacturer's Authorization Form.
 - vi) *The Technical Specifications and drawings*; detail the characteristics of the technologies and technical services required (as well as define the common format for bidders to present their offer, including a technical responsiveness cross-reference form).

- vii) *Schedule of Delivery*; specifies the quantities, delivery dates and locations for the items required by the purchaser.
 - viii) The Contract Form, which is the contractual documents signed by both parties.
 - ix) *The General Conditions of Contract*; setting out the general provisions of the contract between the Procuring Entity and the Contractor.
 - x) *Special Conditions of Contract*; modify the General Conditions of Contract for that particular procurement.
- (3) No changes shall be made in the Instructions to Bidders and the General Conditions of Contract. However, if changes are necessary to address the country and project specific issues, they may be introduced only through Bid Data Sheets or Special Conditions of Contract as required.
 - (4) Bidding Documents shall be sent to the SADC Tender Committee for approval.
 - (5) Upon the approval of the Bidding Documents by the SADC Tender Committee the Procurement Function shall prepare a Specific Procurement Notice using the standard template (see the Annex XXX)
 - (6) The Specific Procurement Notice shall be published simultaneously on the SADC Secretariat, United Nation Development Business and the DG Market websites as well as in at least one newspaper of wide circulation in each SADC Member State.
 - (7) Simultaneously with the publication of the Specific Procurement Notice, the Procurement Function shall post on the SADC Secretariat website the Bidding Documents.

f) Preparation and submission of bids

- (1) Depending on the type and size of the contract, a period of no less than thirty (30) days shall be given to short-listed economic operators to prepare their bids. These periods refer to the actual preparation time, and additional time shall be allowed to include deliveries of the bidding documents and the bids. For complex contracts and when site visits are organized as part of the assistance in bid preparation, the minimum period for preparation of bids shall be sixty days (60).
- (2) If the Procuring Entity, either on its own initiative or in response to the request of a interested economic operator, provides additional information or clarifications to the bidding documents, it post such information of the SADC Secretariat website
- (3) Interested economic operators may submit questions in writing up to fifteen (15) days before the deadline for submission of bids. The Procuring Entity will reply by publishing the answers on the SADC Secretariat without indicating the source of the inquiry. The replay shall be published no later than ten (10) days prior to deadline for submission of bids.
- (4) Under no circumstances the answers given by the Procuring Entity shall alter the provision of the Bidding Documents.
- (5) However, when the answers given lead to important changes to any part or provision of the original Bidding Documents, changes shall be made through amendments to the Bidding Documents.
- (6) In such instance, Procuring Entity will extend the deadline for the submission of proposals to enable the short-listed economic operators to take into account the changes.
- (7) The amendments to the Bidding documents are subject to SADC Tender Committee's approval.
- (8) If the Bidding Documents provide for a pre-bid conference meeting, clarifications shall be recorded in the minutes and the minutes published on the SADC Secretariat website. The attendance of interested economic operators to the pre-bid conference meeting shall not be a mandatory requirement.

- (9) Bidders shall prepare their bids using the standard templates, submitted in a sealed envelope in accordance with the instructions provided in the Bidding Documents.

g) Establishing the Evaluation Committee

- (1) The Evaluation Committee shall be appointed by the Controlling Officer, prior to the deadline for submission of bids. The procedures for appointing the Evaluation Committee as well as the role and responsibilities of its members are described in [Article 15.7](#) of the Guidelines.

h) Receipt of the bids

- (1) Bids shall be delivered to the designated place (indicated address, office, and room number), no later than the date and time indicated in the Bidding Documents.
- (2) Bids received after the deadline for submission are disqualified and will be returned to the bidder unopened.
- (3) When receiving bids, the Procuring Entity shall register the date and time of reception of the bids and acknowledge the receipt to the bidder. The envelopes containing the bids shall remain sealed and be kept in a safe place until they are opened. The outer envelopes of the bids shall be numbered in order of receipt (whether they are received or not before the deadline for submission of bids).
- (4) The opening of bids shall be a public opening session at the address, date and time specified in the Bidding Documents. The bids shall be opened immediately after the deadline for bid submission. No more than one hour between the deadline for bid submission and the bid opening shall be allowed.
- (5) Only the representatives of the bidders and Tender Committee members are allowed to participate in the public opening session. Any other interested person shall request, in writing, the Procuring Entity's permission to participate in the bid opening session.
- (6) During the bid opening, envelopes will be opened by the Chairperson of the Tender Committee based on the registration number given to the bids. During the opening the Chairperson of the Tender Committee shall read out: the name of the Bidder; the Bid Prices, including any discounts and alternative offers, if allowed; the presence of a Bid Security, if required; the bid validity and any other details as may consider appropriate. Since differences might occur between the information stated in the original bid and the copies, the reading shall be from the original version of each bid, and the actual amounts and other key details read out shall be subject to later verification. For this purpose for each bid received, the Secretary of the Tender Committee shall fill in a standard template form called Bid Opening Checklist.
- (7) The Secretary of the Tender Committee shall prepare a record of the bid opening session including no less than: the name of the Bidder and whether there is a withdrawal, substitution or modification of the bid; the Bid Price, per lot if applicable, including any discounts, and any alternative offers if they were permitted; the presence or absence of a Bid Security, if required. The Bidders' representatives present will be requested to sign the attendance sheet. A copy of the record shall be distributed to all bidders submitting bids on time.
- (8) The minutes of the bid opening and the Bid Opening Checklists shall be sent to all bidders that submitted proposal.
- (9) Once the opening session was concluded and the Minutes of the Bid Opening session were sent to the Bidders, the Tender Committee shall send to the Evaluation Committee the bids for the evaluation, along with the minutes of the bid opening and the Bid Opening Checklist.

i) Technical Evaluation

- (1) The evaluation of the bids is conducted collectively, with all voting members of the Evaluation Committee assessing together at the same time, each bid against the requirements of the Bidding Documents.
- (2) It is mandatory for the Evaluation Committee to use the administrative compliance and the evaluation grids included in the Bidding Documents or in the Standard Evaluation Report for General Services, Goods and Works.
- (3) With the agreement of the Evaluation Committee members, the Chairperson may communicate in writing with bidders whose bids require clarification, allowing to respond within a reasonable time to be established by the Committee.
- (4) Under no circumstances the clarification provided by the bidders shall allow the change of the technical or any part of the proposal.

Part 1: Preparatory phase

- (5) Immediately after closing the bid opening session, the Chairperson presents the members of the Evaluation Committee the purpose of the bid and explains the procedures to be followed by the Evaluation Committee introducing the evaluation grid, award criteria and weightings specified in the bidding documents.
- (6) Nevertheless, the Bidding Documents should have been circulated in advance to the members of the Evaluation Committee.
- (7) At this stage, the Chairperson shall check whether any member of the Evaluation Committee has a potential conflict of interest with any bidders (bids received, consortium members and any identified subcontractor).
- (8) After checking , The Secretary of the Evaluation Committee shall request all members of the Evaluation Committee to sign the Declaration of Confidentiality and Impartiality (see Annex XX). The signed Declarations of Confidentiality and Impartiality shall be collected by the Secretary of the Evaluation Committee and attached as an annex to the Evaluation Report.

Part 2: Administrative compliance

- (1) Before conducting a detailed evaluation of the bids, the Evaluation Committee checks their compliance with the essential requirements of the Bidding Documents (i.e. the administrative compliance grid).
- (2) The purpose of the administrative compliance is to identify and reject incomplete, invalid, or substantially nonresponsive bids to the bidding documents. The following checks shall be applied:
 - (a) Formal Verification: Attention shall be directed toward deficiencies that, if accepted, would provide unfair advantages to the bidder. Sound judgment shall be used: for example, simple omissions or mistakes arguably occasioned by human error shall not be grounds for rejection of the bid. Rarely is a bid perfect in all respects. However, the validity of the bid itself, for example, its signatures, shall not be in question. If the bidder is a joint venture, the joint venture agreement shall be submitted; if the bidder is an agent, an authorization from the supplier or manufacturer shall be provided in addition to any documentation required from the supplier or manufacturer. All copies of the bid shall be compared with the original and corrected accordingly, if necessary. Thereafter, the original shall be kept in a safe location, and only copies shall be used in the evaluation process.
 - (c) Bid Security: The bidding document may require the submission of a bid security. If requested, the bid security shall conform to the requirements of the Bidding Documents, and it shall accompany the bid. If the bid security is issued as a bank guarantee, it shall be consistent with the wording of the bid security form provided in the bidding document. Submission of a copy of

the security or the submission of different from requested bank guarantees is not acceptable. Furthermore, securities for an amount smaller or for a period shorter than the one required in the Bidding Documents are not acceptable, and reason for rejecting the bid. The security for a bid submitted by a joint venture shall be in the name of all of the partners of the joint venture.

- (d) Completeness of Bid: Unless the bidding documents have specifically allowed partial bids—allowing bidders to quote for only select items or for partial quantities of a particular item—bids not offering all the required items shall ordinarily be considered non-responsive. However, under works contracts, missing prices for occasional works items, are considered to be included in prices for closely related items elsewhere. If any erasures, interlineations, additions, or other changes have been made, they shall be initialled by the bidder. They may be acceptable if they are corrective, editorial, or explanatory. If they are not, they shall be treated as deviations and shall be analysed in the Evaluation Report. Missing pages in the original copy of the bid may be cause for rejection of the bid, as it may contradictions in model numbers or other designations of critical supply items.
- (3) For each bid, the Evaluation Committee shall fill in the administrative compliance grid based on the standard template (see Annex XX).
- (4) All the proceedings of this evaluation stage shall be recorded by the Secretary of the Evaluation Committee in the Evaluation Report. The Administrative Compliance Grids and any correspondence with the bidders shall be attached as annexes to the report.

Part 3: Technical compliance of bids

- (1) Only bids passing the administrative compliance assessment shall be consider for technical evaluation. The criteria to be applied are those published in the Bidding Documents and the evaluation grid included in the Bidding Documents will be used. Under no circumstances may the Committee or its members change the evaluation grid published in the Bidding Documents.
- (2) The purpose of the evaluation is to assess whether or not the competing bids meet the evaluation criteria and the minimum technical requirements.
- (3) Major deviations to the commercial requirements and technical specifications are basis for the rejection of bids. As a general rule, major deviations are those that, if accepted, would not fulfil the purposes for which the bid is requested, or would prevent a fair comparison with bids compliant with the bidding documents. Examples of major deviations include:
 - (i) Stipulating price adjustment when fixed price bids were called for;
 - (ii) Failing to respond to specifications by offering instead=different technical characteristics not offering substantial equivalence in critical performance parameters or in other requirements;
 - (iii) Phasing of contract start-up, delivery, installation, or construction not conforming the required schedule of delivery;
 - (iv) Subcontracting in a substantially different amount or manner than permitted;
 - (v) Refusing to bear important responsibilities and liabilities allocated in the bidding documents, such as performance guarantees and insurance coverage procedures; and
 - (vi) Rejecting critical provisions such as the applicable law, taxes and duties, dispute resolution procedures, etc.
- (4) Having evaluated the bids, the Evaluation Committee rules on the technical compliance of each bid, classifying it as technically compliant or not.

- (5) All the proceedings of this stage of the evaluation shall be recorded by the Secretary of the Evaluation Committee in the Evaluation Report. The Administrative Compliance Grids and any correspondence with the bidders shall be attached as annexes to the report.

j) Evaluation of financial offers

- (1) Upon completion of the technical evaluation, for bids passing the technical evaluation, the Committee performs the following checks on the financial offers:
 - (i). Corrections for Errors: The methodology for correction of computational errors is described in the Bidding Documents. The corrections are considered binding on the bidder. Unusual or large corrections that could affect the comparative ranking of bids shall be explained in footnotes.
 - (ii). Discounts: Discounts offered in accordance with the Bidding Documents being a condition on the simultaneous award of other contracts or lots of the contract package (cross-discounts) shall not be incorporated until the completion of all evaluation steps. Any discount expressed as a percentage shall be applied to the appropriate base specified in the bid price.
 - (iii). Additions: Omissions to the bid shall be compensated for by adding the estimated costs for remedying the deficiency. Where items missing in some bids but are present in others, an average of quoted prices could be used to compare competitors' bids. Alternatively, external sources, such as published price lists, freight tariff schedules, etc., may be considered in order to determine the cost of the omissions.
 - (iv). Adjustments: The Bidding Documents specify which, if any, performance or service factors will be taken into account in the bid evaluation. The methodology used in the evaluation of these factors shall be precisely described in the bid evaluation report and shall be fully consistent with the Bidding Documents provisions. Bonuses or additional credits reducing the evaluated bid price will not be awarded in the bid evaluation for features exceeding the requirements stated in the bidding documents, unless specifically provided for in the Bidding Documents.
- (2) If the procurement procedure contains several lots, financial offers are compared for each lot. The financial evaluation will have to identify the best financial offer for each lot, taking into consideration any eventual discounts granted by the bidders, if they are allowed by the bidding documents.
- (3) After completing the detailed examination, the bidder with the lowest total price is the lowest evaluated cost bidder at this stage.

k) Verification of compliance with the post-qualification criteria.

- (1) For the lowest evaluated cost bidder a verification of compliance with the post-qualification criteria is conducted.
- (2) If the bidder fails to comply with the post-qualification criteria its bid shall be automatically rejected and the bidder with the second lowest total price shall be considered for award and verified for compliance with post-qualification criteria.

l) Recommendation of award of the contract

- (1) The contract shall be awarded to the bidder, whose bid:
 - a) complies with the formal requirements and the eligibility conditions;
 - b) meets the minimum technical requirements specified in the Bidding Documents;
 - c) total budget is within the maximum budget available for the contract;
 - d) when applying the award criteria stated in the Bidding documents, is declared the first ranked bid, and

- f) complies with the post qualification criteria.
- (2) If the award criterion is the price, the first ranked bid shall be declared the one having the lowest evaluated price which is technical compliant.
 - (3) If the award criterion is the quality and cost, the first ranked bid shall be declared the one having the highest score, using the formula stated in the Bidding Documents.

m) Evaluation Report

- (1) All the evaluation proceeding described from point h) to j) shall be recorded by the Secretary of the Evaluation Committee in an Evaluation Report using the standard template (see Annex XX).
- (2) The Evaluation Report shall be signed by all members of the Evaluation Committee.
- (3) Evaluation Report is subject to SADC Tender Committee's approval.

n) Award of the contract

- (2) The procedures for awarding the contract are stated in Article 15.8 of the Guidelines.

o) Cancellation of the procurement procedures

- (2) The procedures for cancelling the procurement procedures are stated in Article 15.11 of the Guidelines.

p) Modification of the signed contract

- (3) The procedures for modifying a signed contract are stated in the appropriated article of the General Conditions of Contract and its subsequent modification made in the Special Conditions of Contract.
- (4) However the general principles and procedures for modifying a signed contract are stated in Article 15.9 of the Guidelines.

29 International Restricted Bidding

- (1) The International Restricted Bidding shall be used for all contracts estimated to cost within the limits set in the Schedule 1 of the Guidelines..
- (2) The steps for the International Restricted Bidding are the following:

a) Publication of General Procurement Notice

- (1) See Article 21 point a) of the Guidelines.

b) Preparation and Publication of Invitation to Pre-qualification

- (1) The same procedures for the preparation and publication of Invitation to Pre-qualification described in Article 21 point b) of the Guidelines shall be followed.
- (2) The only difference is the information to be presented to the potential applicants regarding the description of the general services, goods and works needed by the Institution.
- (3) For the preparation of this document, the Procurement Function will use a different standard template (see Annex XX).

c) Establishment of shortlists

- (1) The same procedures described in Article 21 point c) of the Guidelines for short-listing applicants for Consulting Services contracts, shall be followed for establishing the short-list for procuring general services, goods and works under the International Restrictive Procedure.

d) Establishment of the Evaluation Criteria

(1) The evaluation criteria shall be established respecting the principles stated in [Article 12.3](#) of the Guidelines.

(2) The principles indicated in [Article 28 b\) from point \(2\) to \(6\)](#) shall also be considered.

e) Preparation and issuance of the bidding documents

(1) The preparation of the Bidding Documents shall follow the same principles as those described in [Article 28 c\)](#), with the following exceptions:

- (i). Bidding Documents shall be sent for the Tender Committee's approval simultaneously with the Pre-qualification Report.
- (ii). No Specific Procurement Notice shall be issued but only Invitation to Bid.
- (iii). Upon the approval of the Pre-qualification Report and Bidding Documents by the SADC Tender Committee, the Bidding Documents shall be sent to short-listed economic operators by email and/or courier.
- (iv). The short-listed economic operators shall acknowledge, in writing and within fifteen (15) days from the submission of the Bidding Documents, whether they will submit proposal in response to the Invitation to Bid or the reasons for not submitting a proposal.
- (v). Sort-listed economic operators not informing in writing the Procuring Entity about their reasons for not submitting a bid in response to the Invitation to Bid, may risk to be banned to participate in any SADC Secretariat procurement process for a period from two (2) to five (5) years.

f) Preparation and submission of bids

(1) The preparation of the bids shall follow the same principles as those described in [Article 28 f\)](#), with the exception that the communication with the bidders shall not be published on the SADC Secretariat website but communicated simultaneously only to the short listed bidders.

g) Establishing the Evaluation Committee

(1) See [Article 28 g\)](#)

h) Receipt of the bids

(1) See [Article 28 h\)](#)

i) Technical Evaluation

(1) See [Article 28 i\)](#)

j) Evaluation of financial offers

See [Article 28 j\)](#)

k) Recommendation of award of the contract

(1) The contract shall be awarded to the bidder, whose bid:

- a) complies with the formal requirements and the eligibility conditions;
- b) meets the minimum technical requirements specified in the Bidding Documents;
- c) total budget is within the maximum budget available for the contract; and
- d) when applying the award criteria stated in the Bidding documents, is declared the first ranked bid.

(2) If the award criterion is the price, the first ranked bid shall be declared the one having the lowest evaluated price which is technical compliant.

- (3) If the award criterion is the best-value-for-money, the first ranked bid shall be declared the one having the highest score, using the formula stated in the Bidding Documents.

m) Evaluation Report

- (1) All the evaluation proceeding described from point h) to j) shall be recorded by the Secretary of the Evaluation Committee in an Evaluation Report using the standard template (see Annex XX).
- (2) The Evaluation Report shall be signed by all members of the Evaluation Committee.
- (3) Evaluation Report is subject to SADC Tender Committee's approval.

k) Award of the contract

- (1) The procedures for awarding the contract are stated in Article 15.8 of the Guidelines.

l) Cancellation of the procurement procedures

- (3) The procedures for cancelling the procurement procedures are stated in Article 15.11 of the Guidelines.

m) Modification of the signed contract

- (1) The procedures for modifying a signed contract are stated in the appropriated article of the General Conditions of Contract and its subsequent modification made in the Special Conditions of Contract.
- (2) However the general principles and procedures for modifying a signed contract are stated in Article 15.9 of the Guidelines.

30. Procurement under Multiple Framework Contract

- (1) See Article 16 of the Guidelines.

31 Regional Restricted Bidding Procedure

- (1) See Article 17 of the Guidelines.

32 Local Restricted Bidding Procedure

- (1) See Article 18 of the Guidelines.

33 Limited Bidding

- (1) See Article 19 of the Guidelines.

34 Single Source Procedure

- (1) See Article 20 of the Guidelines.

PART VI ADMINISTRATIVE PROCEDURES COMMON TO ALL PROCUREMENT PROCESSES

35 Preparing an addendum to a contract

(1) The responsibility for preparing addendum rests with the Procurement Function, obliged to proceed as follows:

a) Draft the addendum. This is the responsibility of the Procurement Function. It shall use the standard template for drafting the addendum (see Annex XX). All references in the proposed addendum to article numbers and/or annexes to be modified shall correspond to those in the initial contract. Any addendum modifying the budget shall include a replacement budget showing how the full budget breakdown of the initial contract has been modified by this addendum (and any previous addenda) (see Annex XX). If the budget is modified by the proposed addendum, the payment schedule shall also be accordingly modified, taking into account any payments already made in the course of the contract. The payment schedule shall not be modified unless: either the budget is being modified or the contract is being extended.

b) Prepare a file comprising the following items:

i) Explanatory note (see Annex XX) providing a technical and financial justification for making the modifications in the proposed addendum. The explanatory note shall be prepared by the contracting party which initiated the request for addendum.

ii) Copy of the request for (or agreement to) the proposed modifications (i.e.: all the communications between the contracting parties leading to the addendum, including an official request of the addendum summarizing the justification for the addendum);

iii) Five originals of the proposed addendum, based on the standard addendum template and including any revised annexes.

c) Secure the Procuring Entity approval and the signing of the addendum. The addendum shall be subject of the same approval procedures and signed by the same authority signing the contract, as stipulated in Article 15.8.3 (2) of the Guidelines.

d) Secure the Contractor signature of the addendum. After the approval and signature of the addendum, all five (5) signed originals shall be sent to the contractor for its signature. The contractor shall countersign them within fifteen (15) days of receipt and return four (4) originals to the Procuring Entity together with the financial guarantee, if applicable.

e) Circulate the addendum among SADC Secretariat units. On receipt of the four (4) signed originals from the contractor, the contractor shall keep one original send the remaining three as stipulated in Article 15.8.3 (8) of the Guidelines.

(2) The addendum takes effect on the date of the latter signature.

35 Procedures for registration in the Database of Approved Suppliers

The following processes shall be followed for registration of economic operators in the SADC Secretariat Database of Approved Suppliers:

a) Development of pre-qualification criteria

- (1) Based on the approved Overall Annual Procurement Plan, the Procurement and Requisition Function, shall identify the category of services, goods and works expected to be procured through local and regional restrictive bidding using the Approved Suppliers Database.
- (2) Once the category of services, goods and works is determined, the Procurement Function shall develop the generic qualification criteria for each generic category of services, goods and works and for each procurement method (local or regional restrictive bidding). The qualification criteria shall be approved by SADC Tender Committee.
- (3) The qualification criteria shall be developed based on the principles stated at the [Article 12.2](#) of the present guidelines.

b) Development of Invitation to Registration and Pre-qualification Document

- (1) Based on the standard templates and the approved pre-qualification criteria, the Procurement Function shall develop the Invitation to Registration and Application Forms, using the standard templates. These documents shall be approved by Tender Committee.

c) Publication of the Invitation to Registration and Pre-qualification Document

- (1) Once the Invitation to Registration and Application Forms have been approved, the Procurement Function shall publish on the United Nations Development Business and in the DG Market websites as well as in at least one newspaper of wide circulation from each member state of the SADC Institution, an Invitation to Pre-qualification on monthly basis, using the standard template [\(see Annex XX\)](#). At the same time, an Invitation to Registration and the Pre-qualification Document (including the Application Form) shall be published on the SADC Secretariat website. The Pre-qualification Document shall be drafted using the standard template [\(see Annex XX\)](#). The SADC Secretariat website shall provide easy download of the procurement notice and the application form.
- (2) The Invitation to Registration and the Pre-qualification Document shall be maintained on the SADC Secretariat website until the deadline for submission of applications..
- (3) The Invitation to Registration and the Pre-qualification Document can be withdrawn on the approval by the SADC Tender Committee from the SADC Secretariat if:
 - i. The pre-qualification criteria and/or the Application Form are updated and replaced with revised ones;
 - ii. The SADC Secretariat procurement guidelines and procedures are modified and there is no longer a need for maintaining a Database of Approved Suppliers based on the current procedures (i.e.: introduction of an automated e-procurement system);
 - iii. The SADC Secretariat no longer envisage the need of procurement of certain services, goods and works previously covered by the Invitation to Registration; and
 - iv. The method for procurement of the services, goods and works previously covered by the Invitation to Registration, changes due to modifications in the SADC Secretariat procurement strategy or in the estimated value of the contracts.

d) Communications with potential applicants

- (1) Economic operators interested in being registered in the Database of Approved Suppliers are allowed to request clarifications about the registration process. All communications between economic operators and SADC Secretariat shall be in writing. All the questions received and answers given in one (1) calendar month in response to an Invitation to Registration shall be consolidated and posted on the SADC Secretariat on a section called Frequently Asked Questions, without disclosing the name of the economic operator who asked the question.

- (2) The economic operators shall review the Frequently Asked Questions section on the SADC Secretariat website prior to request any clarification or raise any question. SADC Secretariat will only respond to those requests for clarification and questions specifically related to the registration process having not been yet addressed in the Frequently Asked Questions section.
- (3) No bilateral communication with potential applicants is allowed, other than the stated above.
- (4) The responsibility of collecting the questions and answers, consolidating them and updating the Frequently Asked Questions section of the SADC Secretariat website, rests with the Procurement Function.

e) Changes in the Invitation to Registration and Pre-qualification Document

- (1) If the need for adjusting the information in the Invitation to Registration , qualification criteria or other requirements stipulated in the application arises, the Procurement Function shall prepare a memo stating the reasons for such modifications and prepare the revised version of the Invitation to Registration and Pre-qualification Document.
- (2) The approval of the revised Invitation to Registration and Pre-qualification Document shall follow the same procedures established for a new process.
- (3) Under no circumstances shall the revision of the Invitation to Registration and Pre-qualification Document lead to a fundamental change of the procurement procedures laid down in the Guidelines.

f) Preparation and submission of the Application Form.

- (1) To apply for registration in the Database of Approved Suppliers, the economic operator shall fill in the latest version of the standard Application Form and make a self assessment to meet the actual eligibility and evaluation criteria for the category of services, goods and/ or works applied for.
- (2) The interested economic operators fill in and send their applications for registration in the Database of Approved Suppliers at anytime prior to the deadline for submission of applications indicated in the Invitation to Registration.
- (3) To avoid distortion of competition and corrupt practices, an economic operator and its affiliates, alone or as member of a joint venture/consortium, shall submit only one application per category of services, goods and works. This restriction shall not apply to sub-contractors or personnel.
- (4) Similarly, an approved supplier or its affiliates, alone or as a member of a joint venture/consortium, shall be banned to submit another application for the same category of services, goods and works. This interdiction shall not apply if the application is for a different category of services, goods and/or works or if the contractor re-applies for the registration one month prior to the expiration of its original registration.
- (5) Affiliates are the group of companies, firms, associations, etc. where the economic operator or any of the major shareholders owns a minimum of twenty percent (20%) of shares of the share capital. For the same purpose, major shareholder is any legal or natural person who owns no less than twenty percent (20%) of the shares of the economic operator.
- (6) If an economic operator is breaching, willingly or unwillingly, the interdictions mentioned in the paragraph 4 and 5 above, shall be automatically disqualified from any SADC Secretariat procurement process for a period of two (2) years.
- (7) The Application Form shall be accompanied by certified copies (by a Public Notary or Commissioner of Oath) of all the documents indicated in the Application Form to prove the compliance with the eligibility and qualification criteria indicated in the Invitation to Pre-qualification.

- (8) The Application Form, duly filled in and signed, accompanied by all the supporting documents shall be submitted in one original hard copy and one electronic copy (scanned on CD) by registered mail or by courier, to the address indicated in the Invitation to Registration.

g) Receipt and registration of the applications.

- (1) The Procurement Function is responsible for receiving and registering all the applications for registration in the Approved Suppliers Database.
- (2) Immediately upon receipt of an application, the Procurement Function shall give the application a register number (in chronologic and ascending order) and issue a Notice of Receipt to the applicant using the standard template **(see Annex XX)** for that purpose.
- (3) The Notice of Receipt shall be sent to the applicant by email only at the email address indicated in the Application Form.

h) Assessment of the Application Form

- (1) The Procurement Function is responsible for appointing an Evaluation Committee for assessing all the applications for registration in the Approved Suppliers Database in accordance with the provision of the article 15.7 of the Guidelines.
- (2) The assessment of an application form entails the following steps:
- i. ***Assessment of the administrative requirements:*** The application is checked only if: it is submitted in the right format, it is duly filled in and signed, it is written in a SADC Secretariat official language and it is complete (e.g.: accompanied by all documents indicated in the standard template for the application form). Applications determined to be non compliant during the administrative assessment will be automatically disqualified and not considered for further assessment of eligibility and qualification criteria. The findings of this assessment shall be recorded in the Assessment Report.
 - ii. ***Assessment of the eligibility requirements:*** The application is checked for compliance with the SADC Secretariat eligibility requirements (see **Article 12.1 of the Guidelines**), as well as to find out whether the applicant falls into the situation indicated in **alineas 4 and 5 of paragraph f) of this Article** . During this stage of the assessment, the Evaluation Committee may request (in writing) the applicant to provide clarifications and additional information. The applicant shall provide the requested information in a maximum of ten (10) working days from the receipt of the request. Failing to respond within the deadline to the Evaluation Committee request for additional information, shall lead to the disqualification of the application. Applications non compliant to eligibility shall be automatically disqualified and not any further assessed for compliance with the qualification criteria. The findings of this assessment shall be recorded in the Assessment Report.
 - iii. ***Assessment of the qualification requirements:*** Applications are checked for compliance with the qualification requirements stated in the Invitation to Registration. The Evaluation Committee may request (in writing) the applicant to provide clarifications and additional information. The applicant shall provide the requested information in a maximum of ten (10) working days from the receipt of the request. Failing to respond within the deadline to the Evaluation Committee request, shall lead to the disqualification of the application. The findings of this assessment shall be recorded in the Assessment Report.

- iv. ***Drafting and approval of the Assessment Report:*** For each application form received, the Evaluation Committee shall issue an assessment report using the standard template (see Annex XX). It will fully record the assessment processes the application was subjected to. The assessment report along with a copy of the application form shall be sent to the Tender Committee.
- v. ***Notification of the result of the assessment:*** Immediately, upon approval of the assessment report, the Procurement Function shall notify the applicant the result of the assessment using the standard template (see Annex XX). The unsuccessful applicants shall have the right to appeal the SADC Tender Committee decision following the appeal procedure described in Article 36 of the Guidelines.
- vi. ***Registration of the successful applicants in the Database of Approved Suppliers:*** the successful applicants shall be registered in the Database of Approved Suppliers immediately after the approval of the assessment report by the SADC Tender Committee, and the name of the applicant published on the SADC Secretariat website. The registration shall be valid for twelve (12) calendar months after which the applicant shall apply for re-registration if interested.
- vii. ***Duration of the registration process:*** The duration of the registration process shall not exceed sixty (60) days from the acknowledgment of the receipt of an application by the SADC Tender Committee.

36 Procurement review and appeals procedures

36.1 Challenge of a procurement decision

36.1.1 Request for clarifications

- (1) The Appeal Review process is a time consuming and costly process, therefore the SADC Secretariat request applicants and bidders, to seek firstly written clarifications from the Procuring Entity's Procurement Function for the respective procurement process on any decision considered unjust by the bidder/applicant..
- (2) To be considered valid, the request for clarification or notification of breaching of SADC Secretariat procurement procedure shall be sent by the bidder within seven (7) days from the notification of the Procuring Entity of the decision which is challenged by the bidder/applicant.
- (3) The contact points for submission of request for clarifications shall be sent to the Procurement Function at the address indicated in the solicitation document.(4) The Procuring Entity shall have seven (7) days to respond to the bidders or applicant request for clarification.
- (5) If following the receipt of clarification or notification of a breach of SADC Secretariat procurement procedure from a bidder and applicant, the Procurement Function becomes aware of a breach of SADC Secretariat procurement procedure, it shall promptly notify the Tender Committee and request the suspension of the procurement process until corrective measures are taken by the Procuring Entity to remedy such event. In such instance, the Tender Committee shall promptly review the procurement decision and decide on the matter brought into their attention.(6) The External Tender Committee shall also handle bidders complaints and appeals for all procurement adjudicated by the Internal Tender Committee.

(7) The Chairperson and Deputy Chairperson of the Finance Sub-Committee shall handle bid complaints and appeals for all procurement handled by the External Tender Committee.

36.2 Submission of a procurement complaint

- (1) If, after three (3) days from the receipt of the Procuring Entity response to the request for clarification, the bidder/applicant is still not satisfied answer received from the Procurement Function, he/she shall escalate the matter to the Tender Committee.
- (2) The contact points for submission of a complaint to the Tender Committee shall be sent to the Procurement Function at the address indicated in the solicitation document.
- (3) The Tender Committee shall have seven (7) days to respond to the bidders or applicant complaint.
- (4) If following the receipt of complaint from a bidder and applicant, the Tender Committee becomes aware of a breach of SADC Secretariat procurement procedures, it shall promptly suspend the procurement process and take corrective measures to remedy the situation noted by the bidder/applicant in his complaint.

36.3 Appeal of a procurement decision

36.3.1 Procurement Appeals Review Committee

- (1) To enforce these rules, the SADC Secretariat shall establish a specialized permanent body - the Procurement Appeals Review Committee - consisting of an odd number of members (minimum five), entrusted with the review and decision-making on the complaints submitted by the Complainant.
- (2) The Procurement Appeals Review Committee shall be appointed by the Council of Ministers and members designated in accordance with **Article 2.3 alinea (4) of the Guidelines**.
- (3) The Procurement Appeals Review Committee shall have the composition decided by the Council of Ministers and shall act within the limits of these rules and the specific mandate given them by the Council of Ministers.
- (4) The Procurement Appeals Review Committee shall be supported by the Complaints Officer acting as Secretary of the Procurement Appeals Review Committee, with the only role of recording the proceedings, drafting the communications with the involved parties (including the decisions of the Procurement Appeals Review Committee) and be the custodian of the appeal and hearing proceedings records.
- (5) The members of the Procurement Appeals Review Committee shall sign a Declaration of Impartiality and Confidentiality using the standard template.
- (6) No member of the Procurement Appeals Review Committee shall be member of the SADC Secretariat or should have been involved in the decision leading to the complaint, prior to the appeal proceeding.
- (7) In case a member of the Appeals Review Committee become aware at any time during the appeal proceedings, that she/he might be in a conflict of interest situation, shall notify the Chairperson on the circumstances and request the withdrawal from the Procurement Appeals Review Committee. After analysing the situation, the Chairperson and members of the Procurement Appeals Review Committee shall take a decision on the member's withdrawal. Such proceedings shall be recorded in the appeals proceeding records/files.
- (8) All members of the Procurement Appeals Review Committee shall have equal decision rights and the decision shall be settled by consensus.

- (9) When deliberating, the Procurement Appeals Review Committee shall apply the Procurement Principles defined in the SADC Secretariat Procurement Policy and Guidelines and its annexes, as well as in the procurement documents issued during the procurement processes.

36.3.2 Filing a Complaint

- (1) Subject to paragraphs (2), (3), (4) and (8) of this Article, any bidder/applicant. (“the Complainant”) who has experienced or reasonably believes may experience loss or injustice due to a breach of the SADC Secretariat procurement rules during the course of a procurement process, may file a written complaint (“Complaint”). All Complaints shall be submitted within five (5) working days from the day when the bidder/applicant has exhausted the previous steps in clarifying a procurement decision.
- (2) The Complaint shall be in one of the SADC Secretariat official language (or with a certified translation attached) and shall:
- i) include the name, address, telephone and facsimile numbers of the Complainant;
 - ii) identify the procurement process in relation to which the Complaint arises;
 - iii) describe the nature of the Complaint and the facts supporting such Complaint, including references to the SADC Secretariat Procurement Policy and/or Guidelines’ violated and the time lines of the Complaint;
 - iv) provide justification (grounds) for the Complaint;
 - v) provide explanation of the steps taken to request review of the procurement decision with the Procuring Entity (i.e. request for clarification and submission of a complaints)
 - vi) state the steps in the procurement process (if any) the Complainant is requesting to be revised and/or what other remedies are sought by the Complainant; and
 - vii) state expressly whether the Compliant requests a hearing to present the case.
- (3) Only the lead member of the Complainant shall submit Complaints under these Rules. Under no circumstances, shall any Complaint be submitted by non leading members of the join-venture or subcontractors.
- (4) The Complainant shall not pay any fees or charges for submitting Complaints to the SADC Secretariat and/or for their review and adoption of a decision.
- (5) Within two (2) working days from the receipt of the Complaint, it is to be forwarded by the Procurement Function to the External Tender or Finance Sub-Committee.
- (6) Within three (3) working days, the Chairperson of the External Tender or Finance Sub-Committee shall forward any Complaints received to each member of the Committee.
- (7) The External Tender or Finance Sub-Committee shall reject a complaint filed (i) after the five (5) working days period set forth in paragraph 1 of this Article or (ii) not meeting the requirements set forth in at paragraph 2 of this article.

36.3.3 Suspension of the procurement processes

- (1) After the External Tender or Finance Sub-Committee receives a Complaint, in accordance with the requirements of **Article 36.3.2**, it shall suspend the disputed procurement proceeding until a decision on the Complaint is issued in accordance with these rules, unless the External Tender or Finance Sub-Committee believes that:
- the Complaint is frivolous and obviously unjustified;

- the Complainant filing the Complaint will not sustain irreparable harm;
- the Procuring Entity may demonstrate a disproportionately greater damage produced by the suspension compared to the possible damage indicted by the Complainant filing the Complaint; or
- the suspension of the proceeding is against an important public interest subject.

36.3.4 Decision of the External Tender or Finance Sub-Committee on accepting the Complaint

- (1) The External Tender or Finance Sub-Committee shall issue a written decision accepting any Complaint filed in accordance with **Article 36.3.2** within five (5) working days from receipt of such Complaint, the period may be extended for an additional five (5) working days by a written notice from the External Tender or Finance Sub-Committee addressed to the Complainant who filed the Complaint. The Committee will deliver copies of the written decision to the Procurement Function and the Complainant who filed the Complaint within twenty four (24) hours of rendering a written decision.
- (2) In reaching its decision, the External Tender or Finance Sub-Committee may, at its discretion, seek assistance from experts in the area being reviewed. When such additional experts are to be consulted, the External Tender or Finance Sub-Committee shall use its best efforts to appoint experts who are the best qualified and shall ensure that the experts do not have any direct or perceived interest in the outcome of the Complaint and have not been involved in the procurement process at any time.
- (2) The External Tender or Finance Sub-Committee may decide to dismiss or uphold the Complaint in whole or in a part, indicating corrective measures.
- (3) If after the review of the Complaint, the External Tender or Finance Sub-Committee considers that in order to reach a conclusion on the Complaint, or if specifically requested by the Complainant in its Complaint, hearing procedures shall be conducted, it shall notify in writing its decision to initiate the hearing proceedings.

36.3.5 Costs

- (1) The External Tender or Finance Sub-Committee shall establish the costs of the hearing proceedings in its Decision. The term "costs" includes only:
 - (a) The fees, travel, accommodation and other incidental expenses of the External Tender or Finance Sub-Committee members;
 - (b) The costs of the expert advice and of other assistance (including translation) required by the External Tender or Finance Sub-Committee, if any; and
 - (c) The travel and other expenses of witnesses to the extent such expenses are approved by the External Tender or Finance Sub-Committee.
- (2) The cost of the hearing proceeding shall be communicated to the parties along with the invitation to the hearing proceedings and the bank account details where the cost shall be paid.
- (3) The cost of the hearing procedures shall be borne by the party which was found unsuccessful in the hearing proceedings.

36.3.6 Hearing proceedings

a) Introduction

- (1) The hearing proceedings shall take place up to fifteen (15) working days from the date of notification of the parties on the External Tender or Finance Sub-Committee decision to conduct hearing procedures.

- (2) In the hearing proceedings there are two parties involved: the Complainant and the Procuring Entity whose decision has led to the Complaint-
- (3) Subject to these rules, to the External Tender or Finance Sub-Committee may conduct the hearing proceedings in a manner it considers appropriate, provided the parties are fairly treated and at any stage of the proceedings, each party is given the full opportunity to present its case.
- (4) If either party requests in its Statement of Complaint (as defined below) or the Statement of Defence (as defined below), the External Tender or Finance Sub-Committee shall allow the presentation of evidence by witnesses, including expert witnesses.
- (5) All the documents or information supplied to the External Tender or Finance Sub-Committee by a party shall at the same time be communicated by that party to the other party.
- (6) The proceedings shall be recorded in the appeal proceeding records/files.

b)Place of hearing procedures

- (1) The External Tender or Finance Sub-Committee proceedings shall be conducted at the SADC Secretariat Headquarters in Gaborone, Botswana.
- (2) The External Tender or Finance Sub-Committee may conduct any checks it deems appropriate for the inspection of the evidence on the spot. The parties shall be given at least five (5) working days notice of the spot checks to be conducted and be invited to attend the visits.

c)Language

- (1) The language to be used in the proceedings shall be the SADC Secretariat official languages. This decision shall apply to the Statements of Complaint, and Defence. In any further written statements and, if oral hearings take place, only the SADC Secretariat official languages shall be used. SADC Secretariat will ensure translation in all SADC Secretariat official languages.

d)Statement of Complaint

- (1) Within five (5) working days after the Complainant was notified about the initiation of the hearing procedures, it shall submit its statement of complaint (the “Statement of Complaint”) to the External Tender or Finance Sub-Committee, including the following particulars:
 - (i). the decision which is contested;
 - (ii). detailed statement of the facts supporting the complaint;
 - (iii). the damage sustained by the bidder/applicant. (if any)
 - (iv). remedy sought; and
 - (v). whether the Complainant is requesting a hearing of witnesses or experts to support the Complaint.
- (2) The Complainant shall annex to its Statement of Complaint all the documents deemed relevant. It shall add a reference to the documents or other evidence submitted. When witnesses or experts are invited to support the Complaint, the name of the witnesses and their Curricula Vitae and credentials will be annexed to the Statement of Complaint.
- (3) The Statement of Complaint shall be accompanied by an unconditional bank guarantee, issued by a reputable bank, for the amount covering the cost of the hearing proceeding. The bank guarantee shall be valid for one hundred twenty (120) days from the date of issuance of the invitation to participate in the hearing procedures.

e)Statement of defence

- (1) Within five (5) working days after the Defender’s representative receipt of the Statement of Complaint from the Complainant, will communicate the response in writing to the External Tender or

Finance Sub-Committee, in the form of a statement of defences in accordance with this Article (the "Statement of Defence").

- (2) The Statement of Defence shall reply to the particulars set forth in the Statement of Complaint in particular to the aspect indicated in first paragraph letters (i), (ii) and (iii) of the Statement of Complaint and shall also indicate if any oral hearings of witnesses and experts to support their position are requested. The Defender shall annex to its Statement of Defence, the documents supporting its defence and shall add a reference to the documents or other evidence to support their position. When witnesses or experts are invited to act on their defences, the name of the witnesses and their Curricula Vitae and credentials will be annexed to the Statement of Defence.
- (3) The Statement of Defence shall be filed with the Compliant Officer and distributed to the members of the External Tender or Finance Sub-Committee and the Complainant.

f) Evidence and hearings

- (1) The External Tender or Finance Sub-Committee shall give the parties not less than five (5) working days advance notice of the date, time and place to conduct the hearing procedures. The hearing shall not take place earlier than five (5) working days from the date of the receipt of the Statement of Defence.
- (2) Each party shall have to prove the facts to support its complaint or defence.
- (3) The External Tender or Finance Sub-Committee may, if appropriate, require the parties to produce documents, exhibits or other evidence within three (3) working days from the receipt of the request.
- (4) Evidence of witnesses may also be presented in the form of written statements, duly signed.
- (5) Audio -video materials are admissible as evidence during the hearing proceedings. However, they have to be accompanied by a written description of the content.
- (6) The External Tender or Finance Sub-Committee shall determine the admissibility, relevance, materiality and weight of the offered evidence.

g) Independent Experts

- (1) The External Tender or Finance Sub-Committee may appoint experts to report, in writing, on specific issues to be determined by the Committee. A copy of the experts' Terms of Reference, established by the External Tender or Finance Sub-Committee, shall be communicated to the parties.
- (2) The parties shall give the experts any relevant information or arrange for the inspection of any relevant documents or goods they may require. Any dispute between a party and the expert regarding the relevance of the required information shall be referred to the External Tender or Finance Sub-Committee, and the Committee will issue its decision within three (3) working days.
- (3) Upon receipt of the expert's report, the External Tender or Finance Sub-Committee shall communicate the report to the parties. They will be given the opportunity to express, in writing, their opinion of the report, within three (3) working days from the receipt of the report. A party shall be entitled to examine any documents where the expert has based his report of.
- (4) At the request of either party, the expert after delivering the report may be questioned at a hearing where the parties have the opportunity to attend and interrogate the expert. At this hearing, either party may present expert witnesses to testify on the points at issue. The provisions of [Article 36.1.3.6.6](#) shall be applicable to such proceedings.

h) Default

- (1) If the Complainant failed to communicate its Statement of Complaint in accordance with this [Article \(see Statement of Complaint\)](#) within five (5) working days without demonstrating sufficient

causes for such a failure, the External Tender or Finance Sub-Committee shall order the termination of the hearing procedures.

- (2) If one of the parties, duly notified under these rules, fails to appear at a hearing - without showing sufficient cause for such failure - the External Tender or Finance Sub-Committee may proceed with the hearing procedures.
- (3) If one of the parties, duly invited to produce documentary evidence, fails to do so within the required period of time without showing sufficient cause for such failure, the External Tender or Finance Sub-Committee may render the award on the evidence available at that time.

i) Closure of hearings

- (1) The Procurement Appeals Review Committee may inquire from the parties any further proof to offer, or witnesses to be heard, or submissions to make and, if there are none, it shall promptly (and in any event within less than five (5) working days after the hearings' start) declare the hearings closed.
- (2) A party who knows that any provision of, or requirement under these rules has not been fulfilled and yet proceeds with the hearing proceedings without promptly stating its objection to the non-compliance, shall be deemed to have waived its right to object.

36.3.7 The Decision

- (1) The External Tender or Finance Sub-Committee shall issue a decision within ten (10) working days after the Complainant has submitted its Complaint or the closure of the hearings proceedings (the "**Decision**").
- (2) Any External Tender or Finance Sub-Committee's decision shall be made by consensus of all the members of the Committee.
- (3) The External Tender or Finance Sub-Committee's decision shall be bear jointly and individually by all members of the Committee.
- (4) If the event the External Tender or Finance Sub-Committee cannot reach a consensus, the reasons shall be recorded in the appeal and hearings proceeding records, the Procurement Appeals Review Committee shall be taken by majority of votes.
- (5) The decision of the External Tender or Finance Sub-Committee shall be final and binding the parties and enforceable by the SADC Secretariat and/or Procuring Entity.

36.3.8 Form and Effect of the Decision

- (1) All decisions reached by the External Tender or Finance Sub-Committee shall be made in writing, stating the grounds of the decision; it shall be signed by all the Procurement Appeals Review Committee members, including the date and the place where the decision was taken. It will be final and binding on the parties. The parties shall undertake to implement the decision without delay.
- (2) The External Tender or Finance Sub-Committee shall deliver copies of the Decision to the parties within 24 hours of reaching a decision.
- (3) Either party may seek to enforce a decision in any court with jurisdiction.

36.3.9 Remedies

- (1) In its decision, the External Tender or Finance Sub-Committee may order one or more of the following remedies:
 - (a) correction of any breach of the Procurement Principles or Procurement Guidelines,

- (b) compensation for any loss or damage suffered by a successful Complainant, such amount not to exceed the costs reasonably incurred by the Complainant in connection with the disputed procurement (but excluding any lost profits or other special, incidental, indirect, punitive or consequential damages);
- (c) suspension of a procurement activity that is under challenge, if the External Tender or Finance Sub-Committee deems it necessary to preserve the commercial opportunity pending the outcome of the challenge; and/or
- (d) cancellation of the contract and restarting the procurement.

36.3.10 Correction of the Decision

- (1) Within five (5) working days after the External Tender or Finance Sub-Committee issues a decision, either party, with notice to the other party, may request that the Procurement Appeals Review Committee to correct any errors in computation, clerical, typographical, or any errors of similar nature made in the decision. The External Tender or Finance Sub-Committee may, within five (5) working days after the communication of the decision, make the corrections on its own initiative.
- (2) Such corrections shall be in writing, and the provisions of [Article 36.3.11](#) shall apply.

36.3.11 Appeal Records

- (1) The External Tender or Finance Sub-Committee shall maintain records of the appeal and hearing procedures and all materials submitted to the External Tender or Finance Sub-Committee (the “**Records**”). Following the issuance of a decision pursuant to [Article 36.3.10](#), the parties shall be given a copy of the records within ten (10) working days from the date of issuance of the decision.
- (2) The original records shall be kept by the Complainants Officer and copies distributed to the Procurement, Finance, Legal Affairs, Internal Audit and Requisition Functions.

PART VII SCHEDULES

Schedule 1 - Procurement Thresholds for the application of Procurement Methods

- (1) The Depending on the estimated value and the category of the procurement contract, the following procurement thresholds shall apply when launching a procurement process:

Procurementmethod Category of procurement	Procurement Under Multiple Framework Contract	Local Restricted Bidding (LRB)	Regional Restricted Bidding (RRB)	Open Bidding	International Restricted Bidding(IRB)
Consulting Services	From US\$201 up to US\$ 200,000	From US\$201 up to US\$ 50,000	From US \$50,001 up to US \$200,000	Not applicable	Over US\$200,000
General Services	From US\$201 up to US\$ 200,000	From US\$201 up to US\$ 50,000	From US \$50,001 up to US \$200,000	From US\$200,001 up to US\$ 500,000	Over US\$ 500,000
Good	From US\$201 up to US\$ 200,000	From US\$201 up to US\$ 100,000	From US \$100,001 up to US \$300,000	From US\$300,001 up to US\$ 1,000,000	Over US\$ 1,000,000
Works	From US\$201 up to US\$ 200,000	From US\$201 up to US\$ 500,000	From US \$500,001 up to US \$1,000,000	From US \$1,000,001 up to US \$5,000,000	Over US\$ 5,000,000

Schedule 2 - Procurement Approving Authority

- (1) Depending on the estimated value of the contract to be placed through procurement processes, the following functions shall have the authority to approve the procurement processes conducted by the Procuring Entity:

Contract Value	Procurement Approving Authority
Less than US\$200	Controlling Officer
From US\$201 to US\$ 10,000	Procurement Function
Over US\$ 10,001 to US\$250,000	SADC Internal Tender Committee-
Over US\$250,001	SADC External Tender Committee

Schedule 3 - Procurement Records Keeping Matrix

Depending on the category of procurement, the procurement method used or the nature of the procurement process, Procuring Entity shall maintain the following procurement files:

a) Documents of Open Bidding procurement method

Document	One set of Original kept by	One set of Copies kept by
Market survey	Requisition Function	Procurement Function
Technical Specifications	Procurement Function	Requisition Function
Estimated budget	Procurement Function	Requisition Function
Qualification Criteria	Procurement Function	Requisition Function
Approval of the Technical Specifications, Budgets and Qualification Criteria	Procurement Function	Requisition Function
Bidding Documents	Procurement Function	Requisition Function
Approval of the Bidding Documents	Procurement Function	Requisition Function
Specific Procurement Notice (Procurement Notice)	Procurement Function	Requisition Function
Correspondence with the potential bidders	Procurement Function	Requisition Function
Amendments to the Bidding Documents	Procurement Function	Requisition Function
Approval of the Evaluation Committee	Procurement Function	Requisition Function
Bid Securities	Budget and Finance Function	Procurement Function Requisition Function
Evaluation Reports (including the bids)	Procurement Function	Requisition Function
Approval of the Evaluation Report	Procurement Function	Requisition Function Budget and Finance Function
Notification Letters	Procurement Function	Requisition Function
Contract	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the contract	Procurement Function	Requisition Function Budget and Finance Function Legal Affairs Function

Document	One set of Original kept by	One set of Copies kept by
Performance security	Budget and Finance Function	Procurement Function Requisition Function
Advance Bank Guarantee	Budget and Finance Function	Procurement Function Requisition Function
Correspondence with the Contractor	Requisition Function	Procurement Function
Amendments to the contract	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the contract amendments	Procurement Function	Requisition Function Budget and Finance Function
Approval of contract deliverables	Budget and Finance Function	Requisition Function Procurement Function
Payments	Budget and Finance Function	Procurement Function Requisition Function

b) Documents of International Restricted Bidding procurement method

Document	One set of Original kept by	One set of Copies kept by
Market survey	Requisition Function	Procurement Function
Terms of Reference/Technical Specifications	Procurement Function	Requisition Function
Estimated budget	Procurement Function	Requisition Function
Qualification Criteria	Procurement Function	Requisition Function
Approval of the Terms of Reference/Technical Specifications, Budgets and Qualification Criteria	Procurement Function	Requisition Function
Invitation to Pre-qualification (Procurement Notice)	Procurement Function	Requisition Function
Correspondence with the potential applicants	Procurement Function	Requisition Function
Amendments to the Invitation to Pre-qualification	Procurement Function	Requisition Function
Approval of the Evaluation Committee for Pre-qualification	Procurement Function	Requisition Function
Pre-qualification Report	Procurement Function	Requisition Function

Document	One set of Original kept by	One set of Copies kept by
(including the applications)		
Approval of the Pre-qualification Report	Procurement Function	Requisition Function
Shortlist Notice	Procurement Function	Requisition Function
Bidding Documents/Request for Proposals	Procurement Function	Requisition Function
Approval of the Bidding Documents/Request for Proposals	Procurement Function	Requisition Function
Correspondence with the bidders	Procurement Function	Requisition Function
Amendments to the Bidding Documents/Request for Proposals	Procurement Function	Requisition Function
Approval of the Evaluation Committee	Procurement Function	Requisition Function
Bid Securities	Budget and Finance Function	Procurement Function Requisition Function
Evaluation Reports (including the bids)	Procurement Function	Requisition Function
Approval of the Evaluation Report	Procurement Function	Requisition Function Budget and Finance Function
Notification Letters	Procurement Function	Requisition Function
Contract	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the contract	Procurement Function	Requisition Function Budget and Finance Function Legal Affairs Function
Performance security	Financial Function	Procurement Function Requisition Function
Advance Bank Guarantee	Budget and Finance Function	Procurement Function Requisition Function
Correspondence with the Contractor	Requisition Function	Procurement Function Budget and Finance Function
Amendments to the contract	Procurement Function	Requisition Function

Document	One set of Original kept by	One set of Copies kept by
		Budget and Finance Function Legal Affairs Function
Approval of the contract amendments	Procurement Function	Requisition Function Budget and Finance Function
Approval of contract deliverables	Procurement Function	Requisition Function Budget and Finance Function
Payments	Budget and Finance Function	Procurement Function Requisition Function

c) Documents of Limited Bidding

Document	One set of Original kept by	One set of Copies kept by
Market survey	Requisition Function	Procurement Function
Terms of Reference/Technical Specifications	Procurement Function	Requisition Function
Estimated budget	Procurement Function	Requisition Function
Qualification Criteria	Procurement Function	Requisition Function
Approval of the Terms of Reference/Technical Specifications, Budgets and Qualification Criteria	Procurement Function	Requisition Function
Bidding Documents/Request for Proposals	Procurement Function	Requisition Function
Approval of the Bidding Documents/Request for Proposals	Procurement Function	Requisition Function
Justification of for the use of the method and the name and explanation of the composition of the shortlist	Procurement Function	Requisition Function
Approval of the justification of for the use of the method and the name and explanation of the composition of the shortlist	Procurement Function	Requisition Function
Correspondence with the potential bidders	Procurement Function	Requisition Function
Amendments to the Bidding Documents/Request for Proposals	Procurement Function	Requisition Function
Approval of the Evaluation Committee	Procurement Function	Requisition Function
Bid Securities	Budget and Finance Function	Procurement Function

Document	One set of Original kept by	One set of Copies kept by
		Requisition Function
Evaluation Reports (including the bids)	Procurement Function	Requisition Function
Approval of the Evaluation Report	Procurement Function	Requisition Function Budget and Finance Function
Notification Letters	Procurement Function	Requisition Function
Contract	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the contract	Procurement Function	Requisition Function Budget and Finance Function Legal Affairs Function
Performance security	Budget and Finance Function	Procurement Function Requisition Function
Advance Bank Guarantee	Budget and Finance Function	Procurement Function Requisition Function
Correspondence with the Contractor	Requisition Function	Procurement Function
Amendments to the contract	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the contract amendments	Procurement Function	Requisition Function Budget and Finance Function
Approval of contract deliverables	Procurement Function	Requisition Function Budget and Finance Function
Payments	Budget and Finance Function	Procurement Function Requisition Function

d) Documents of Local and Regional Restricted Bidding procurement method

Document	One set of Original kept by	One set of Copies kept by
Market survey	Requisition Function	Procurement Function
Terms of Reference/Technical Specifications	Procurement Function	Requisition Function

Estimated budget	Procurement Function	Requisition Function
Evaluation Criteria	Procurement Function	Requisition Function
Approval of the Terms of Reference/Technical Specifications, Budgets and Evaluation Criteria	Procurement Function	Requisition Function Budget and Finance Function
Request for Quotations/Proposals	Procurement Function	Requisition Function
Correspondence with the Approved Suppliers	Procurement Function	Requisition Function
Amendments to the Request for Quotations/Proposals	Procurement Function	Requisition Function
Evaluation Report (including the quotations/proposals)	Procurement Function	Requisition Function
Approval of the Evaluation Report	Procurement Function	Requisition Function
Notification Letters	Procurement Function	Requisition Function
Purchase Order	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the Purchase Order	Procurement Function	Requisition Function Budget and Finance Function
Correspondence with the Contractor	Requisition Function	Procurement Function
Amendments to the Purchase Order	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the Purchase Order amendments	Procurement Function	Requisition Function Budget and Finance Function
Approval of Purchase Order deliverables	Procurement Function	Requisition Function Budget and Finance Function
Payments	Budget and Finance Function	Procurement Function Requisition Function

e) Documents of Single Source procurement method

Document	One set of Original kept by	One set of Copies kept by
Market survey	Requisition Function	Procurement Function

Terms of Reference/Technical Specifications	Procurement Function	Requisition Function
Estimated budget	Procurement Function	Requisition Function
Request for Single Source procedure	Procurement Function	Requisition Function
Approval of the Terms of Reference/Technical Specifications, Budgets and Request for Single Source procedure	Procurement Function	Requisition Function
Request for Offer	Procurement Function	Requisition Function
Correspondence with the invited economic operator	Procurement Function	Requisition Function
Approval of the Negotiation Committee	Procurement Function	Requisition Function
Negotiation Report (including the proposals)	Procurement Function	Requisition Function
Approval of the Negotiation Report	Procurement Function	Requisition Function
Notification Letters	Procurement Function	
Contract	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the contract	Procurement Function	Requisition Function Budget and Finance Function Legal Affairs Function
Performance security	Budget and Finance Function	Procurement Function Requisition Function
Advance Bank Guarantee	Budget and Finance Function	Procurement Function Requisition Function
Correspondence with the Contractor	Requisition Function	Procurement Function
Amendments to the contract	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the contract amendments	Procurement Function	Requisition Function Budget and Finance Function
Approval of contract deliverables	Procurement Function	Requisition Function Budget and Finance Function

Payments	Budget and Finance Function	Procurement Function Requisition Function
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f) Documents of Procurement under Multiple Framework Contracts method

Document	One set of Original kept by	One set of Copies kept by
Market survey	Requisition Function	Procurement Function
Terms of Reference/Technical Specifications	Procurement Function	Requisition Function
Estimated budget	Procurement Function	Requisition Function
Evaluation Criteria	Procurement Function	Requisition Function
Approval of the Terms of Reference/Technical Specifications, Budgets and Evaluation Criteria	Procurement Function	Requisition Function
Request for Quotations/Proposals	Procurement Function	Requisition Function
Correspondence with the Multiple Framework Contractors	Procurement Function	Requisition Function
Amendments to the Request for Quotations/Proposals	Procurement Function	Requisition Function
Evaluation Report (including the quotations/proposals)	Procurement Function	Requisition Function
Approval of the Evaluation Report	Procurement Function	Requisition Function Budget and Finance Function
Notification Letters	Procurement Function	
Purchase Order	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the Purchase Order	Procurement Function	Requisition Function Budget and Finance Function
Correspondence with the Contractor	Requisition Function	Procurement Function
Amendments to the Purchase Order	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the Purchase Order amendments	Procurement Function	Requisition Function Budget and Finance Function

Document	One set of Original kept by	One set of Copies kept by
Approval of Purchase Order deliverables	Procurement Function	Requisition Function Budget and Finance Function
Payments	Budget and Finance Function	Procurement Function Requisition Function

g) Documents of Selection of Individual Consultants procurement method

Document	One set of Original kept by	One set of Copies kept by
Market survey	Requisition Function	Procurement Function
Terms of Reference	Procurement Function	Requisition Function
Estimated budget	Procurement Function	Requisition Function
Qualification Criteria and Evaluation Criteria	Procurement Function	Requisition Function
Approval of the Terms of Reference Specifications, Budgets and Qualification & Evaluation Criteria	Procurement Function	Requisition Function
Request for Expression of Interests (Procurement Notice)	Procurement Function	Requisition Function
Correspondence with the potential applicants	Procurement Function	Requisition Function
Amendments to the TORs and Expression of Interests	Procurement Function	Requisition Function
Approval of the Evaluation Committee	Procurement Function	Requisition Function
Evaluation Report (including the applications)	Procurement Function	Requisition Function
Approval of the Evaluation Report	Procurement Function	Requisition Function Budget and Budget and Finance Function
Notification Letters	Procurement Function	Requisition Function
Contract	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the contract	Procurement Function	Requisition Function Budget and Finance Function
Correspondence with the Individual Consultant	Requisition Function	Procurement Function

Document	One set of Original kept by	One set of Copies kept by
Amendments to the contract	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function	
Approval of the contract amendments	Procurement Function	Requisition Function Budget and Finance Function
Approval of contract deliverables	Procurement Function	Requisition Function Budget and Finance Function
Payments	Budget and Finance Function	Procurement Function Budget and Finance Function

h) Documents of registration in the Approved Suppliers Database

Document	One set of Original kept by	One set of Copies kept by
Market survey	Requisition Function	Procurement Function
Eligibility and Qualification Criteria	Procurement Function	Requisition Function
Invitation to Registration (Procurement Notice)	Procurement Function	Requisition Function
Correspondence with the potential applicants	Procurement Function	Requisition Function
Amendments to the Invitation to Registration	Procurement Function	Requisition Function
Approval of the Evaluation Committee	Procurement Function	Requisition Function
Assessment Report (including the applications)	Procurement Function	Requisition Function
Approval of the Assessment Report	Procurement Function	Requisition Function Budget and Finance Function Legal Affairs Function
Notification Letters	Procurement Function	
Request for removal from the database	Procurement Function	Requisition Function Budget and Finance Function Legal Affairs Function
Approval of the request for removal	Procurement Function	Requisition Function Budget and Finance Function

Document	One set of Original kept by	One set of Copies kept by
		Legal Affairs Function
Notification of Removal	Procurement Function	Requisition Function Budget and Finance Function Legal Affairs Function

i) Documents of procurement decision challenge

Document	One set of Original kept by	One set of Copies kept by
Bidder/applicant letter and supporting evidence challenging the procurement decision	Procurement Function	Requisition Function
Answer to the challenge letter	Procurement Function	Requisition Function
Procurement Function request to the Tender Committee to suspend the procurement process and remedy the mistakes	Procurement Function	Requisition Function
Tender Committee decision on Procurement Function request	Procurement Function	Requisition Function
Bidder/applicant letter and supporting evidence complaining about the answer received from procurement Function to the challenge letter	Procurement Function	Requisition Function Legal Affairs Function
Tender Committee decision on the compliant letter	Procurement Function	Requisition Function Legal Affairs Function
Notification to the bidder/applicant of the Tender Committee decision	Procurement Function	Requisition Function Legal Affairs Function

j) Documents of Appeal proceedings

Document	One set of Original kept by	One set of Copies kept by
Approval of the Appeal Review Committee	Complainants Officer	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function
The Complaint Letter	Complainants Officer	Procurement Function Requisition Function

Document	One set of Original kept by	One set of Copies kept by
		Budget and Finance Function Legal Affairs Function
The Statement of Complaint	Complainants Officer	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function
The Statement of Defence	Complainants Officer	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function
The Minutes of the Hearings	Complainants Officer	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function
The Evidence	Complainants Officer	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function
The Decision	Complainants Officer	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function
Correction of the Decision	Complainants Officer	Procurement Function Requisition Function Budget and Finance Function Legal Affairs Function

k) Documents of Procurement Planning and Monitoring

Document	One set of Original kept by	One set of Copies kept by
Market survey	Requisition Function	Procurement Function Budget and Finance Function PPRM Function
Estimated budget	Requisition Function	Procurement Function Budget and Finance Function PPRM Function
Annual Procurement Plan	Requisition Function	Procurement Function Budget and Finance Function PPRM Function
Approval of the Annual Procurement Plan	Requisition Function	Procurement Function Budget and Finance Function PPRM Function
Overall Procurement Plan	Procurement Function	Requisition Function Budget and Finance Function PPRM Function
Approval of the Overall Procurement Plan	Procurement Function	Requisition Function Budget and Finance Function PPRM Function

General Procurement Notice	Procurement Function	Requisition Function Budget and Finance Function PPRM Function
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Schedule 4- Estimated timelines for procurement processes.

(1) In the table below are presented the estimated timelines for conducting procurement processes.

Procurementmethod Category of procurement	Open Bidding	Restricted			Framework contract	Limited Bidding	Individual Consultant	Sole Source
		Local Restricted Bidding (LRB)	Regional Restricted Bidding (RRB)	International Restricted Bidding (IRB)				
Stage 1: Pre-qualification process	N/A	N/A	N/A		N/A	N/A	N/A	
Publication of the Invitation for Pre-qualification	N/A	N/A	N/A	5 days	N/A	N/A	N/A	
Clarifications	N/A	N/A	N/A	For request: 15 days prior to deadline For answering: 10 days prior to deadline	N/A	N/A	N/A	
Deadline / opening date	N/A	N/A	N/A	30 days from publication of the Invitation for Pre-qualification	N/A	N/A	N/A	
Evaluation: Bidders pre-qualification	N/A	N/A	N/A	7 to 15 days	N/A	N/A	N/A	
Approval of the Prequalification Report by Procurement Authority as per Article 6.4	N/A	N/A	N/A	7 to 15 days	N/A	N/A	N/A	
Notification of Result of the Evaluation and Publication of the Short List Notice	N/A	N/A	N/A	Up to 2 days from the approval of the Prequalification Report	N/A	N/A	N/A	
Stage 2:								

Procurementmethod Category of procurement	Open Bidding	Restricted			Framework contract	Limited Bidding	Individual Consultan t	Sole Source
		Local Restricted Bidding (LRB)	Regional Restricted Bidding (RRB)	International Restricted Bidding (IRB)				
Bidding process								
Issuance of Specific Procurement Notice / Invitation to bid / Bidding Documents / Request for Proposals/Requ est for Quotations Request for Expression of Interest/	5 days	N/A	N/A	2 days from the publication of the Short List Notice	N/A	N/A	5 days	N/A
Clarifications	For request: 15 days prior to deadline For answering: 10 days prior to deadline	Promptly	Promptly	For request: 15 days prior to deadline For answering: 10 days prior to deadline	Promptly	Promptly	For request: 7 days prior to deadline For answering: 3 days prior to deadline	Promptly
Deadline/ Receipt of Bids / Bids opening	30-60 days from the issuance of the Bidding Documents	3-15 days from the submission of request for quotations/proposa ls	3-15 days from the submission of request for quotations/pro posals	30-60 days from the issuance of the Bidding Documents/ Request for Proposals	3-15 days from the submission of request for quotations/ proposals	30-60 days from the issuance of the Bidding Documents / Request for Proposals	Minimum 21 days from the publication of EOI	30-60 days from the issuance of the Request for Offer
Evaluation of bids								
Technical	7-15 days form the deadline from submission of the bids	1-3 days from the deadline for submission	1-3 days from the deadline for submission	7-15 days form the deadline from submission of the bids	1-3 days from the deadline for submission	7-15 days form the deadline from submission of the bids	1-3 days from the deadline for submission	7-15 days form the deadline from submission of the bids
Financial	1-5 days from the technical evaluation	1-3 days from the deadline for submission	1-3 days from the deadline for submission	1-5 days from the technical evaluation	1-3 days from the deadline for submission	1-5 days from the technical evaluation	1-3 days from the deadline for submission	1-5 days from the technical evaluation

Procurementmethod Category of procurement	Open Bidding	Restricted			Framework contract	Limited Bidding	Individual Consultant	Sole Source
		Local Restricted Bidding (LRB)	Regional Restricted Bidding (RRB)	International Restricted Bidding (IRB)				
Award of the Contract/Order by the Procurement Authority as per Article 6.4	7-15 days from the submission of the Evaluation Report	3-7 days from the submission of the evaluation report by the procurement function	3-7 days from the submission of the evaluation report by the procurement function	7-15 days from the submission of the Evaluation Report	3-7 days from the submission of the evaluation report by the procurement function	7-15 days from the submission of the Evaluation Report	3-7 days from the submission of the evaluation report by the procurement function	7-15 days from the submission of the Evaluation Report
Stage 3: Contract/Purchase Order preparation process								
Notification of the award	2 days from the award by the Procurement Authority as per Article 6.4	1 day from the award by the Procurement Authority as per Article 6.4	1 day from the award by the Procurement Authority as per Article 6.4	2 days from the award by the Procurement Authority as per Article 6.4	1 day from the award by the Procurement Authority as per Article 6.4	2 days from the award by the Procurement Authority as per Article 6.4	2 days from the award by the Procurement Authority as per Article 6.4	2 days from the award by the Procurement Authority as per Article 6.4
Contract/purchase order preparation by the Procurement Function	3 days from the submission of the notification of award	1 day from the submission of the notification of award	1 day from the submission of the notification of award	3 days from the submission of the notification of award	1 day from the submission of the notification of award	3 days from the submission of the notification of award	3 days from the submission of the notification of award	3 days from the submission of the notification of award
Clearance of the contract/purchase order by the Legal Affairs and Budget and Finance Function	7 days from the submission of the contract by the Procurement Function	3 days from the submission of the purchase order by the Procurement Function	3 days from the submission of the purchase order by the Procurement Function	7 days from the submission of the contract by the Procurement Function	3 days from the submission of the purchase order by the Procurement Function	7 days from the submission of the contract by the Procurement Function	7 days from the submission of the contract by the Procurement Function	7 days from the submission of the contract by the Procurement Function
Signature of the contract/purchase order by the Controlling Officer	3 days from the clearance by the Legal Affairs and Budget and Finance Function	2 days from the clearance by the Legal Affairs and Budget and Finance Function	2 days from the clearance by the Legal Affairs and Budget and Finance Function	3 days from the clearance by the Legal Affairs and Budget and Finance Function	2 days from the clearance by the Legal Affairs and Budget and Finance Function	3 days from the clearance by the Legal Affairs and Budget and Finance Function	3 days from the clearance by the Legal Affairs and Budget and Finance Function	3 days from the clearance by the Legal Affairs and Budget and Finance Function
Acceptance of	15 days	5 days from the	5 days from	15 days from the	5 days from	15 days	15 days	15 days

Procurementmethod Category of procurement	Open Bidding	Restricted			Framework contract	Limited Bidding	Individual Consultan t	Sole Source
		Local Restricted Bidding (LRB)	Regional Restricted Bidding (RRB)	International Restricted Bidding (IRB)				
contract/purchase order by the Contractor	from the receipt of the contract from Procuring Entity	receipt of the contract from Procuring Entity	the receipt of the contract from Procuring Entity	receipt of the contract from Procuring Entity	the receipt of the contract from Procuring Entity	from the receipt of the contract from Procuring Entity	from the receipt of the contract from Procuring Entity	from the receipt of the contract from Procuring Entity
Publication of the contract/bid award	5 days after the signature of the contract	5 days after the signature of the purchase order	5 days after the signature of the purchase order	5 days after the signature of the contract	5 days after the signature of the purchase order	5 days after the signature of the contract	5 days after the signature of the contract	5 days after the signature of the contract