STANDARD LETTER OF INVITATION TO CONSULTANTS

(Price is a Factor)
PREFACE

This Standard Letter of Invitation or Request for Proposals document prepared by the African Development Bank Group is intended to fulfill the objectives of paragraph 3.7.2 of the Rules of Procedure for the Use of Consultants, December 1996 edition:

“The Request for Proposals shall contain; the Letter of Invitation, Instructions to Offerors, the Terms of Reference and the Contract Format. Except for the Terms of Reference, which are prepared by the Borrower with the Bank's approval, the Bank has standard documents which are an integral part of the Request for Proposals documents. The Borrower shall utilize these standard documents with the minimum of modifications acceptable to the Bank as necessary to address country and project specific issues.

Users of this document should ensure the above requirements are complied with.

Procurement under projects financed by the African Development Bank Group is carried out in accordance with the policies and procedures laid down in the Rules of Procedure for the Use of Consultants (Rules). The procedures and practices presented in this document have been developed through broad international experience, and are mandatory for use in projects that are financed in whole or in part by the African Development Bank Group in accordance with the provisions of the Rules. They are intended for use by Borrowers in the acquisition of the services of consultants.

The contents of each LOI are as follows:

Letter of Invitation (LOI)

LOI Data Sheet

Attachments:
  Terms of Reference
  Draft Form of Contract
  Appendix 1 - Formats for Technical Proposals
  Appendix 2 - Formats for Financial Proposals

To obtain further information on procurement under Bank Group-assisted projects contact:

Procurement Monitoring and Consulting Services Unit
African Development Bank
Avenue Joseph Anoma
01 B. P. 1387
Abidjan
Cote D'ivoire
Facsimile: (225) 204 907
Dear [Name of Consultants]

Re: Proposal for Consulting Services, Letter of Invitation (LOI)

1. INTRODUCTION

1.1 You are hereby invited to submit a technical and financial proposal for consulting services required for the Assignment named in the attached LOI Data Sheet (referred to as “Data Sheet”). Your proposal could form the basis for future negotiations and ultimately a contract between your firm and the Client named in the Data Sheet.

1.2 A brief description of the Assignment and its objectives are given in the Data Sheet.

1.3 The Assignment shall be implemented in accordance with the phasing indicated in the Data Sheet. When the Assignment includes several phases, continuation of services for the next phase shall be subject to satisfactory performance of the previous phase, as determined by the Client.

1.4 The Client has received (applied for) a loan (or grant) from the African Development Bank Group hereinafter called “the Bank” in various currencies towards the cost of the Assignment, and intends to apply the proceeds of this loan (or grant) to eligible payments under the contract for which this LOI is issued.

1.5 To obtain first-hand information on the Assignment and on the local conditions, you are encouraged to pay a visit to the Client before submitting a proposal and attend a pre-proposal conference if specified in the Data Sheet. Your representative shall meet the officials named in the Data Sheet. Please ensure that these officials are advised of the visit in adequate time to allow them to make appropriate arrangements. You must fully inform yourself of local conditions and take them into account in preparing your proposal.

1.6 The Client shall provide the inputs specified in the Data Sheet, assist the Consultants in obtaining licenses and permits needed to carry out the services, and make available relevant project data and reports.

1.7 Please note that (i) the costs of preparing the proposal and of negotiating the contract, including a visit to the Client, are not reimbursable as a direct cost of the Assignment; and (ii) the Client is not bound to accept any of the proposals submitted.

1.8 An invitation to submit proposals has been sent to the firms stated in the Data Sheet.
1.9 We wish to remind you that in order to avoid conflicts of interest, (i) any firm providing goods, works, or services with which you are affiliated or associated is not eligible to participate in bidding for any goods, works, or services (other than the Services and any continuation thereof) resulting from or associated with the project of which this Assignment forms a part; and (ii) any previous or ongoing participation in relation with the project by your firm, its professional staff, its affiliates or associates under a contract with the Bank may result in rejection of your proposal. You should clarify your situation in that respect with the Client before preparing the proposal.

2. DOCUMENTS

2.1 To prepare a proposal, please use the attached Documents listed in the Data Sheet.

2.2 Consultants requiring a clarification of the Documents must notify the Client, in writing, not later than thirty (30) days before the proposal submission date. Any request for clarification in writing, or by cable, telex or telefax shall be sent to the Client’s address indicated in the Data Sheet. The Client shall respond by cable, telex or telefax to such requests, and copies of the response shall be sent to all invited Consultants.

2.3 At any time before the submission of proposals, the Client may, for any reason, whether at its own initiative or in response to a clarification requested by an invited consulting firm, modify the Documents by amendment. The amendment shall be sent in writing or by cable, telex or telefax to all invited consulting firms and will be binding on them. The Client may at its discretion extend the deadline for the submission of proposals.

3. PREPARATION OF PROPOSAL

3.1 You are requested to submit a technical and a financial proposal. Your proposal shall be written in the language specified in the Data Sheet.

**Technical Proposal**

3.2 In preparing the technical proposal, you are expected to examine all terms and instructions included in the Documents. Failure to provide all requested information shall be at your own risk and may result in rejection of your proposal.

3.3 During preparation of the technical proposal, you must give particular attention to the following:

(i) A firm that has not been shortlisted cannot associate with a consulting firm on the shortlist to provide the requested services.

(ii) Subcontracting part of the Assignment to domestic consultants is considered desirable; the same subconsultant may be included in several proposals, subject to limitations in the Data Sheet. Subcontracting costs may not exceed 25 percent of the total proposed contract price. Subconsultants shall satisfy the conditions of eligibility required by the Bank.

(iii) The estimated number of key professional staff-months required for the Assignment is stated in the Data Sheet. Your proposal should be based on a number of key professional staff-months substantially in accordance with the above number.
(iv) The majority of the key professional staff proposed shall be permanent employees of the firm, unless otherwise indicated in the Data Sheet.

(v) Proposed staff must have experience outside their own country, preferably under conditions similar to those prevailing in the country of the Assignment.

(vi) No alternative to key professional staff may be proposed, and only one curriculum vitae (CV) may be submitted for each position.

(vii) Study reports must be in the Language(s) specified in the Data Sheet. Working knowledge of the national language by the firm’s personnel is recommended.

3.4 Your technical proposal shall provide the following and any additional information, using the formats attached in Appendix 1:

(i) A brief description of the Consultant’s organization and an outline of recent experience on assignments of a similar nature. For each assignment, the outline should indicate, inter alia, the profiles of the staff provided, duration, contract amount and firm involvement.

(ii) Any comments or suggestions on the TOR, and a description of the methodology (work plan) that the Consultants propose to execute the services, illustrated with bar charts of activities and graphics of the Critical Path Method (CPM) or Program Evaluation Review Technique (PERT) type, if appropriate.

(iii) The composition of the proposed staff team, the tasks which would be assigned to each, and their timing.

(iv) CVs recently signed by the proposed key professional staff or an authorized manager in the home office. Key information should include number of years with the firm, and degree of responsibility held in various assignments during the last ten (10) years.

(v) Estimates of the total time effort (person x months) to be provided to carry out the Assignment, supported by bar chart diagrams showing the time proposed (person x months) for each professional staff member.

(vi) The Consultant’s comments, if any, on the data, services and facilities to be provided by the Client and indicated in the TOR.

(vii) If the Data Sheet specifies training as a major component of the Assignment, a detailed description of the proposed methodology, staffing, budget and monitoring.

3.5 The technical proposal shall not include any financial information.
Financial Proposal

3.6 The financial proposal should list the costs associated with the Assignment. These normally cover remuneration for staff (foreign and local, in the field and at headquarters), subsistence (per diem, housing), transportation (international and local, for mobilization and demobilization), services and equipment (vehicles, office equipment, furniture and supplies), printing of documents, surveys. These costs should be broken into foreign and local costs. Your financial proposal should be prepared using the formats attached in Appendix 2.

3.7 The financial proposal shall take into account the tax liability and cost of insurances specified in the Data Sheet.

3.8 Costs may be expressed in the currency of any member country of the Bank.

4. SUBMISSION OF PROPOSAL

4.1 You shall submit one original technical proposal and one original financial proposal and the number of copies of each indicated in the Data Sheet. Each proposal shall be in a separate envelope indicating original or copy, as appropriate. All technical proposals shall be placed in an envelope clearly marked “Technical Proposal,” and the financial proposals in one marked “Financial Proposal.” These two envelopes, in turn, shall be sealed in an outer envelope bearing the address and information indicated in the Data Sheet. The envelope shall be clearly marked:

“DO NOT OPEN, EXCEPT IN PRESENCE OF THE EVALUATION COMMITTEE.”

4.2 In the event of any discrepancy between the copies of the proposals, the original shall govern. The original and each copy of the technical and financial proposal shall be prepared in indelible ink and shall be signed by the authorized Consultant’s representative. The representative’s authorization shall be confirmed by a written power of attorney accompanying the proposals. All pages of the technical proposal shall be initialed by the person or persons signing the proposal.

4.3 The proposal shall contain no interlineation or overwriting except as necessary to correct errors made by the Consultants themselves. Any such corrections shall be initialed by the person or persons signing the proposal.

4.4 The completed technical and financial proposals shall be delivered on or before the time and date stated in the Data Sheet.

4.5 The proposals shall be valid for the number of days stated in the Data Sheet from the date of its submission. During this period, you shall keep available the professional staff proposed for the assignment. The Client shall make its best effort to complete negotiations at the location stated in the Data Sheet within this period.
5. WITHDRAWAL OF PROPOSAL

5.1 Proposals may be withdrawn by written or telegraphic notice received at any time prior to award. Proposals may be withdrawn in person by a proposer or his authorized representative, provided his identity is made known and he signs a receipt for the withdrawal of the offer prior to award.

6. MODIFICATION OF PROPOSAL

6.1 Except as otherwise decided by the Client, modifications to proposals must be received not later than the closing date and time specified for receipt of proposals made in response to the request for proposals. Modifications must be made by written or telegraphic notice which clearly identifies the proposals being modified, the nature of the modification, the reference of the request for proposals as well as the closing date and time for receipt of proposals. Modifications must be delivered in writing to the office designated for receipt of proposals with the reason(s) for the modifications.

7. PROPOSAL EVALUATION

7.1 A two-stage procedure shall be adopted in evaluating the proposals. The technical evaluation shall be carried out first, followed by the financial evaluation. Firms shall be ranked using a combined technical/financial score, as indicated below.

    Technical Proposal

7.2 The evaluation committee appointed by the Client shall carry out its evaluation, applying the evaluation criteria and point system specified in the Data Sheet. Each responsive proposal shall be attributed a technical score ($S_t$). Firms scoring less than 75 points shall be rejected and their financial proposals returned unopened.

    Financial Proposal

7.3 The evaluation committee, after determining whether the financial proposals are complete and without computational errors, shall convert prices in various currencies to the common currency specified in the Data Sheet. The official selling rates used shall be provided by the source indicated in the Data Sheet and in effect on the date of submission of the proposals. The lowest financial proposal ($F_m$) shall be given a financial score ($S_f$) of 100 points. The financial scores of the proposals shall be computed as follows:

\[
S_f = 100 \cdot \frac{F_m}{F}
\]

($F =$ amount of financial proposal converted in the common currency).
Final Ranking

7.4 Proposals shall finally be ranked according to their combined technical (&lt;S_t&gt;) and financial (&lt;S_f&gt;) scores using the weights (&lt;T = the weight given to the technical proposal; &lt;P = the weight given to the financial proposal; &lt;T + P = 1) indicated in the Data Sheet:

\[ S = S_t \times T\% + S_f \times P\% \]

8. NEGOTIATIONS

8.1 Prior to the expiration of proposal validity, the Client shall notify the successful Consultant that submitted the highest scoring proposal in writing by registered letter, cable, telex or facsimile and invite it to negotiate the Contract.

8.2 Negotiations normally take from two to five days. The aim is to reach agreement on all points and initial a draft contract by the conclusion of negotiations.

8.3 Negotiations shall commence with a discussion of your technical proposal, the proposed methodology (work plan), staffing and any suggestions you may have made to improve the TOR. Agreement shall then be reached on the final TOR, the staffing, and the bar charts, which shall indicate activities, staff, periods in the field and in the home office, staff months, logistics and reporting. Special attention shall be paid to optimizing the required outputs from the Consultants within the available budget and to defining clearly the inputs required from the Client to ensure satisfactory implementation of the Assignment.

8.4 Changes agreed upon shall then be reflected in the financial proposal, using proposed unit rates (no negotiation of the staff month rates).

8.5 Having selected Consultants on the basis of, among other things, an evaluation of proposed key professional staff, the Client expects to negotiate a contract on the basis of the staff named in the proposal. Prior to contract negotiations, the Client shall require assurances that the staff members will be actually available. The Client shall not consider substitutions during contract negotiations except in cases of unexpected delays in the starting date or incapacity of key professional staff for reasons of health.

8.6 The negotiations shall be concluded with a review of the draft form of the contract. The Client and the Consultants shall finalize the contract to conclude negotiations. If negotiations fail, the Client shall invite the Consultants that received the second highest score to Contract negotiations.

9. AWARD OF CONTRACT

9.1 The contract shall be awarded after successful negotiations with the successful Consultants. Upon successful completion of negotiations, the Client shall promptly inform the other Consultants that their proposals have not been selected.
9.2 The selected Consultant is expected to commence the Assignment on the date and at
the location specified in the Data Sheet.

10. CONFIRMATION OF RECEIPT

10.1 Please inform the Client by telex/facsimile;

(i) that you received the letter of invitation;

(ii) whether you will submit a proposal; and

(iii) if you plan to submit a proposal, when and how you will transmit it.

11. CORRUPT OR FRAUDULENT PRACTICES

11.1 The Bank requires that Borrowers (including beneficiaries of Bank Loans), as well
as Bidders/Suppliers/Contractors under Bank financed contracts, observe the highest
standard of ethics during the procurement and executions of such contracts. In pursuance of
this policy, the Bank:

(a) defines, for the purposes of this provision, the terms set forth below as follows:

(i) "corrupt practice" means the offering, giving, receiving or soliciting of any
thing of value to influence the action of a public official in the procurement
process or in contract execution: and

(ii) "fraudulent practice" means a misrepresentation of facts in order to influence
a procurement process or the execution of a contract to the detriment of the
Borrower, and includes collusive practice among Bidders (prior to or after
bid submission) designed to establish bid prices at artificial non-competitive
levels and to deprive the Borrower of the benefits of free and open
competition;

(b) will reject a proposal for award if its "no objection" has been requested or issued on
the basis of incomplete, inaccurate or misleading information furnished by the
Borrower, or it is established, by a decision of a court of law, or following a special
audit, that the contract was awarded on the basis of corrupt practices. In that event
the bidder may also be sanctioned by curtailing its participation on Bank funded
projects for a specified period of time determined by the Bank.
Letter of Invitation (LOI)
(Where Price Will be a Selection Factor)

LOI DATA SHEET

LOI Clause #

1.1 The name of the Assignment is: __________________________________________
________________________________________________________
The name of the Client is: _________________________________________
________________________________________________________

1.2 The description and the objectives of the Assignment are: ________________
________________________________________________________

1.3 Phasing of the Assignment (if any): ______________________________________
________________________________________________________

1.5 Pre-Proposal Conference: Yes ___ No ___ If yes, indicate date, time and venue.
The name(s) and address(es) of the Official(s) is(are): _______________________
________________________________________________________

1.6 The Client shall provide the following inputs: _____________________________
________________________________________________________

1.8 The invited firms are: _________________________________________________
________________________________________________________

2.1 The Documents are: [TOR, Contract, Appendices etc.]
________________________________________________________

2.2 The address is ______________________________________________________
________________________________________________________

3.1 The language is: _____________________________________________________

3.3 (i) A shortlisted firm may associate with another shortlisted firm. Yes ___ No ___
(ii) The same subconsultant may participate in several proposals. Yes ___ No
(iii) The estimated number of key professional staff months is: ___________

(iv) Majority of key proposed staff shall be permanent employees of the Consultants: Yes ___ No ___

(vii) Reports must be written in the following language(s): ________________

3.4 (vii) Training is an important feature of this Assignment: Yes ___ No ___

3.7 Tax liability, insurances (description or reference to appropriate documentation):

The address is: ________________

Cable: ________________

Telex: ________________

Facsimile: ________________

The information is: ________________

4.1 The number of copies of the proposal required is: ________________

The address is: ________________

4.4 The date and time of proposal submission are: ________________

4.5 Validity period (days, date): ________________

The location is: ________________

7.1 The points given to evaluation criteria are:

<table>
<thead>
<tr>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Specific experience of the firm related to the Assignment</td>
</tr>
<tr>
<td>(ii) Adequacy of the proposed work plan and methodology in responding to the TOR</td>
</tr>
<tr>
<td>(iii) Qualifications and competence of the key staff for the Assignment</td>
</tr>
<tr>
<td>(iv) Suitability of the skills transfer program (training)</td>
</tr>
<tr>
<td>(v) Other</td>
</tr>
</tbody>
</table>

Total: 100

The points given to evaluation subcriteria for qualifications of staff are:

<table>
<thead>
<tr>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>General qualifications</td>
</tr>
<tr>
<td>Adequacy for the project</td>
</tr>
</tbody>
</table>
Experience & language in region

Total: 100

7.3 The currency is: ________________________________

The source is: ________________________________

7.4 \( T = 0. \text{______} \quad F = 0. \text{______} \)

9.2 Commencement of Assignment (date, location): ________________________________

______________________________

Sincerely,

[Name of Client]

Attachments:

1. Terms of Reference (TOR)
2. Draft Form of Contract
3. Appendix 1 - Formats for Technical Proposal
4. Appendix 2 - Formats for Financial Proposal
Appendix 1. Formats For Technical Proposal
Technical Proposal

FROM: 

TO: 

Sir/Madam:

Subject: Hiring of Consultancy Service for

Regarding Technical Proposal

I/We ________________ Consultant/Consultancy firm herewith enclose a Technical Proposal for selection of my/our firm/organization as Consultant for ________________.

Yours faithfully,

Signature __________________________
(Authorized Representative)

Full Name __________________________
Designation ________________________
Address ____________________________
Firm’s References

Relevant Services Carried Out in the Last Five Years
Which Best Illustrate Qualifications

Using in the format below, provide information on each reference assignment for which your firm, either individually as a corporate entity or as one of the major companies within a consortium, was legally contracted.

<table>
<thead>
<tr>
<th>Assignment Name:</th>
<th>Country:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location within Country:</td>
<td>Professional Staff Provided by Your Firm:</td>
</tr>
<tr>
<td>Name of Client:</td>
<td>No of Staff:</td>
</tr>
<tr>
<td>Address:</td>
<td>No of Staff Months:</td>
</tr>
<tr>
<td>Start Date (Month/Year):</td>
<td>Completion Date (Month/Year):</td>
</tr>
<tr>
<td>Name of Associated Firm(s), if any:</td>
<td>No of Months of Professional Staff Provided by Associated Firm(s):</td>
</tr>
<tr>
<td>Name of Senior Staff (Project Director/Coordinator, Team Leader) involved and functions performed:</td>
<td></td>
</tr>
<tr>
<td>Narrative Description of Project:</td>
<td></td>
</tr>
<tr>
<td>Description of Actual Services Provided by Your Staff:</td>
<td></td>
</tr>
</tbody>
</table>

Consultants’ Name:
Approach Paper on Methodology Proposed for Performing the Assignment
Comments/Suggestions of Consultant

On the Terms of Reference (TOR):

1.
2.
3.
4.
5.

etc.

On the data, services and facilities to be provided by the Client indicated in the TOR:

1.
2.
3.
4.
5.

etc.
Format of Curriculum Vitae (CV) For Proposed Key Staff

Proposed Position: ________________________________________________________________

Name of Firm: ________________________________________________________________

Name of Staff: ________________________________________________________________

Profession: ________________________________________________________________

Date of Birth: ________________________________________________________________

Years with Firm: ______________ Nationality: ________________________________

Membership in Professional Societies: ___________________________________________

Detailed Tasks Assigned: ______________________________________________________

Key Qualifications:

[Give an outline of staff member’s experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations. Use up to half a page.]

Education:

[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended and degrees obtained. Use up to a quarter page.]

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organization, title of positions held and location of assignments. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use up to three-quarters of a page.]

Languages:

[Indicate proficiency in speaking, reading and writing of each language: excellent, good, fair, or poor.]
Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these biodata correctly describe myself, my qualifications and my experience.

<table>
<thead>
<tr>
<th>Signature of Staff Member or authorized official</th>
<th>Date:</th>
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<tbody>
<tr>
<td>ar</td>
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<td>the firm</td>
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<td>Day/Month/Year</td>
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</table>
# Work Plan and Time Schedule for Key Personnel

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Reports Due/Activities</th>
<th>Months (in the form of a Bar Chart)</th>
<th>Number of Months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
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<td>Subtotal (1)</td>
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<td>Subtotal (3)</td>
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<td></td>
<td>Subtotal (4)</td>
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</tbody>
</table>

Full Time: __________ Reports Due: __________
Part Time: __________ Activities Duration: __________

Yours faithfully,

Signature ______________________
(Authorized Representative)

Full Name ______________________
Designation ______________________
Address ______________________
Composition of the Team Personnel and the Task each would be Assigned to each Team Member

1. Technical/Managerial Staff

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Task Assignment</th>
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<tbody>
<tr>
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</tbody>
</table>

2. Support Staff

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Task Assignment</th>
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<tbody>
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</tbody>
</table>
# Work Plan/Time Schedule

## 1. Field Investigation

<table>
<thead>
<tr>
<th>Items of Work/Activities</th>
<th>Monthly Program from date of assignment (in the form of a Bar Chart)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
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</table>

## 2. Completion and Submission of Reports (as indicated under Appendix B enclosed with General Conditions of Contract)

<table>
<thead>
<tr>
<th>Reports</th>
<th>Date</th>
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<tbody>
<tr>
<td>1. Inception Report</td>
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<td>2. Interim Progress Report</td>
<td></td>
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<tr>
<td>(a) First Status Report</td>
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<tr>
<td>(b) Second Status Report</td>
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<td>3. Draft Report</td>
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<tr>
<td>4. Final Report</td>
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</tbody>
</table>
Appendix 2. Formats for Financial Proposals
Financial Proposal

FROM: 

TO:

Sir/Madam:

Subject: Hiring of Consultancy Service for

Regarding Price Proposal

I/We ________________ Consultant/Consultancy firm herewith enclose the Price Proposal of my/our firm/organization as Consultant for ____________________________.

Yours faithfully,

Signature ____________________________
(Authorized Representative)

Full Name ____________________________
Designation ____________________________
Address ____________________________
## Schedule of Summary Price Proposal

<table>
<thead>
<tr>
<th>Name of Activities</th>
<th>Currency</th>
<th>Amount</th>
<th>In Words</th>
<th>In Figures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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**Total Amount:**

**Note:** Breakdown of the total price shall be as per Appendix 2, page 3 of 7.
# Breakdown of Summary Price

For Activity №: ________________  Name: ________________

<table>
<thead>
<tr>
<th>Price Component</th>
<th>Currency</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remuneration for basic services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Out-of-pocket expenses</td>
<td></td>
<td></td>
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<tr>
<td>Computer software cost</td>
<td></td>
<td></td>
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<tr>
<td>Miscellaneous expenses</td>
<td></td>
<td></td>
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<tr>
<td><strong>Subtotal:</strong></td>
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</tbody>
</table>

**Note:** The above form is to be filled up separately for each activity mentioned in Appendix 2, page 2 of 7.
### Consolidated Summary for Remuneration in Respect of Basic Services

For Activity №:  
Name:  

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Staff-Months</th>
<th>Monthly Rate</th>
<th>Total Amount Expected to be Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td></td>
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</tbody>
</table>

**Note:**  
1. Breakdown of the cost and charges for monthly rates is indicated in Appendix 2, page 5 of 7.  
2. This form is to be filled out separately for each activity mentioned in Appendix 2, page 2 of 7.
# Out-of-Pocket Expenses

For Activity №: _______________  Name: _______________

<table>
<thead>
<tr>
<th>S. №</th>
<th>Nomenclature</th>
<th>Unit</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Return flights between _____ and _____</td>
<td>Trip</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Miscellaneous travel expenses</td>
<td>Trip</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Subsistence allowance</td>
<td>Trip</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Local transportation costs(^1)</td>
<td>Trip</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Office rent/accommodation/clerical asst.</td>
<td>Trip</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total:

Note: This is to be filled out separately for each activity mentioned in Appendix 2, page 2 of 7.

\(^1\) Local transportation costs are not included if local transportation is being made available by Client. Similarly, in the Project site, office rent/accommodations/clerical assistance costs are not to be included if being made available by Client.
## Computer Software Costs
(Inclusive of Licensing of Software)

For Activity №: ______________ Name: ______________

<table>
<thead>
<tr>
<th>S1 №</th>
<th>Software</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
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<tr>
<td>2.</td>
<td></td>
<td></td>
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<tr>
<td>3.</td>
<td></td>
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<tr>
<td>4.</td>
<td></td>
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</tr>
</tbody>
</table>

Total:
# Miscellaneous Expenses

For Activity №: ________________  Name: ________________

<table>
<thead>
<tr>
<th>S. №</th>
<th>Nomenclature</th>
<th>Unit</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Communication costs between _________ and _________ (telephone, telegram, telex)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Drafting, reproduction of reports</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>5.</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: This is to be filled out separately for each activity mentioned in Appendix 2, page 2 of 7.
STANDARD FORM OF CONTRACT
PREFACE

1. This standard contract for Consultants’ Services has been prepared by the African Development Bank Group for use by its borrowers and their implementing agencies (referred to hereafter as Clients) when they hire consulting firms to provide services paid on the basis of lump sum remuneration. In such case, the use of this contract is mandatory for contracts financed partly or wholly by the African Development Bank Group.

2. Lump sum contracts are used when definition of the tasks to be performed is clear and unambiguous, when the commercial risk taken by the Consultants is minimal, and when therefore such Consultants are prepared to perform the assignment for an agreed predetermined lump sum price. Such price is arrived at on the basis of inputs, including rates, provided by the Consultants. The Client agrees to pay the Consultants according to a schedule of payments linked to the delivery of certain outputs, usually reports. A major advantage of the lump sum contract is the simplicity of its administration, the Client having only to be satisfied with the outputs without monitoring the staff inputs. Studies are usually carried out on a lump sum basis: for example, master plans, economic, sector, feasibility, engineering studies, and surveys.

3. The Contract includes four parts: the Form of Contract, the General Conditions of Contract, the Special Conditions of Contract, and the Appendices. The Client using this standard contract should not alter the General Conditions. Any adjustment to meet project features should be made only in the Special Conditions.
CONTRACT FOR CONSULTANTS’ SERVICES

between

_____________________________

[name of the Client]

and

_____________________________

[name of the Consultants]

Dated: _______________________
I. FORM OF CONTRACT

Lump Sum Remuneration

This CONTRACT (hereinafter called the “Contract”) is made the ______ day of the month of __________, 19___, between, on the one hand, ___________________(hereinafter called the “Client”) and, on the other hand, _____________ ______ (hereinafter called the “Consultants”).

[Note 1: If the Consultants consist of more than one entity, the above should be partially amended to read as follows:

...... (hereinafter called the “Client”) and, on the other hand, a joint venture consisting of the following entities, each of which will be jointly and severally liable to the Client for all the Consultants’ obligations under this Contract, namely, _____________________ and _____________________ (hereinafter called the “Consultants”).]

WHEREAS

(a) the Client has requested the Consultants to provide certain consulting services as defined in the General Conditions of Contract attached to this Contract (hereinafter called the “Services”);

(b) the Consultants, having represented to the Client that they have the required professional skills, and personnel and technical resources, have agreed to provide the Services on the terms and conditions set forth in this Contract;

(c) the Client has received [or has applied for] a loan from the African Development Bank2 (hereinafter called the “Bank”) towards the cost of the Services and intends to apply a portion of the

1 2 Substitute "African Development Fund" or "Nigeria Trust Fund" for "African Development Bank" where appropriate.
proceeds of this loan [or grant] to eligible payments under this Contract, it being understood (i) that payments by the Bank will be made only at the request of the Client and upon approval by the Bank, (ii) that such payments will be subject, in all respects, to the terms and conditions of the agreement providing for the loan [or grant], and (iii) that no party other than the Client shall derive any rights from the agreement providing for the loan [or grant] or have any claim to the loan [or grant] proceeds;

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:

   (a) The General Conditions of Contract;
   (b) The Special Conditions of Contract;
   (c) The following Appendices:

   [Note: If any of these Appendices are not used, the words “Not Used” should be inserted below next to the title of the Appendix and on the sheet attached hereto carrying the title of that Appendix.]

   Appendix A: Description of the Services ______ Not used
   Appendix B: Reporting Requirements ______ Not used
   Appendix C: Key Personnel and Subconsultants ______ Not used
   Appendix D: Breakdown of Contract Price in Foreign Currency ______ Not used
   Appendix E: Breakdown of Contract Price in Local Currency ______ Not used
   Appendix F: Services and Facilities Provided by the Client ______ Not used
2. The mutual rights and obligations of the Client and the Consultants shall be as set forth in the Contract, in particular:

(a) the Consultants shall carry out the Services in accordance with the provisions of the Contract; and

(b) the Client shall make payments to the Consultants in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

FOR AND ON BEHALF OF
[CLIENT]

By__________________
Authorized Representative

FOR AND ON BEHALF OF
[CONSULTANTS]

By__________________
Authorized Representative

[Note: If the Consultants consist of more than one entity, all these entities should appear as signatories, e.g., in the following manner:]

FOR AND ON BEHALF OF EACH OF
THE MEMBERS OF THE CONSULTANTS

[Member]

By__________________
Authorized Representative

[Member]

By__________________
Authorized Representative
II. General Conditions of Contract


1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

a) “Applicable Law” means the laws and any other instruments having the force of law in the Government’s country (or in such other country as may be specified in the Special Conditions of Contract (SC)), as they may be issued and in force from time to time;

b) “Bank” means the African Development Bank;

or

b) “Bank” means the African Development Fund;

or

b) “Bank” means the Nigeria Trust Fund;

c) “Contract” means the Contract signed by the Parties, to which these General Conditions of Contract (GC) are attached, together with all the documents listed in Clause 1 of such signed Contract;

d) “Contract Price” means the price to be paid for the performance of the Services, in accordance with Clause 6;

e) “foreign currency” means any currency other than the currency of the Government;

f) “GC” means these General Conditions of Contract;

g) “Government” means the Government of the Client’s country;
h) “local currency” means the currency of the Government;

i) "Member", in case the Consultants consist of a joint venture of more than one entity, means any of these entities; "Members" means any of these entities, and "Member in charge" means the entity specified in the SC to act on their behalf in exercising all the Consultants' rights and obligations towards the Client under this Contract;

j) "Party" means the client or Consultants, as the case may be, and "Parties" means both of them

1.2 Law Governing the Contract

This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.

1.3 Language

This Contract has been executed in the language specified in the SC, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

1.4 Notices

Any notice, request, or consent made pursuant to this Contract shall be in writing and shall be deemed to have been made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the SC.

1.5 Location

The Services shall be performed at such locations as are specified in Appendix A and, where the location of a particular task is not so specified, at such locations, whether in the Government's country or elsewhere, as the Client may approve.

1.6 Authorized

Any action required or permitted to be taken, and any document required or permitted to be executed, under this Contract by the Client of the Consultants may be taken or executed by officials specified in the SC.
1.7 Taxes and Duties

Unless otherwise specified in the SC, the Consultants, Subconsultants, and their Personnel shall pay such taxes, duties, fees, and other impositions as may be levied under the Applicable Law, the amount of which is deemed to have been included in the Contract Price.

2. COMMENCEMENT, COMPLETION, MODIFICATION, AND TERMINATION OF CONTRACT

2.1 Effectiveness of Contract

This Contract shall come into effect on the date the Contract is signed by both parties or such other later date as may be stated in the SC.

2.2 Commencement of Services The Consultants shall begin carrying out the Services

The Consultants shall begin carrying out the Services thirty (30) days after the date the Contract becomes effective, or at such other date as may be specified in the SC.

2.3 Expiration of Contract

Unless terminated earlier pursuant to Clause 2.6, this Contract shall terminate at the end of such time period after the Effective Date as is specified in the SC.

2.4 Modification

Modification of the terms and conditions of this Contract, including any modification of the scope of the Services or of the Contract Price, may only be made by written agreement between the Parties and shall not be effective until the consent of the Bank or of the Fund, as the case may be, has been obtained.
2.5  Force Majeure

2.5.1 Definition
For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party and which makes a Party’s performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.

2.5.2 No Breach of Contract
The failure of a Party to fulfill any of its obligations under the contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event.

2.5.3 Extension of Time
Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

2.5.4 Payments
During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultants shall be entitled to continue to be paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Services and in reactivating the Service after the end of such period.

2.6 Termination

2.6.1 By the Client
The Client may terminate this Contract, by not less than thirty (30) days’ written notice of termination to the Consultants, to be given after the occurrence of any of the events specified in paragraphs (a) through (c) of this Clause 2.6.1 and sixty (60) days’ in the case of the event referred to in (d):
(a) if the Consultants do not remedy a failure in the performance of their obligations under the Contract, within thirty (30) days after being notified or within any further period as the Client may have subsequently approved in writing;

(b) if the Consultants become insolvent or bankrupt;

(c) if, as the result of Force Majeure, the Consultants are unable to perform a material portion of the Services for a period of not less than sixty (60) days; or

(d) if the Client, in its sole discretion, decides to terminate this Contract.

2.6.2 By the Consultants

The Consultants may terminate this Contract, by not less than thirty (30) days’ written notice to the Client, such notice to be given after the occurrence of any of the events specified in paragraphs (a) and (b) of this Clause 2.6.2:

(a) if the Client fails to pay any monies due to the Consultants pursuant to this Contract and not subject to dispute pursuant to Clause 7 within forty-five (45) days after receiving written notice from the Consultants that such payment is overdue; or

(b) if, as the result of Force Majeure, the Consultants are unable to perform a material portion of the Services for a period of not less than sixty (60) days.

2.6.3. Payment upon Termination

Upon termination of this Contract pursuant to Clauses 2.6.1 or 2.6.2, the Client shall make the following payments to the Consultants:

a) remuneration pursuant to Clause 6 for Services satisfactorily performed prior to the effective date of termination;

b) except in the case of termination pursuant to paragraphs (a) and (b) of Clause 2.6.1, reimbursement of any reasonable cost incident to the prompt and orderly termination of the contract, including the cost of the return travel of the Personnel and their eligible dependents.
3. OBLIGATIONS OF THE CONSULTANTS

3.1 General

The Consultants shall perform the Services and carry out their obligations with all due diligence, efficiency, and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced technology and safe methods. The Consultants shall always act, in respect of any matter relating to this Contract or to the Services, as faithful advisers to the Client, and shall at all times support and safeguard the Client’s legitimate interests in any dealings with Sub-consultants or third parties.

3.2 Conflict of Interests

3.2.1 Consultants Not to Benefit from Commissions, Discounts, etc.

The remuneration of the Consultants pursuant to Clause 6 shall constitute the Consultants’ sole remuneration in connection with this Contract or the Services, and the Consultants shall not accept for their own benefit any trade commission, discount, or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of their obligations under the Contract, and the Consultants shall use their best efforts to ensure that the Personnel, any Subconsultants, and agents of either of them similarly shall not receive any such additional remuneration.

3.2.2 Consultants and Affiliates Not to Be Otherwise Interested in Project

The Consultants agree that, during the term of this Contract and after its termination, the Consultants and their affiliates, as well as any Subconsultant and any of its affiliates, shall be disqualified from providing goods, works, or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

3.2.3 Prohibition of Conflicting Activities

Neither the Consultants nor their Subconsultants nor the Personnel shall engage, either directly or indirectly, in any of the following activities:

a) during the term of this contract, any business or professional activities assigned to them under this Contract; or

b) after the termination of this contract, such other activities as may be specified in the SC.
3.3 Confidentiality

The Consultants, their Subconsultants, and the Personnel of either of them shall not, either during the term or within two (2) years after the expiration of this Contract, or the Client's business or operations without the prior written consent of the Client.

3.4 Insurance to Be Taken Out by the Consultants

The Consultants (a) shall take out and maintain, and shall cause any Subconsultants to take out and maintain, at their (or the Subconsultants’, as the case may be) own cost but on terms and conditions approved by the Client, insurance against the risks, and for the coverage, as shall be specified in the SC; and (b) at the Client’s request, shall provide evidence to the Client showing that such insurance has been taken out and maintained and that the current premiums have been paid.

3.5 Consultants’ Actions Requiring Client’s Prior Approval

The Consultants shall obtain the Client's prior approval in writing before taking any of the following actions:

a) entering into a subcontract for the performance of any part of the Services,

b) appointing such members of the of the personnel not listed by name in Appendix C ("Key Personnel and Subconsultants"), and

c) any other action that may be specified in the SC.

3.6 Reporting Obligations

The Consultants shall submit to the Client the reports and documents specified in Appendix B in the form, in the numbers, and within the periods set forth in the said Appendix.
3.7 Documents Prepared by the Consultants to Be the Property of the Client

All plans, drawings, specifications, designs, reports, and other documents and software submitted by the Consultants in accordance with Clause 3.6 shall become and remain the property of the Client, and the Consultants shall, not later than upon termination or expiration of this Contract, deliver all such documents and software to the Client, together with a detailed inventory thereof. The Consultants may retain a copy of such documents and software. Restrictions about the future use of these documents, if any, shall be specified in the SC.

4. CONSULTANTS' PERSONNEL

4.1 Description of Personnel

The titles, agreed job descriptions, minimum qualifications, and estimated periods of engagement in the carrying out of the Services of the Consultants’ Key Personnel are described in Appendix C. The Key Personnel and Subconsultants listed by title as well as by name in Appendix C are hereby approved by the Client.

4.2 Removal and/or Replacement of Personnel

(a) Except as the Client may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Consultants, it becomes necessary to replace any of the Key Personnel, the Consultants shall provide as a replacement a person of equivalent or better qualifications.

(b) If the Client finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultants shall, at the Client’s written request specifying the grounds therefor, provide as a replacement a person with qualifications and experience acceptable to the Client.

(c) The Consultants shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.
5. OBLIGATIONS OF THE CLIENT

5.1 Assistance and Exemptions
The Client shall use its best efforts to ensure that the Government shall provide the Consultants such assistance and exemptions as specified in the SC.

5.2 Change in the Applicable Law
If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost of the services rendered by the Consultants, then the remuneration and reimbursable expenses otherwise payable to the Consultants under this Contract shall be increased or decreased accordingly by agreement between the Parties, and corresponding adjustments shall be made to the amounts referred to in Clauses 6.2 (a) or (b), as the case may be.

5.3 Services and Facilities
The Client shall make available to the Consultants the Services and Facilities listed under Appendix F.

6. PAYMENTS TO THE CONSULTANTS

6.1 Lump Sum Remuneration
The Consultant’s total remuneration shall not exceed the Contract Price and shall be a fixed lump sum including all staff costs, Subconsultants’ costs, printing, communications, travel, accommodation, and the like, and all other costs incurred by the Consultant in carrying out the Services described in Appendix A. Except as provided in Clause 5.2, the Contract Price may only be increased above the amounts stated in Clause 6.2 if the Parties have agreed to additional payments in accordance with Clause 2.4.

6.2 Contract Price
(a) The price payable in foreign currency is set forth in the SC.

(b) The price payable in local currency is set forth in the SC.
6.3 Payment for Additional Services

For the purpose of determining the remuneration due for additional services as may be agreed under Clause 2.4., a breakdown of the lump sum price is provided in Appendices D and E.

6.4 Terms and Conditions of Payment

Payments will be made to the account of the Consultants and according to the payment schedule stated in the SC. The first payment shall be made against the provision by the Consultants of a bank guarantee for the same amount, and shall be valid for the period stated in the SC. Any other payment shall be made after the conditions listed in the SC for such payment have been met, and the Consultants have submitted an invoice to the Client specifying the amount due.

6.5 Interest on Delayed Payments

If the Client has delayed payments beyond fifteen (15) days after the due date stated in the SC, interest shall be paid to the Consultants for each day of delay at the rate stated in the SC.

7. SETTLEMENT OF DISPUTES

7.1 Amicable Settlement

The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.

7.2 Dispute Settlement

Any dispute between the Parties as to matters arising pursuant to this Contract that cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party’s request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions specified in the SC.

---

It is important to note that the Bank does not pay interest charges resulting from delayed payments.
III. SPECIAL CONDITIONS OF CONTRACT

Number of Amendments of, and Supplements to, Clauses in the General Conditions GC

[1.1(a) The words “in the Government’s country” are amended to read “in ____________”.

Note: Bank-financed contracts usually designate the law of the Client’s country as the law governing the contract. However, if parties wish to designate the law of another country, the Bank will not object. In the former case, this Clause 1.1 (a) should be deleted; in the latter case, the name of the respective country should be inserted in the blank, and the square brackets should be removed.]

[1.1(i) The Member in Charge is _________________.]

1.3 The language is ________________.

Note: Specify English, French, or Spanish.

* Clauses in brackets are optional; all notes should be deleted in final text.
1.4 The addresses are:

For the Client: ____________________  
____________________  
____________________  
Attention: ____________________  
Telex: ____________________  
Facsimile: ____________________  

For the Consultants: ____________________  
____________________  
Attention: ____________________  
Telex: ____________________  
Facsimile: ____________________  

1.6 The Authorized Representatives are:

For the Client: ____________________  
____________________  
For the Consultants: ____________________  
____________________  

[1.7 The Client warrants that the Consultants and their Personnel (as well as the Subconsultants and their Personnel) shall be exempt from any taxes, duties, fees, levies, and other impositions levied, under the Applicable Law, on the Consultants and the Personnel in respect of:

(a) any payments made to the Consultants, Subconsultants, and the Personnel of either of them (other than nationals of the Government or permanent residents of the Government’s country), in connection with the carrying out of the Services;

(b) any equipment, materials, and supplies brought into the Government’s country by the Consultants or Subconsultants for the purpose of carrying out the Services and which, after having been brought into such territories, will be subsequently withdrawn therefrom by them;]
(c) any equipment imported for the purpose of carrying out the Services and paid for out of funds provided by the Client and which is treated as property of the Client;

(d) any property brought into the Government’s country by the Consultants, any Subconsultants, and the Personnel of either of them (other than nationals of the Government or permanent residents of the Government’s country) for their personal use and which will subsequently be withdrawn therefrom by them upon their respective departure from the Government’s country.

*Note:* While the Bank does not reimburse payments for duties and taxes levied by the borrowing country (see Section 5.08 of the General Conditions Applicable to Loan and Guarantee Agreements), it leaves it to the Client to decide whether the Consultants (a) should have to pay levies of this kind without reimbursement by the Client (case (i)), (b) should be exempted from any such levies (case (ii)), (c) should be reimbursed by the Client for any such levies they might have to pay (case (iii)), or (d) should pay such levies on behalf of the Consultants and the Personnel (case (iv)). In the first case, Clause 1.7 should be deleted from the SC; in the second case, Clause 1.7 above should be retained in the SC; in the third and fourth cases, the first and second line of Clause 1.7 above should be further amended to read:

(case (iii))
“that the Client shall reimburse the Consultants and the Personnel for”
or
(case (iv))
“that the Client shall pay on behalf of the Consultants and the Personnel”.

2.1 The date on which this Contract shall come into effect is: ______________

*Note:* the date may be specified by reference to conditions of effectiveness of the Contract, such as approval of the Contract by the Bank, effectiveness of Bank Loan or grant, receipt by Consultants of advance payment and by Client of bank guarantee (see Clause 6.4), etc.

2.2 The date for the commencement of Services is ______________.]

2.3 The period shall be ________________ *Note:* Fill in the period, e.g., twenty-
four (24) months or such other period as the parties may agree in writing.

[3.2.1]  
**Note:** The following should be inserted in the SC or alternatively in Appendix A if the Consultants are advising the Client on the procurement of goods, works, or services:

“Procurement Rules of Funding Agencies

Furthermore, if the Consultants, as part of the Services, have the responsibility of advising the Client on the procurement of goods, works, or services, the Consultants shall comply with any applicable procurement guidelines of the Bank or of the Association, as the case may be, and other funding agencies and shall at all times exercise such responsibility in the best interest of the Client. Any discounts or commissions obtained by the Consultants in the exercise of such procurement responsibility shall be for the account of the Client.”

[3.2.3]  
**Note:** It is essential that Consultants who advise Clients on the privatization of state-owned enterprises or other assets (or on related problems), be prohibited from “switching sides” upon completion of their assignment and then either appearing as purchaser of these enterprises/assets or advising potential purchasers in this context. In these situations, the following provision must be added to Clause 3.2.3:

“For a period of two years after the expiration of this Contract, the Consultants shall not engage, and shall cause their Personnel as well as their Subconsultants and their Personnel not to engage, in the activity of a purchaser (directly or indirectly) of the assets on which they advised the Client under this Contract, nor shall they engage in the activity of an adviser (directly or indirectly) of potential purchasers of such assets.”

3.4 The risks and coverage shall be:

(i) Third Party motor vehicle

(ii) Third Party liability

(iii) Employer’s liability and workers’ compensation

(iv) Professional liability

(v) Loss or damage to equipment and property
[3.5(c)  
*Note: Delete where not applicable.*]

The other actions are ____________________________

[3.7  
*Note: If there is to be no restriction on the future use of these documents by either Party, this Clause 3.7 should be deleted from the SC. If the Parties wish to restrict such use, any of the following options, or any other option agreed to by the Parties, may be used, such as the following:*

- “The Consultants shall not use these documents for purposes unrelated to this Contract without the prior written approval of the Client.”
- “The Client shall not use these documents for purposes unrelated to this Contract without the prior written approval of the Consultants.”
- “Neither Party shall use these documents for purposes unrelated to this Contract without the prior written approval of the other Party.”]

[5.1  
*Note: List here any assistance or exemptions that the Client may provide under Clause 5.1. If there is no such assistance or exemptions, state “not applicable.”*]

6.2 (a) The amount in foreign currency or currencies is__________________.

6.2 (b) The amount in local currency is ____________________.

6.4 The accounts are:
for foreign currency:__________________
for local currency:__________________
Payments shall be made according to the following schedule:

**Note:** (a) the following installments are indicative only; (b) if the payment of foreign currency and of local currency does not follow the same schedule, add a separate schedule for payment in local currency; (c) “commencement date” may be replaced with “date of effectiveness”; and (d) if applicable, detail further the nature of the report evidencing performance, as may be required, e.g., submission of study or specific phase of study, survey, drawings, draft bidding documents, etc., as listed in Appendix B, **Reporting Requirements**. In the example provided, the bank guarantee for the repayment is released when the payments have reached 50 percent of the lump sum price, because it is assumed that at that point, the advance has been entirely set off against the performance of services.

- Twenty (20) percent of the Contract Price shall be paid on the commencement date against the submission of a bank guarantee for the same.

- Ten (10) percent of the lump sum amount shall be paid upon submission of the inception report.

- Twenty-five (25) percent of the lump sum amount shall be paid upon submission of the interim report.

- Twenty-five (25) percent of the lump sum amount shall be paid upon submission of the draft final report.

- Twenty (20) percent of the lump sum amount shall be paid upon approval of the final report.

- The bank guarantee shall be released when the total payments reach fifty (50) percent of the lump sum amount.

**Note:** This sample clause should be specifically drafted for each contract.

6.5 Payment shall be made within ______ days of receipt of the invoice and the relevant documents specified in Clause 6.4, and within ______ days in the case of the final payment.

**Note:** specify, e.g., “forty-five (45) days”, and, in the case of the last payment, “sixty (60) days”.
The interest rate is _____________.

7.2 Any dispute, controversy, or claim arising out of or relating to this contract, or the breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force.

**Note:** If the Consultant is a national of the Government’s country, this provision should be modified and referred to the Government country’s rules for settlement of disputes.
IV. Appendices

APPENDIX A

DESCRIPTION OF THE SERVICES

Give detailed descriptions of the Services to be provided, dates for completion of various tasks, place of performance for different tasks, specific tasks to be approved by Client, etc.

APPENDIX B

REPORTING REQUIREMENTS

List format, frequency, and contents of reports; persons to receive them; dates of submission; etc. If no reports are to be submitted, state here “Not applicable”.

APPENDIX C

KEY PERSONNEL AND SUBCONSULTANTS

List under:

C-1 Titles [and names, if already available], detailed job descriptions and minimum qualifications of foreign Personnel to be assigned to work in the Government’s country, and staff-months for each.

C-2 Same as C+1 for Key foreign Personnel to be assigned to work outside the Government’s country.

C-3 List of approved Subconsultants (if already available); same information with respect to their Personnel as in C+1 or C+2.
C-4  Same information as C+1 for Key local Personnel.

APPENDIX D

BREAKDOWN OF CONTRACT PRICE IN FOREIGN CURRENCY

List here the elements of cost used to arrive at the breakdown of the lump sum price, foreign currency portion:

1. Monthly rates for Personnel (Key Personnel and other Personnel).
2. Reimbursable expenditures.

This appendix will exclusively be used for determining remuneration for additional services.

APPENDIX E

BREAKDOWN OF CONTRACT PRICE IN LOCAL CURRENCY

List here the elements of cost used to arrive at the breakdown of the lump sum price, local currency portion:

1. Monthly rates for Personnel (Key Personnel and other Personnel).
2. Reimbursable expenditures.

This appendix will exclusively be used for determining remuneration for additional services.

APPENDIX F