

FEDERAL GOVERNMENT OF NIGERIA

*[COMMITTEE ON THE DEREGULATION OF THE DOWN STREAM PETROLEUM
SECTOR]*

INTERNATIONAL COMPETITIVE BIDDING

**REQUEST FOR PROPOSALS
FOR THE PROCESS REVIEW AND VERIFICATION OF
NNPC DEDUCTIONS AND OTHER OIL MARKETING
COMPANIES CLAIMS FOR PETROLEUM SUBSIDIES**

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1. **The Federal Government of Nigeria intends to carry a *PROCESS REVIEW and VERIFICATION OF NNPC DEDUCTIONS AND OTHER OIL MARKETING COMPANIES CLAIMS FOR PETROLEUM SUBSIDIES.***

2. The *COMMITTEE ON THE DEREGULATION OF THE DOWN STREAM PETROLEUM SECTOR* now invites proposals to provide the following consulting services: More details on the services are provided in the Terms of Reference.

RFP is hereby requested from reputable Firms (The term “**Firm**” would be used interchangeably with “**Consultant**” wherever it appears in this document). The Firm shall have a proven track record of process auditing in complex and challenging engagements. The Firm must demonstrate an in-depth understanding of process auditing and should have sufficient technical exposure to petroleum products marketing and subsidies to guarantee a competent and professional approach to the work. Excellent analytical and communication skills are essential. The Firm must also demonstrate the ability to detect challenges in the subsidy implementation process, proffer a range of practical solutions thereto, and summarize the relevant information in a concise and easily understandable manner. Finally, to avoid any possible conflicts of interest, it is necessary to preclude any consultants that have previously been directly or indirectly engaged, contracted or otherwise involved in any previous review of the petroleum subsidies and deductions. Full and frank disclosure of any such engagements must be declared on application.

3. A firm will be selected under Quality and Cost-Based Selection (QCBS). Procedures for selection are described in the RFP.

4. In addition to the Letter of Invitation, the RFP includes the following documents:

- Section 1: Instructions to Firms (ITF)
- Section 2: Special Instructions to Firms (SIF)
- Section 3: General Conditions of Contract (GCC),
- Section 4: Special Conditions of Contract (SCC),
- Section 5: Proposal & Contract Forms
- Section 6: Terms of Reference (TOR)

5. A Pre-Bid meeting will be held on *Monday, APRIL 27, 2009* at the office of the Client: *The OFFICE OF THE HONOURABLE MINISTER, FEDERAL MINISTRY OF FINANCE, AHMADU BELLO WAY, CENTRAL BUSINESS DISTRICT, ABUJA.*

6. Firms which had responded to the initial advertisements for Expression of Interest are advised to collect the letters and bids they had earlier submitted. They are also advised to collect the Request for Proposal and attend the pre-bid meeting as contained in this advertisement. This advertisement is in furtherance to the earlier advertisement for Expression of Interest placed in THE GUARDIAN, LEADERSHIP, THISDAY and DAILY TRUST newspapers of Monday, March 30, 2009. Also note that this advertisement is posted on the following websites: www.fmf.gov.ng, www.NNPCGROUP.COM and www.bpp.gov.ng.

7. Upon receipt, please acknowledge by sending an electronic mail to any of the following e-mail addresses: Olu.Akani@NNPCGROUP.com, mudoh@fmf.gov.ng, *stating that:*

- (a) You have received the Letter of Invitation and the RFP; and
- (b) Whether you will submit a proposal alone or in association with any other Firm or Firms.

8. Request for Proposal is obtainable upon the payment of a non-refundable tender fee of N250, 000.00 (Two Hundred and Fifty Thousand Naira) only to the Federal Government of Nigeria.
9. More information on the conditions of contract for the selection of Consultants/Firms under Quality and Cost-Based Selection (QCBS) can be downloaded from www.bpp.gov.ng.
10. Please note that the closing date for the Request for Proposal shall be 12 noon, on Thursday, April 30, 2009. The bids will be opened immediately and bidders and members of the public as well as Civil Society who wish to witness the bid opening ceremony are cordially invited.

Signed:

PERMANENT SECRETARY, FEDERAL MINISTRY OF FINANCE

Section 1. Instructions to Firms

A. General

1. Scope of Assignment
 - 1.1 The Client, named in the Special Instructions to Firms, will select a Firm for the specific assignment as specified in the SIF and described in details in Section 3: Terms of Reference.
2. Source of Funds
 - 2.1 Federal Ministry of Finance.
3. Corrupt, Fraudulent, Collusive or Coercive Practices
 - 3.1 The Government requires that Clients, as well as Firms, shall observe the highest standard of ethics during the implementation of procurement proceedings and the execution of Contracts under public funds.
 - 3.2 In pursuance of this requirement, the Client shall:
 - (a) exclude the Firm from participation in the procurement proceedings concerned or reject a Proposal for award; and
 - (b) declare the Firm ineligible, either indefinitely or for a stated period of time, from participation in procurement proceedings under public funds.

if at any time determines that the Consultant has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a Contract under public funds.
 - 3.3 Should any corrupt, fraudulent, collusive or coercive practice of any kind come to the knowledge of the Client, it shall, in the first place, allow the Firm to provide an explanation and shall, take actions as above only when a satisfactory explanation is not received.
 - 3.4 The Government defines corrupt, fraudulent, collusive or coercive practices, for the purposes of this provision, in the Contract Agreement Sub-Clause 3.4.
 - 3.5 The Government requires that the Client's personnel have an equal obligation not to solicit, ask for and/ or use coercive methods to obtain personal benefits in connection with the said proceedings.
4. Eligible Firms
 - 4.1 The Firm has the legal capacity to enter into the Contract.
 - 4.2 The Firm shall not be under a declaration of ineligibility for corrupt, fraudulent, collusive or coercive practices in accordance with ITF Sub-Clause 3.2.
 - 4.3 The Firm has fulfilled its obligations to pay taxes and social security contributions under the relevant national laws or regulations.

- 4.4 Government officials and civil servants, including persons of autonomous bodies or corporations may be hired to work as individual consultant subject to the provisions of the Public Procurement Regulations and Procedures provided the person (a) is on leave of absence without pay; (b) is not being hired by the procuring entity he/she was working for immediately prior to going on leave; and (c) the hiring of him/her would not create any conflict of interest.
5. Conflict of Interest
- 5.1 Government policy requires that the Firm provides professional, objective, and impartial advice, and at all times hold the Executing Agency's interests paramount, without any consideration for future work, and strictly avoid conflicts with other assignments or their own corporate interests. The Firm shall not be hired for any assignment that would be in conflict with their prior or current obligations or that may place them in a position of not being able to carry out the assignment in the best interest of the Client.
- 5.2 The Firm has an obligation to disclose any situation of actual or potential conflict of interest that impacts on his capacity to serve the best interest of his Client, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Firm or the termination of its Contract.
- 5.3 The Firm that has a business or family relationship with a member of the Client's staff may not be awarded a Contract, unless the conflict stemming from this relationship has been addressed adequately throughout the selection process and the execution of the Contract.

B. Request for Proposal

6. Proposal: Sections
- 6.1 The sections comprising the RFP are listed below:
- Section 1: Instructions to Firms (ITF)
- Section 2: Special Instructions to Firms (SIF)
- Section 3: Terms of Reference (TOR)
- Section 4: Proposal Forms
- Section 5: Contract Forms.
- 6.2 The Firm is expected to examine all instructions, forms, terms, and provisions in the RFP. Failure to furnish all information or documentation required by the RFP may result in the rejection of the Proposal.
7. Proposal: Clarification
- 7.1 The Client shall respond in writing to any request for clarification, provided that such request is received from the Firm not later than seven (7) days prior to the deadline for submission of Proposals. The address for clarification requests is stated in the SIF.
8. Proposal: Amendment
- 8.1 At any time prior to the deadline for submission of Proposals, the Client may, on its own initiative or in response to an enquiry by a Firm, amend the RFP by issuing an amendment, and may, at its discretion, extend the deadline for the submission of Proposals.

C. Proposal Preparation

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| 9. Proposal Language | 9.1 The Proposal, as well as all correspondences and documents relating to the Proposal shall be written in the English language unless specified otherwise in the SIF. |
| 10. Proposal Preparation | 10.1 The Firm shall examine in detail the documents comprising the TOR, and prepare the Proposal using the forms furnished in Section 4: Proposal Forms. |
| 11. Client Inputs | 11.1 In preparing the Proposal the Firm may assume that the Client will:
(a) provide at no cost to the Firm the inputs and facilities specified in the SIF; and
(b) make available relevant project data and reports together with the Contract to the Firm. |
| 12. Technical Proposal Preparation | 12.1 While preparing the Technical Proposal, a Firm must give particular attention to the instructions provided in ITF Sub-Clause 12.2 to 12.7 inclusive.

12.2 If a Firm considers that it does not have all the expertise required for the assignment, it may obtain that expertise by associating with other Firms or entities in a joint venture or sub consultancy as appropriate. Association among the short listed Firms at the time of submission of a proposal is not permitted, and the Client shall disqualify such proposal. Association of other Firms (not short listed) in a joint venture at the time of submission of a proposal is only permitted with the prior permission of the Client, which must be obtained prior to the submission of a proposal. A short listed Firm associating with another firm, where that firm is a sub consultant will not require prior permission of the Client. For such cases, the Proposal shall be submitted in the name of the short listed Firm. For such sub-consultancy (etc), the Proposal should include a covering letter signed by an authorized representative of the Firm with full authority to make legally binding contractual (and financial) commitments on behalf of the Consultant, plus a copy of the agreement(s) with the sub-Consultant(s). Sub-consultancies (etc) shall in no event relieve the short listed Consultant from any of its obligations, duties, responsibility or liability under the Contract.

12.3 For QCBS or Least Cost Selection based assignments, the estimated number of Professional staff-months is indicated in the SIF; however the available budget shall not be disclosed. The proposal shall be based on the number of Professional staff-months estimated by the Consultant.

12.4 For Selection under a Fixed Budget, the available budget is given in the SIF, and the Financial Proposal shall not exceed this budget, while the estimated number of Professional staff-months normally is not be disclosed.

12.5 Proposed professional staff shall have at least the qualification and experience indicated in the SIF, preferably working under conditions similar to Nigeria. It is desirable that the majority of the key professional staff proposed be permanent employees of the Consultant or has an |

extended and stable working relationship with it.

12.6 Alternative experts shall not be proposed, and only one curriculum vitae (CV) may be submitted for each position.

12.7 Reports to be submitted by the Consultants as part of the assignment shall be in the English language.

13. Technical Proposal:
Format and Content

13.1 The Technical Proposal shall provide the following information using the Standard Forms (Section 4A)

(a) Form 4A1: Technical Proposal Submission Form in the format of a letter, duly signed by an authorised signatory of the Consultant:

(b) Form 4A2: giving a brief description of the Consultant's organization and an outline of recent experience of the Consultant and, in the case of an association by each partner, on assignments of a similar nature. For each assignment, the outline should indicate the names of Sub-Consultants/Professional staff/experts who participated, duration of the assignment, contract amount, and the Consultant's involvement. Information should be provided only for those assignments for which the Consultant was legally contracted by the Client as a corporation or as one of the major firms within an association. Assignments completed by individual Professional staff/experts working privately or through other consulting firms cannot be claimed as the experience of the Consultant, or that of the Consultant's associates, but can be claimed by the Professional staff/experts themselves in their CVs. Consultants should be prepared to substantiate the claimed experience if so requested by the Client. Application from interested Process Auditors should include the following:

1. Names, Qualifications and Experience of its principal officers;
2. Major works recently undertaken by the consortium either jointly or severally in the last three years;
3. Fees on services expected to be rendered;
4. Evidence of registration with the Corporate Affairs Commission;
5. Evidence of payment of relevant taxes in the last three years;
6. Bond of the value of 1% of fee being charged.

(c) Form 4A3: indicating comments and suggestions that the Consultant may have on the Terms of Reference to improve performance in carrying out the assignment, any requirements for counterpart staff and facilities including: administrative support, office space, local transportation, equipment, or data, to be provided by the Client.

(d) Form 4A4: indicating the approach, methodology and work plan for performing the assignment covering the following subjects: technical approach and methodology, work plan, and organization and staffing schedule. The work plan should be consistent with the Work Schedule (Form 4A5) and should be in the form of a bar

chart showing the timing proposed for each activity.

- (e) Form 4A6: being the list of the proposed Professional staff team by area of expertise, the position that would be assigned to each staff team member, and their tasks.
- (f) Form 4A7: being the Estimates of the staff input (staff-months of professionals) needed to carry out the assignment. The staff-months input should be indicated separately for head office and field activities.
- (g) Form 4A8: being the CVs of the Professional staff signed by the respective staff member and by the authorized representative submitting the proposal.
- (h) Plus, a detailed description of the proposed methodology, staffing, and monitoring of training, if the SIF specifies training as a major component of the assignment.
- (i) Any additional information that might be requested in the SIF.

13. 2 The Technical Proposal shall not include any financial information.

14. Financial Proposal Format and Content

14.1 The Financial Proposal shall provide the following information using the attached Standard Forms (Section 4B).

- (a) Form 4B1: Financial Proposal Submission Form in the format of a letter, duly signed by an authorised signatory of the Consultant. Commissions and gratuities, if any, paid or to be paid by Consultants and related to the assignment will be listed in the form.
- (b) Form 4B2: being the Summary of Costs against staff remuneration, reimbursable expenses, and the taxes;
- (c) Form 4B3: being the breakdown of costs against staff remuneration;
- (d) Form 4B4: being the breakdown of costs against reimbursable expenses. A sample list is provided in the SIF;
- (e) Form 4B5: being the estimate of the local taxes, duties, fees, levies and other charges under the applicable law, on the Consultants, sub-Consultants and their personnel.

If appropriate, all these costs should be broken down by activity.

15. Taxes

15.1 The Consultant is subject to local taxes on amounts payable by the Client as per the Applicable Law. It is the responsibility of the Consultant to be familiar with the relevant laws in Nigeria, and to determine the taxes amounts to be paid.

16. Alternative Proposals

16.1 Unless otherwise stated in the SIC, alternative proposals shall not be considered.

17. Proposal Prices

17.1 The Consultant shall indicate on the Financial Proposal the unit prices and total price of the Services it proposes to supply under the contract.

17.2 Prices quoted by the Consultant shall be fixed but subject to variation, under exceptional reasons, to be agreed during negotiations.

18. Proposal Currency 18.1 All prices shall be quoted in Naira.
19. Proposal Validity 19.1 Proposals shall remain valid for the period specified in the SIF after the Proposal submission deadline date prescribed by the Client.
- 19.2 Consultants shall maintain the availability of Professional staff/experts nominated in the Proposal during the Proposal validity period. The Client will make its best effort to complete negotiations within this period.
- 19.3 In exceptional circumstances, prior to the expiration of the Proposal validity period, the Client may request Consultants to extend the period of validity of their Proposals. The request and the responses shall be made in writing. If a Consultant does not respond or refuse the request, its Proposal shall no longer be considered in the evaluation proceedings. A Consultant agreeing to the request will not be required or permitted to modify its Proposal.
20. Proposal Format and Signing 20.1 The Consultant shall prepare one (1) original of the Technical Proposal as described in ITF Sub-Clause 13.1 and one (1) original of the Financial Proposal as described in ITF Sub-Clause 14.1 and clearly mark them “ORIGINAL”.
- 20.2 The Consultant shall prepare the number of copies as specified in the SIF of each Proposal and clearly mark them “COPY”. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 20.3 The original and all copies of the Proposal shall be typed or written in indelible ink and shall be signed by a person duly authorized to bind the Consultant to the Contract. The name and position held by each person signing the authorization must be typed or printed below the signature.

D. Proposal Submission

21. Proposal Sealing and Marking 21.1 The Consultant shall enclose the original Technical Proposal and the original Financial Proposal and all copies of the Proposal in two separate sealed envelopes, and enclose the two envelopes in one sealed outer envelope, which shall:
- (a) bear the name and address of the Firm;
 - (b) be addressed to the Client at the address specified in the SIF; and
 - (c) bear the name of the Assignment as specified in the SIF.
- 21.2 The envelope with the Financial Proposal shall carry a warning “DO NOT OPEN WITH THE TECHNICAL PROPOSAL”.
- 21.3 If all envelopes are not sealed and marked as required, the Client will assume no responsibility for the misplacement, or premature opening of the Proposal.
- 21.4 If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this may constitute grounds for declaring the Proposal non-responsive.

22. Proposal Submission Deadline
- 22.1 Proposals must be received by the Client at the address specified under ITF Clause 21 no later than the date indicated in the SIF.
- 22.2 The Proposal may be hand delivered or posted by registered mail or sent by courier. The Client shall, on request, provide the Consultant with a receipt showing the date and time when its Proposal was received.
- 22.3 The Client may, at its discretion, extend the deadline for the submission of Proposals by amending the RfP in accordance with ITF Clause 8.1.
23. Proposal Submitted Late
- 23.1 Any Proposal received by the Client after the deadline for submission of Proposals, in accordance with ITF Clause 22.1, shall be declared late, and returned unopened to the Consultant.
24. Proposal Modification, Substitution or Withdrawal
- 24.1 A Consultant may modify, substitute, or withdraw its Proposal after it has been submitted by sending a written notice, duly signed by an authorized representative, and shall include a copy of the authorization in accordance with ITF Sub-Clause 21.1, (except that no copies of the withdrawal notice are required). The corresponding substitution or modification of the Proposal must accompany the respective written notice. All notices must be:
- (a) submitted in accordance with ITF Clause 21 (except that withdrawal notices do not require copies), and in addition, the respective envelopes shall be clearly marked “MODIFICATION,” “SUBSTITUTION,” or “WITHDRAWAL;” and
- (b) received by the Client prior to the deadline prescribed for submission of Proposals, in accordance with ITF Clause 22.1.
- 24.2 Proposals requested to be withdrawn in accordance with ITF Sub-Clause 24.1 shall be returned unopened to the Consultants.
- 24.3 No Proposal may be modified, substituted, or withdrawn after the deadline for submission of Proposals specified in ITF Clause 22.1.

E. Proposal Opening and Evaluation

25. Proposal Opening
- 25.1 The Client shall open all Technical Proposals received shortly after the deadline and at the place specified in the SIF. However, only the Financial Proposals of the pre-qualified firms shall be opened on conclusion of the pre-qualification exercise.
- 25.1 The Client shall not open the Financial Proposals at this stage and shall keep these sealed and securely stored until these are opened at the time and manner specified in the SIF.
- 25.1 No Proposal shall be rejected at Proposal opening, except for late Proposals, which shall be returned unopened to the Consultant pursuant to ITF Clause 15.1
26. Confidentiality
- 26.1 Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Consultants who submitted the Proposals, until a Contract has been signed with the

- successful Consultant.
- 26.1 Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded and approved by the relevant authority.
27. Proposal Clarification 27.1 The Client may, in writing, ask Consultants for clarification of their Proposals in order to facilitate the examination and evaluation of Proposals.
28. Contacting the Client 27.1 Following the opening of the Proposals, and until the Contract is signed, no Consultant shall make any unsolicited communication to the Client.
- 27.1 Any effort by a Consultant to influence the Client in its decisions on the examination, evaluation, and comparison of either the Proposals or Contract award may result in the rejection of its Proposal.
29. Proposal: Evaluation 29.1 The Proposals Evaluation Committee (PEC) as a whole and each of its members individually shall evaluate and rank the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub criteria, and points system specified in the SIF
- 29.2 Technical Proposals shall be evaluated and ranked on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub criteria, and point system specified in the SIF. Each responsive Technical Proposal will be given a technical score (St). A Technical Proposal shall be rejected if it does not respond to important aspects of the RFP, and particularly the Terms of Reference or if it fails to achieve the minimum technical score indicated in the SIF.
30. Financial Proposal Opening 30.1 In the case of QCBS, FBS and LCS, after the technical evaluation is completed, the Client shall notify in writing, those Consultants that have secured the minimum qualifying mark, indicating the date, time and location for opening the Financial Proposals. The opening date shall usually not be less than one (1) week after such notification.
- 30.2 The Client shall simultaneously notify those Consultants whose Technical Proposals did not meet the minimum qualifying mark or were considered non-responsive to the RFP, indicating that their Financial Proposals will be returned unopened after completing the selection process.
- 30.3 Financial Proposals shall be opened publicly in the presence of the Consultants' representatives who choose to attend. Those representatives who attend shall sign an attendance sheet. Each Financial Proposal will then be inspected to confirm that it has remained sealed and unopened. The name of the Consultants, the technical scores, and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened. The Client shall prepare minutes of the public opening and these shall be furnished, upon request, to Consultants who's Financial Proposals were opened.
31. Financial Proposal Opening and Evaluation 31.1 In the case of QCBS, FBS and LCS, after the technical evaluation is completed, the Client shall notify in writing, those Consultants that have secured the minimum qualifying mark, indicating the date, time and location for opening the Financial Proposals. The opening date shall usually not be less than one (1) week after such notification.

- 31.2 The Client shall simultaneously notify those Consultants whose Technical Proposals did not meet the minimum qualifying mark or were considered non-responsive to the RFP, indicating that their Financial Proposals will be returned unopened after completion of the selection process.
- 31.3 Financial Proposals shall be opened publicly in the presence of the Consultants' representatives who choose to attend. Those representatives who attend shall sign an attendance sheet. Each Financial Proposal will then be inspected to confirm that it has remained sealed and unopened. The name of the Consultants, the technical scores, and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened. The Client shall prepare minutes of the public opening and these shall be furnished, upon request, to Consultants whose Financial Proposals were opened.
- 31.4 The Proposal Evaluation Committee (PEC) will review the detailed content of each Financial Proposal. During the review, the committee and any Client staff and others involved in the evaluation process, will not be permitted to seek clarification or additional information from any Consultant who has submitted a Financial Proposal.
- 31.5 Financial Proposals will be reviewed to ensure these are complete (i.e. whether Consultants have cost all items of the corresponding Technical Proposal; if not, the Client will cost them and add their cost to the offered price) and correct any computational errors. The evaluation shall include all local taxes, duties and other charges imposed under the Applicable Law.
- 31.6 In case of QCBS, the lowest evaluated Financial Proposal (Fm) will be given a financial score (Sf) of 100 points. The financial scores (Sf) of the other Financial Proposals will be computed as indicated in the SIF.
32. Correction of Arithmetical Errors
- 33.3 Arithmetical errors in the Financial Proposal shall be corrected on the following basis:
- (a) if there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected, unless in the opinion of the Client there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price shall be corrected;
 - (b) if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and
 - (c) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) and (b) above.
- 33.3 If the Consultant does not accept the correction of arithmetic errors, its Proposal shall be disqualified.
33. Combined Evaluation
- 33.1 In QCBS the Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial

Proposal; $T + P = 1$) indicated in the SIF: $S = S_t \times T\% + S_f \times P\%$. The firm achieving the highest combined technical and financial score will be invited for negotiation under ITF Clauses 34, 35.

- 33.2 In the case of Fixed-Budget Selection, the Client will select the firm that submitted the highest ranked Technical Proposal with an evaluated price that is within the budget. Proposals that exceed the indicated budget will be rejected. The selected firm will be invited for negotiations under ITF Clauses 34, 35.
- 33.3 In the case of the Least-Cost Selection, the Client will select the lowest proposal (“evaluated” price) among those that passed the minimum technical score. The selected firm will be invited for negotiations under ITF Clauses 34, 35.
34. Negotiations
- 34.1 Negotiations will be held at the address indicated in the SIF. The invited Consultant will, as a prerequisite for attendance at the negotiations, confirm availability of all Professional staff/experts and satisfy such other pre-negotiation requirements as the Client may specify.
- 34.2 During negotiations, the Client and the Consultant will finalise the Terms of Reference, work schedule, logistics, and reporting. These documents will then be incorporated in the Contract as “Description of Services”.
- 34.3 The financial negotiations will involve the remuneration and other reimbursable costs to be paid to the Consultant.
35. Conclusion of Negotiations
- 35.1 Negotiations will conclude with a review of the draft Contract. To complete negotiations the Client and the Firm will initial the agreed Contract.
- 35.2 If negotiations with the first ranked Firm fail to produce a satisfactory contract then negotiations will be conducted with the second-ranked Consultant (and the third-ranked Consultant, if necessary, until a satisfactory agreement is concluded).
- F. Contract Award**
36. Contract Award
- 36.1 After completing negotiations and after having received the approval to award the Contract, the Client shall award the Contract to the selected Consultant.
37. Debriefing
- 37.1 After Contract signature, the Client shall promptly notify the other Consultants that they were unsuccessful.
- 37.2 The Client shall promptly respond in writing to any unsuccessful Consultant who requests the Client in writing to explain on which grounds its Proposal was not selected.
38. Commencement of Services
- 38.1 The Consultant is expected to commence the assignment on the date and at the location specified in the SIF.
39. Consultants Right to
- 39.1 Any short listed Consultant has the right to complain in accordance with paragraph 23 of the Public Procurement Regulations for the Use of Consulting Services.

Complaint

- 39.2 The complaint shall firstly be processed through an administrative review following the procedures set out in Regulation 24. The place and address for the first step in the submission of complaints to the Administrative Authority is provided in the SIF.
- 39.3 If the Consultant considers that its complaint has not been dealt with equitably, it may, in accordance with Regulation 25, within three working days submit an appeal to the Director-General of the BPP, who shall review the case and issue within 7 working days a decision in writing to the Consultant if its complaint is receivable and what corrective action has or will be taken or if its complaint is rejected, stating the reasons for the rejection.
- 39.4 If not satisfied with the outcome of the administrative review, the Consultant may complain to the Accounting Officer pursuant to paragraph 54 (1) of Part IX of the Public Procurement Act, 2007.

Section 2. Special Instructions to Firms

[Comments in ITF provide guidance for the preparation of the Special Instructions to Firms]

ITF Clause	Amendments of, and Supplements to, Clauses in the Instruction to Firms.
1.1	<p>The Client is : <i>COMMITTEE ON THE DEREGULATION OF THE DOWN STREAM PETROLEUM SECTOR</i></p> <p>The identification of the Request for Proposal is: <i>PROCESS REVIEW and VERIFICATION OF NNPC DEDUCTIONS AND OTHER OIL MARKETING COMPANIES CLAIMS FOR PETROLEUM SUBSIDIES.</i></p> <p>The objectives and brief description of the Services are:</p> <ul style="list-style-type: none"> • To define and map out the processes and procedures by which the subsidy claims by Oil Marketing Companies and deductions by the NNPC are processed, evaluated, reviewed and honoured by way of subsidy payments or deductions, reviewing the existing templates, flowcharting the current processes and evaluating the relevant controls, with a view to identifying existing strengths, inherent weaknesses, past errors and irregularities, and any practical prospects for improving upon the existing processes and procedures; • To audit all relevant past transactions for accuracy, validity, appropriateness and efficiency; • To perform these Services with that degree of skill, care and diligence normally demonstrated by Firms having similar qualifications and experience in the performance of comparable engagements of this nature; • To examine issues surrounding the sale of diesel by the NNPC at a subsidized price; and • To provide quantitative assessment of cost savings of refining domestically compared to importing of final products. <p>The Method of selection is: Quality and Cost-Based Selection (QCBS)</p>
2.1	The source of Fund is The Federal Ministry of Finance.
1.3	The assignment is not phased.
4.1	Both Local and Foreign Firms are eligible to participate.

7.1	For <u>clarification of Proposal</u> purposes only, the Client's address is: Attention: OLU AKANI Address: Room 211, Block A, NNPC Towers, Herbert Macaulay Way, Central Business District, Abuja. E-mail: Olu.Akani@NNPCGROUP.com, mudoh@fmf.gov.ng
9.1	The Proposal shall be completed and written in the <i>English language</i> .
11.1(a)	The Client will provide all the necessary data.
12.2	The Consultant must submit one original for both the Technical Proposal and the Financial Proposal and two (2) of copies of the Financial and Technical Proposal.
12.3	The estimated number of professional staff-months required for the assignment is [<i>enter number of months</i>]
12.5	The minimum qualifications for consultants are as follows: <ul style="list-style-type: none"> • Shall have a proven track record of process auditing in complex and challenging engagements; • Must demonstrate an in-depth understanding of process auditing and should have sufficient technical exposure to petroleum products marketing and subsidies to guarantee a competent and professional approach to the work; • Excellent analytical and communication skills are essential; • Must also demonstrate the ability to detect challenges in the subsidy implementation process, proffer a range of practical solutions thereto, and summarize the relevant information in a concise and easily understandable manner; • In order to avoid any possible conflicts of interest, firms that have previously been directly or indirectly engaged, contracted or otherwise involved in any previous review of the petroleum subsidies and deductions are precluded from the exercise.
13.1 (i)	<i>None</i>
14.1(d)	The Reimbursable expenses (1). Reasonable reimbursable expenses of the Consultant arising from directly out of the Services will be paid at the sole discretion of the client.

15.1	Firms are subject to Nigerian taxes and can obtain information on its tax liability from the Federal Inland Revenue (FIRS).	
16.1	Alternative Proposals will not be permitted.	
19.1	Firms should state the validity period of their bids.	
21.1 (b)	The Proposal submission address is: OFFICE OF THE HONOURABLE MINISTER, FEDERAL MINISTRY OF FINANCE, PHASE II, AHMADU BELLO WAY, CENTRAL BUSINESS DISTRICT, ABUJA.	
22.1	Proposals must be submitted not later than 12 noon, Thursday, April 30, 2009.	
29.1	Criteria, sub criteria, and point system for the evaluation of Proposals are: <i>[depending on the nature of the assignment, mention appropriate points from the following guideline].</i>	
	<u>Criteria, sub-criteria</u>	<u>Points</u>
	(i) Specific experience of the Consultant relevant to the assignment. [Normally, sub-criteria are not provided, however, the Client may decide depending on the type of assignment]	[5 - 15]
	(ii) Adequacy of the proposed methodology and work plan in responding to the Terms of Reference.	
	(a) Technical approach and methodology	
	(b) Work plan	
	(c) Organization and staffing	
	Total points for criterion (ii):	[25 - 60]
	(iii) Professional staff qualifications and competence for the assignment.	
	(a) [Team Leader]	
	(b) [Insert position or discipline as appropriate]	
	(c) [Insert position or discipline as appropriate]	
	(d) [Insert position or discipline as appropriate]	
	(e) [Insert position or discipline as appropriate]	
	Total points for criterion(iii):	[40 - 70]
	The number of points to be assigned to each of the above position or discipline shall be determined considering the following three sub	

	criteria and relevant percentage weights:	
	General Qualifications	[insert weight between 20% and 30%]
	Adequacy for the assignment	[Insert weight between 50% and 60%]
	Experience in region and language	Insert weight between 10% and 20%]
	Total Weight:	100%
	(iv) Suitability of the transfer of knowledge (training programmes) <i>[insert sub-criteria]</i>	[NA]
	(v) Local participation (as reflected in nationals amongst key staff presented by the Consultant). <i>[For entirely national consultants, this sub criterion does not apply.]</i>	[0 – 10]
	TOTAL POINTS	100
	The minimum Technical Score S_t required to pass is <i>usually within a range of 70-80 point.</i>	
33.6	The formula for determining the financial scores is the following: $S_f = 100 \times F_m / F$, in which S_f is the financial score, F_m is the lowest price and F the price of the proposal under consideration.	
	The weights given to the Technical and Financial Proposals are: $T = [normally\ between\ 0.7\ and\ 0.9]$, and $P = [normally\ between\ 0.1\ and\ 0.3]$	
34.1	The address for Contract negotiations is: Office of the Permanent Secretary, Federal Ministry of Finance (Phase II), Ahmadu Bello Way, Central Business District, Abuja.	
38.1	The assignment is expected to commence at least one week after the completion of the contract signing and would be completed within two (2) months. The location of the services is in Nigeria.	
39.2	The name and address of the office where complaints to the Procuring Entity under regulation are to be submitted is: Office of the Permanent Secretary, Federal Ministry of Finance, Central Business District, Abuja.	

Section 3. Terms of Reference

BACKGROUND

Recently the Federal Government set up a Committee on the Deregulation of the Downstream Petroleum Sector as a sub-Committee of the Presidential Steering Committee on Global Economic Crisis. The Committee on the Deregulation of the Downstream Petroleum Sector has commenced work and has been examining various ways of improving efficiency in the conduct of the sector activities against the backdrop of the global financial crisis and economic downturn. There is the general perception that the high subsidy being paid by the Government has been a result of leakages and inefficiency in the Nation's downstream sector.

The subsidy payments apply when the landing cost of the relevant petroleum products based on the import parity principle is in excess of the approved Petroleum Products Pricing Regulatory Agency (PPPRA) ex-depot price for the products. The payments have been targeted at oil importers who so qualify and comply with the relevant conditions.

In order to remove inefficiency and reduce costs, the Federal Government intends to appoint a consortium of firms to generate detailed information on the manner in which payments on subsidies have been made in the past to Oil Marketing Companies and the Nigerian National Petroleum Corporation (NNPC) through the Petroleum Support Fund (PSF) that is being administered by PPPRA.

The Consultant to be so appointed is expected to be a consortium of firms who will be jointly and severally responsible for their final submission.

Objectives of the Services Required

The Firm is to be engaged to perform following services:

- To define and map out the processes and procedures by which the subsidy claims by Oil Marketing Companies and deductions by the NNPC are processed, evaluated, reviewed and honoured by way of subsidy payments or deductions, reviewing the existing templates, flowcharting the current processes and evaluating the relevant controls, with a view to identifying existing strengths, inherent weaknesses, past errors and irregularities, and

any practical prospects for improving upon the existing processes and procedures;

- To audit all relevant past transactions for accuracy, validity, appropriateness and efficiency;
- To perform these Services with that degree of skill, care and diligence normally demonstrated by Firms having similar qualifications and experience in the performance of comparable engagements of this nature;
- To examine issues surrounding the sale of diesel by the NNPC at a subsidized price; and
- To provide quantitative assessment of cost savings of refining domestically compared to importing of final products.

SCOPE OF WORK

- To review the process of determining all relevant indices, parameters and indicators for the evaluation of claims for subsidies by Oil Marketing Companies and deductions by NNPC, particularly by reviewing the basis for determination by PPPRA of the ex-depot price for each product and vetting the exchange rates utilized in past transactions for consistency with the Central Bank of Nigeria's approved rates for the relevant period of time;
- To audit for accuracy, effectiveness and efficiency, past transactions documenting:
 - the process of receiving petroleum products into the country and determining the actual quantity and value of products imported;
 - the importation and receipt of relevant petroleum products for which subsidies have been claimed or deductions applied; and
 - any subsidies and deductions directly or indirectly claimed, deducted or otherwise appropriated by the relevant Oil Marketing Companies and the NNPC in connection with any volumes of petroleum products handled by these entities.
- To re-compute the subsidies paid and deductions applied based on the verified volumes of petroleum products imported, agreed subsidy per litre and other relevant indicators;
- To identify prospects for the improvement of the current systems and controls regarding the process of collating, evaluating and honouring claims for subsidies and deductions, and formulate relevant recommendations

towards improvement of the system within a reasonable implementation time-frame;

- To summarize and report upon any exceptional issues that have attracted the Firm's attention during the engagement and may have a significant impact on the overall integrity of the system for implementing the petroleum products subsidy;
- To prepare a comprehensive Audit Report, together with Executive Summaries, Annexes and other documentation as may be necessary, on key findings, outcomes, results and recommendations; and
- To make presentation(s) to the Honourable Minister of Finance, and other relevant government agencies and committees on the key issues and matters arising from the engagement.

Section 4. Proposal & Contract Forms

4A. Technical Proposal - Standard Forms

[Comments in brackets [] provide guidance to the short listed Consultants for the preparation of their Technical Proposals; they should not appear on the Technical Proposals to be submitted.]

- 4A1 Technical Proposal Submission Form
- 4A2 Consultant's Organization and Experience
 - a. Consultant's Organization
 - b. Consultant's Experience
- 4A3 Comments or Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be provided by the Client
 - a. On the Terms of Reference
 - b. On the Counterpart Staff and Facilities
- 4A4 Descriptions of the Approach, Methodology, and Work Plan for Performing the Assignment
- 4A5 Work Schedule
- 4A6 Team Composition and Task Assignments
- 4A7 Staffing Schedule
- 4A8 Curriculum Vitae (CV) for Proposed Professional Staff

[Location, Date]

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Proposal. We are hereby submitting our Proposal, which includes the Technical Proposal, and the Financial Proposal sealed under two separate envelopes.

We are submitting our Proposal in association with: [Insert a list with full name and address of each associated Consultant, also specify, whether they are in joint venture or sub consultancy].

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in Clause Reference 25 of the Special Instructions to Consultants, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in Clause Reference 48 of the Special Instructions to Consultants.

We also confirm that the Federal Government of Nigeria has not declared us, or any sub consultants for any part of the Contract, ineligible on charges of engaging in corrupt, fraudulent, collusive or coercive practices. We furthermore, pledge not to indulge in such practices in competing for or in executing the Contract, and we are aware of the relevant provisions of the Proposal Document (ITC Clause 3).

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorised Signature <i>[in full and initials]</i>	
Name and title of Signatory	
Name of Firm	
Address	

Consultant's Organisation

[Provide here a brief description (maximum two pages) of the background and organization of the Consultant]

Consultant's Experience

Major Work Undertaken during the last Five Years that best Illustrates Qualifications

[using the format below, provide information on each assignment for which your firm was legally contracted for carrying out consulting services similar to the ones requested under this assignment.]

Assignment name:		Country:
Assignment Location within country:		Duration of assignment (months):
Name of Client:		Professional Staff provided by your Organisation: No of Staff:
Start Date (Month/Year)	Completion Date (Month/Year)	No of Person-Months
Name of associated Consultants, if any:		N ^o of Person-Months of Professional Staff provided by associated Consultants:
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:		
Detailed Narrative Description of Project:		
Detailed Description of Actual Services Provided by your Staff:		

Firm's Name:	
Authorised Signature:	

On the Terms of Reference

[Present and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities or proposing an alternative method of undertaking the work). Such suggestions should be concise and to the point, and incorporated in your Proposal.]

On Counterpart Staff and Facilities

[Comment here on counterpart staff and facilities to be provided by the Client according to Clause Reference 11.1 of the Special Instructions to Consultants including: administrative support, office space, local transportation, equipment, data, etc.]

Form 4 A4 Description of Approach, Methodology and Work Plan for Performing the Assignment

[Technical approach, methodology and work plan are key components of the technical proposal. It is suggested that you present your technical proposal divided into the following three chapters:

- *Technical Approach and Methodology,*
- *Work Plan, and*
- *Organization and Staffing.*

- a) **Technical Approach and Methodology.** Here you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach, (e.g., the methods of interpreting the available data; carrying out investigations, analyses, and studies; comparing alternative solutions). This chapter should incorporate any modifications to the TOR proposed by you. In case the TOR requires the Consultant to provide a quality plan and carry out the assignment according to its provisions, an outline of the quality plan (e.g., its list of contents) should be included in this chapter of the technical proposal.
- b) **Work Plan.** Here you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here. The work plan should be consistent with the Work schedule of Form 4A5.
- c) **Organization and Staffing.** In this chapter you should propose the structure and composition of your team. You should list the main disciplines of the assignment, the key expert responsible, and proposed technical and support staff. The roles and responsibilities of professional staff should be set out in job descriptions. In case of association, this chapter will indicate how the duties and responsibilities will be shared. The organization and staffing will be reflected in the Team Composition and Task Assignments of Form 4A6, and the Staffing schedule of Form 4A7. An organization chart illustrating the structure of the team and its interfaces with the Client and other institutions involved in the project also should be provided.]

Form 4A8 Curriculum Vitae (CV) for Each Proposed Professional Staff

1	PROPOSED POSITION FOR THIS PROJECT	<i>[From the Terms of Reference, state the position which the Consultant will be engaged. Only one candidate shall be nominated for each position].</i>			
2	NAME OF PERSON	<i>[state full name]</i>			
3	DATE OF BIRTH				
4	NATIONALITY				
5	MEMBERSHIP IN PROFESSIONAL SOCIETIES	<i>[State rank and name of society and year of attaining that rank].</i>			
6	EDUCATION:	<i>[List all the colleges/universities which the consultant attended, stating degrees obtained, and dates, and list any other specialised education of the consultant].</i>			
7	OTHER TRAINING	<i>[Indicate significant training since degrees under EDUCATION were obtained, which is pertinent to the proposed tasks of the consultant].</i>			
8	LANGUAGES & DEGREE OF PROFICIENCY	Language	Speaking	Reading	Writing
		<i>e.g. English</i>	<i>Fluent</i>	<i>Excellent</i>	<i>Excellent</i>
9	COUNTRIES OF WORK EXPERIENCE				
10	EMPLOYMENT RECORD	<p><i>[The Consultant should clearly distinguish whether as an “employee” of the firm or as a “Consultant” or “Advisor” of the firm].</i></p> <p><i>[The Consultant should clearly indicate the Position held and give a brief description of the duties in which the Consultant was involved].</i></p>			
	EMPLOYER 1	FROM:	TO:		
		<i>[e.g. January 1999]</i>	<i>[e.g. December 2001]</i>		
	EMPLOYER 2	FROM:	TO:		
	EMPLOYER 3	FROM:	TO:		
	EMPLOYER 4 (etc)	FROM:	TO:		

11	WORK UNDERTAKEN THAT BEST ILLUSTRATES YOUR CAPABILITY TO HANDLE THIS ASSIGNMENT	<i>[Give an outline of experience and training most pertinent to tasks on this assignment, with degree of responsibility held. Use about half of a page A4].</i>
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CERTIFICATION *[Do not amend this Certification].*

I, the undersigned, certify that (i) I was not a former employee of the Client immediately before the submission of this proposal, and (iii) to the best of my knowledge and belief, this bio data correctly describes myself, my qualifications, and my experience. I understand that any wilful mis-statement described herein may lead to my disqualification or dismissal, if engaged.

I have been employed by *[name of the Consultant]* continuously for the last twelve (12) months as regular full time staff. Indicate “Yes” or “No” in the boxes below:

YES

NO

Signature

Date of Signing

Day / Month / Year

4B. Financial Proposal - Standard Forms

[Comments in brackets [] provide guidance to the short listed Consultants for the preparation of their Financial Proposals; they should not appear on the Financial Proposals to be submitted.]

[Forms 4B1 to 4B5 are to be used for the preparation of the Financial Proposal according to the instructions provided under Clause 19 of the Instructions to Consultants. Such Forms are to be used whichever is the selection method indicated in Clause 1.1 of the Proposal Data Sheet]

4B1 Financial Proposal Submission Form

4B2 Summary of Costs

4B3 Breakdown of Staff Remuneration

4B4 Breakdown of Reimbursable expenses

4B5 Breakdown of Taxes

Form 4B1 Financial Proposal Submission Form

[Location, Date]

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount in words and figures]. This amount is exclusive of local taxes, which we have estimated at [insert amount in words and figures].

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Clause Reference 25 of the Special Instructions to Consultants

Commissions and gratuities, if any, paid or to be paid by us to agents relating to this Proposal and Contract execution, if we are awarded the Contract, are listed as follows:

Name and Address of Agents	Amount	Purpose of commission or gratuity
----------------------------	--------	-----------------------------------

We also declare that the Government of Nigeria has not declared us or any sub-Consultants for any part of the Contract, ineligible on charges of engaging in corrupt, fraudulent, collusive, or coercive practices. We furthermore, pledge not to indulge in such practices in competing for or in executing the Contract, and are aware of the relevant provisions of the Proposal Document (ITC Clause 3).

We understand you are not bound to accept any Proposal you receive.

Signed

In the capacity of:

Duly authorised to sign the proposal on behalf of the Applicant.

Date:

Form 4B2 Summary of Costs

Cost Component	Costs
Staff Remuneration (1)	
Reimbursable Expenses (1)	
Sub-Total	
Local Taxes (1)	

1# Staff Remuneration, Reimbursable Expenses and Taxes must coincide with relevant Total Costs indicated in Forms 5B3, 5B4 and 5B5.

Form 4B3 Breakdown of Staff Remuneration

Name ¹	Position ²	Staff-month Rate ³	Input ³ (Staff-months)	[Indicate Sub Cost for each staff] ⁴
Staff				
		Head Office		
		Field		
Total Costs				

- 1 Professional Staff should be indicated individually; Support Staff should be indicated per category (e.g.: draftsmen, clerical staff).
- 2 Positions must coincide with the ones indicated in Form 4A7.
- 3 Indicate the total expected input of staff and staff-month rate required for carrying out the activity indicated in the Form.
- 4 For each staff indicate the remuneration. $\text{Remuneration} = \text{Staff-month Rate} \times \text{Input}$.

Form 4B4 Breakdown of Reimbursable Expenses

N°	Description ¹	Unit	Unit Cost ²	Quantity	[Indicate sub cost for each item] ³			
	Per diem allowances	Day						
	Travel expenses	Trip						
	Communication costs between [Insert place] and [Insert place]							
	Drafting, reproduction of reports							
	Equipment, instruments, etc.							
	materials, supplies, etc.							
	Use of computers, software							
	Laboratory tests.							
	Subcontracts							
	Other transportation costs							
	Office rent, clerical assistance							
	Others (specify)							
Total Costs								

- 1 Delete items that are not applicable or add other items according to Clause 19.1 of the Special Instructions to Consultants.
- 2 Indicate unit cost.
- 3 Indicate the cost of each reimbursable item. $Cost = Unit\ Cost \times Quantity$.

Form 4B5 Breakdown of Taxes

Sl. No.	Description1	Unit	Unit Cost 2	Quantity	[Indicate cost for each item] 3			

1. Describe any relevant tax or taxes
2. Indicate Unit Cost
3. Indicate Cost of each item: Unit Cost x Quantity

Section 5. Contract Forms

*The **Contract Agreement** which, once completed and signed by the Client and the Consultant clearly defines the Client's and Consultants' respective responsibilities.*

*The **Annexes** to the formal Contract include a description of the Services, (composed of the revised TOR and work plan as finalized and agreed during the negotiations), the reporting requirements, and a breakdown of the Contract Price.*

Contract Agreement

THIS CONTRACT (“the Contract”) is entered into this *[insert starting date of assignment]*, by and between *[insert name of Client]* (“the Client”) having its principal place of business at *[insert address of Client]*, and *[insert name of Consultant]* (“the Consultant”) having its address at *[insert address of Consultant]*.

WHEREAS, the Client wishes to have the Consultant performing the Services hereinafter referred to, and

WHEREAS, the Consultant is willing to perform these Services,

NOW THEREFORE THE PARTIES hereby agree as follows:

1. **Scope of the Services**
 - 1.1 The Consultant shall perform the Services as specified in Annex A, “Description of the Services,” (“the Services”) which are made an integral part of this Contract.
 - 1.2 The Consultant shall provide reports as listed in Annex B, “Consultant's Reporting Obligations,” within the time periods listed in such Annex, and shall provide the person listed in Annex C, “Cost Estimate of Services and Schedule of Rates” to perform the Services.
 - 1.3 The Services will be performed principally [at one location] as specified in Annex A.
2. **Duration of the Services**
 - 2.1 The Consultant shall perform the Services during the period commencing *[insert start date]* and continuing through *[insert completion date]* or any other period as may be subsequently agreed by the parties in writing. If the Services are for more than one year, extension of the Services shall be subject to annual satisfactory performance annually evaluated in the eleventh month subject to which the contract will be extended.
3. **Corrupt, Fraudulent, Collusive or Coercive Practices**
 - 3.1 The Government requires that Clients, as well as Consultants, shall observe the highest standard of ethics during the implementation of procurement proceedings and the execution of Contracts under public funds.
 - 3.2 In pursuance of this requirement, the Client shall:
 - (a) exclude the Consultant from participation in the procurement proceedings concerned or reject an Proposal for award; and
 - (b) declare the Consultant ineligible, either indefinitely or for a stated period of time, from participation in procurement proceedings under public funds.

if it at any time determines that the Consultant has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a Contract

under public funds.

- 3.3 Should any corrupt, fraudulent, collusive or coercive practice of any kind come to the knowledge of the Client, it shall, in the first place, allow the Consultant to provide an explanation and shall, take actions as above only when a satisfactory explanation is not received.
- 3.4 The Government defines, for the purposes of this provision, the terms set forth below as follows:
- (a) “*corrupt practice*” means offering, giving, or promising to give, directly or indirectly, to any officer or employee of a Procuring Entity or other governmental/private authority or any individual a gratuity in any form, an employment or any other thing or service of value, as an inducement with respect to an act or decision of, or method followed by, a Procuring Entity in connection with the procurement proceeding;
 - (b) “*fraudulent practice*” means a misrepresentation or omission of facts in order to influence a procurement proceedings or the execution of a contract to the detriment of the Client,
 - (c) “*collusive practice*” means a scheme or arrangement among two and more Consultants with or without the knowledge of the Client (prior to or after proposal submission) designed to establish proposal prices at artificial, non-competitive levels and to deprive the Client of the benefits of free, open and genuine competition; and
 - (d) “*coercive practice*” means harming or threatening to harm, directly or indirectly, persons or their property to influence the procurement proceedings, or affect the execution of a contract.
- 3.5 The Government requires that the Client’s personnel have an equal obligation not to solicit, ask for and/ or use coercive methods to obtain personal benefits in connection with the said proceedings.

4. Payment

4.1 Ceiling

- (a) For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed a ceiling of [*insert ceiling amount*] as detailed in the Cost Estimate attached as Annex C.
- (b) This amount has been established based on the understanding that it includes all of the Consultant’s costs and profits as well as any tax obligation that may be imposed on the Consultant.
- (c) The ceiling may only be increased above the amount stated on Clause 4.1(a) if the parties have agreed to additional payments for a modification to Contract in accordance with Clause 19.1.

4.2 Remuneration

The Client shall pay the Consultant for Services rendered in

accordance with the rates agreed upon.

- (a) Where the remuneration is expressed in terms of a daily rate the time spent in performing the Services shall be determined solely on the basis of the number of days actually worked by the Consultant in performing the Services, including travel time.
- (c) Except as otherwise agreed between the Client and the Consultant no remuneration shall be paid in respect of work performed other than during the term of the engagement as specified in the Contract.

4.3 Reimbursable

Reasonable reimbursable expenses of the Consultants arising from directly out of the services will be paid at the sole discretion of the client.

4.4 Payment Conditions

- (a) The Consultant shall submit an Invoice, (and supporting documentation) for Fees and Reimbursable at the end of every month, or as otherwise agreed, for due payments to be paid by the Client within thirty (30) days of submission of the Invoice.
- (b) All payments to the Consultant shall be in Naira.
- (c) The final payment shall be made only after the final report shall have been submitted by the Consultant and approved as satisfactory by the Client. If the Client notifies any deficiencies in the Services or the final report, the Consultant shall promptly make any necessary corrections, to the satisfaction of the Client.
- (d) The Client may, by written notice of suspension to the Consultant, suspend all payments to the Consultant hereunder if the Consultant fails to perform any of its obligations under this Contract.

5. Services, Facilities and Property

- 5.1 The Client shall make available to the Consultant for the purpose of the assignment and free of any charge, any Services, Facilities and property as he/she may reasonably require.

6. Project Administration

5.1 Client's Representative

The Client representative, as indicated in Annex A, shall be responsible for the coordination of all activities under the Contract, for receiving and approving invoices for payment, and for acceptance of the deliverables by the Client.

5.2 Timesheets

During the course of the work under the Contract, including field work, the Consultant providing Services may be required to complete timesheets or any other document used to identify time spent, as instructed by the Client's Representative.

5.3 Reports

During the course of the assignment, the Consultant shall submit to the Client reports as listed in Annex B, which shall be computer composed, and will constitute the basis for the payments to be made under Clause 3.

7. **Performance Standard**
- 7.1 The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity.
- 7.2 At all times he/she shall act with appropriate propriety and discretion and he/she shall refrain from engaging in any political activity.
8. **Confidentiality**
- 8.1 The Consultant shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client.
9. **Consultant's Obligations**
- 9.1 After the termination of the engagement the Consultant shall continue to cooperate with the client to such reasonable extent as may be necessary to clarify or explain any reports or recommendations made by him/her.
- 9.2 The Consultant shall have no authority to commit the Client in any way whatsoever, and shall make this clear as circumstances warrant.
- 9.3 The Consultant shall report immediately to the Client any accident or injury and any damage to the property of the Client or to the property or person of any third parties occurring in or arising out of the performance of the Services and any act, matter or thing which within his/her knowledge may have caused such accident or injury.
- 9.4 The Consultant shall also report immediately to the Client any circumstances or events which might reasonably be expected to hinder or prejudice the performance of the Services.
10. **Ownership of Material**
- 10.1 Any studies, reports or other material, graphic, software or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client. The Consultant may retain a copy of such documents and software, with written approval of the Client.
- 10.2 The Consultant shall not use these documents and software for purposes unrelated to this Contract without the prior written approval of the Client.
11. **Consultant Not to be Engaged in Certain**
- 11.1 The Consultant agrees that, during the term of this Contract and after its termination, the Consultant shall be disqualified from providing goods, works or Services (other than the Services or any continuation thereof) for any project resulting from or closely

- Activities related to the Services.
12. Relationship of the Parties 12.1 Nothing contained in these Conditions or in the Contract shall be construed as establishing or creating any relationship other than that of independent Contractor between the Client and the Consultant.
13. Contractual Ethics 13.1 No fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal or the Contract, have been given or received in connection with the selection process or in the Contract execution.
14. Assignment 14.1 The Consultant shall not assign this Contract.
15. Law Governing Contract 15.1 The Contract shall be governed by the laws and any other instruments having the force of law in the Federal Republic of Nigeria as they may be issued and in force from time to time.
16. Language Governing Contract 16.1 The language of the Contract shall be English.
17. Modification of Contract 17.1 The Contract may be modified by agreement in writing by the Parties.
18. Termination 18.1 By the Client
The Client may terminate this Contract by not less than twenty-eight (28) days written notice to the Consultant, such notice to be given after the occurrence of any of the events specified below:
- (a) if the Consultant does not remedy a failure in the performance of his/her obligations under the Contract, within twenty-eight (28) days after being notified or within any further period as the Client may have subsequently approved in writing;
 - (b) if the Consultant has become insolvent or bankrupt;
 - (c) if, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than twenty-eight (28) days;
 - (d) if the Consultant, in the judgment of the Client, has engaged in corrupt, fraudulent, collusive or coercive practices in competing for or in executing the Contractor; or
 - (e) if the Client, in its sole discretion, decides to terminate this Contract.

18.2 By the Consultant

The Consultant may terminate this Contract, by not less than twenty-eight (28) days' written notice to the Client, such notice to be given after the occurrence of any of the events specified as follows:

- (a) if the Client fails to pay any monies due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause 12 within twenty-eight (28) days after receiving written notice from the Consultant that such payment is overdue; or
- (b) if, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than twenty-eight (28) days.

19. Dispute Resolution

19.1 Amicable Settlement

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

19.2 Arbitration

If the dispute cannot be settled through adjudication the same may be settled through arbitration in accordance with the [Act ... of Nigeria] as at present in force

20. Notices and Requests

20.1 Any notice or request required or permitted to be given or made under this Contract shall be in writing in the English Language. Such notice or request shall be deemed to be duly given or made when it shall have been delivered by hand, mail or cable to the party to which it is required to be given or made at such party's address as specified in Annex A.

IN WITNESS WHEREOF the parties hereto have signed this agreement the day and year first above written.

FOR THE CLIENT

FOR THE CONSULTANT

Signature

Signature

Print Name & Position:

Print Name:

LIST OF ANNEXES

Annex A: Description of the Services

Annex B: Consultant's Reporting Obligations

ANNEX A: Description of the Services

[Give detailed descriptions of the Services including its (a) Background, (b) Objectives, (c) Detailed negotiated TOR providing a description of Services to be provided , (d) Work plan with dates for completion of various tasks, (e) Place of performance of different tasks, (f) Specific tasks to be approved by the Client; etc.).

[also ensure the following data is listed in this Annex in conformity with the Contract Agreement.

- 1. Describe where the Services are to be provided. Also advise if any travel will be necessary, and if so, to which expected locations will the Consultant be required to travel.*
- 2. Indicate the name and contact address and telephone number(s) of the Client's representative, in accordance with Clause 8.1 of the Contract Agreement.*
- 3. Indicate the Contact Addresses for Notices and Requests as indicated in Clause 22.1 of the Contract Agreement.*

ANNEX B: Consultant's Reporting Obligations
(Sample Format)

S/ No.	Reports	Contents of Reports	Persons to Receive them	Date of Submission
1	Inception Report			
2	Interim Progress Report (a) First Status Report (b) Second Status Report			
3	Draft Report			
4	Final Report			

