

**Bosnia and Herzegovina  
Montenegro  
Republic of Serbia**

**THE WESTERN BALKAN DRINA RIVER BASIN MANAGEMENT  
(WBDRBM) PROJECT**

**9.2 Annex 2. Small Grant Implementation Manual**

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The Small Grant Program (SGP) is a part of Component 2 and sub-component 2A of the project. The objective of Sub-component 2A is to strengthen capacity for climate change resilience. This component will support better preparedness for threats resulting from floods and droughts while making optimal use of the environmental DRB assets and engaging local communities. Target groups of this component are private sector (farmers, craftsmen, small and medium size firms), government sector (state companies, national, sub-national and local government institutions, state scientific institutions) and non-governmental sector (national and local NGOs).

The SGP is primarily aimed at supporting projects related to sustainable use of water resources and biodiversity conservation, as well as at enabling stronger involvement of local community and NGOs in decision-making processes. Specific goals are to:

- demonstrate how sustainable use of water resources and biodiversity conservation may have tangible benefits for local community
- support relevant existing activities on local level contributing to project objectives
- strengthen patterns of rural economy development which take fully into account sustainable use of water resources and biodiversity and are replicable throughout the Drina area
- test innovative technologies and approaches to sustainable use of water resources and biodiversity conservation
- strengthen participative planning process which incorporates local community interests in rural economy development.

The implementation of the activities supported by the SGP will be monitored in accordance with the Project Appraisal Document (PAD) Annex 3: Results Framework and Monitoring and this Operations Manual.

### **1. General Approach**

The SGP approach is to support community-level and NGO activities related to the objectives of the project. The approach emphasizes initiation, evaluation, selection, and implementation of grants on the local level. The SGP will support small-to medium-to large scale local initiatives and NGO activities related to economic development which contribute to water pollution control and/or conservation. The SGP projects may be developed by local communities, NGOs and individuals living in villages around and in the project areas.

### **2. Implementation**

The SGP implementation will be conducted by the country project implementation teams (PMT, APCU, PIU and TSU) (*hereinafter called "the country Project Implementation Team (PIT)."*).

The SGP will be implemented over the duration of the project. In the first year of the project implementation, the details of the program including grant application forms and guidelines; grant evaluation and selection procedures; grant monitoring and evaluation procedures; grant procurement and disbursement arrangements; training needs; and the program promotion will be financed by the project.

All SGP activities financed by the project should be completed by the end of the project. Disbursements will not be made until the SGP operations manual is finalized and found satisfactory to the Bank.

### **3. Eligibility**

The SGP is open to any qualifying body operating in, or located within, the defined Drina project region. The following types of organizations are eligible to apply:

- A. Public or Private institutions – companies, businesses, scientific institutions, universities,

- colleges (both foreign and locally owned);
- B. Each individual who possesses the skills, knowledge and resources necessary for the implementation of the proposed actions;
- C. Governmental sector – companies, local, provincial and national authorities, state scientific and research institutions
- D. The NGO sector - non-governmental organizations at the local and national level, local associations.

#### **4. Types of projects and activities eligible to be financed by SGP**

Grants to support a range of activities that correspond to the overall objectives of the project. The proposed projects should be of benefit to the life of the local population and alleviate the pressures on natural resources and use of natural resources in the basin (protected areas) . These projects should develop the market and facilitate access to the market for a specific offer in protected areas and they should be financially sustainable. Due to the nature of participatory planning that allows communities to identify their priorities, in this Operations Manual does not prescribe the exact scope of the project, but is expected to propose projects that correspond generally described below:

1. Projects of education about the value of natural and cultural heritage of the area carried out by the school, school associations, the academic community and non-governmental organizations.
2. Media programs, brochures, publications that promote the ideas of protection and appropriate use of the whole and within the protected area.
3. Workshops, exhibitions, seminars on the topic of water protection, biodiversity conservation, nature, cross-border use and management of water
4. Promotional tourist materials on protected areas and the project in general, specific activities in the project area
5. Study visits and training of students on the impact of climate change issues and adaptation (Hydro-meteorological Institute, hydroelectric power plants, and local community)
6. Sports and cultural events on the Drina River and its tributaries (the visual identity of the Drina River, Drina bike tour, Drina sports event, theater, caving, rock climbing)
7. Demonstration initiatives that contribute to the objectives of the project
8. Environmental, sports and rural tourism associated with the protection and conservation of water and nature
  - Small private households develop rural tourism including accommodation and traditional gastronomic offer
  - Tourist services related to the conservation of natural values as biking, boating, bird watching, fishing, national heritage, natural setting ... etc .
  - Rafting on the river Tara, eco villages on the rivers Tara and Lim,
  - Fly fishing, projects protected species of fish (Hugo Hugo)
  - Restoration of old boats
  - Organized management of groups of visitors a tour of natural and cultural values with the proper interpretation
9. Small investments related to the conservation and protection of water
  - Innovation in wastewater and process water in industrial and agricultural plants
  - Irrigation projects for small family farms
10. Small investments in production

- Production of organic food
- Collection and processing of medicinal herbs and forest products
- Honey
- Fish production
- The revival of traditional crafts
- Souvenir production
- Energy efficiency

#### 11. Training

- Education on water treatment technologies
- Education about ecological agricultural technologies
- Education on sustainable use of water resources
- Training of tourist workers on local natural and cultural heritage
- Training of local caterers about the implementation of rural tourism in naturally valuable areas

### 5. Environmental and Social Guidelines

Some of the proposed small grant funded activities could have negative environmental impacts. Environmental impact associated with the proposed activity for SGP financing, should be described in the application format.

Any potential significant or reversible impact should be identified and mitigation measures described according to local environmental regulations and the World Bank Safeguard Operational Policies.

### 6. Financial allocation provided by the project

An overall indicative amount made available under this SGS is US\$ 575,000 out of which US\$ 149,750 for BH (\$124.875 for RS and \$24.875 for FBH), US\$ 216,000 for MNE and US\$ 209,250 for SRB. The donors reserve the right not to award all available funds.

### 7. Category by size of the SGP projects

The projects proposed will be categorized into one of three categories:

- |                    |                |
|--------------------|----------------|
| A. Small projects  | up to 5,000 €  |
| B. Medium projects | up to 10,000 € |
| C. Large projects  | up to 20,000 € |

Project duration will be limited to one year.

### 8. Institutional Arrangements for SGP Project Implementation

The administrative structure of the SGP will be tied into the PIT. The implementation of the SGP will involve the established the Small Grants Committee. The responsibilities of the implementing bodies are as described below.

### 9. National Level PITs

- Responsible for procurement and disbursement of grant activities
- Ensure that goods, works, and services are procured in accordance with World Bank procurement guidelines
- Chairs Small Grants Committee
- Supervise implementation of grant activities
- Evaluate and monitor grant activities

- F. Prepares annual work plan for SGP
- G. Solicit grant proposals and provide application materials
- H. Publicize the program
- I. Host training workshops, as needed, on proposal writing
- J. Respond to questions and in charge of information dissemination
- K. Prepares Evaluation and Monitoring Report

#### **10. Small Grants Committee<sup>1</sup>**

- A. Reviews reports on SGP evaluation process;
- B. Approves selection of applications, and
- C. Monitors the SGP Program implementation.

#### **11. Grant Application Selection Process**

Prospective grantees will fill out an application form available on request from the office of the national PIT. Applications can be made at any time once the SGP program is officially announced as up and running. This decision will be approved by the Small Grants Committee.

Application form (Attachment 1) and guidelines for application (Attachment 2) are attached to this manual. Proposals would be submitted to the national PIT. The Small Grants Committee, per criteria listed below, will screen and evaluate submitted proposals.

#### **12. Deadline for the submission of applications**

Grants must be completed within one year and will be called three times in the project duration. The deadlines will depend on the number and quality of applications received. The public calls will be conducted till the funds are available.

#### **13. Where and how to send the applications**

Applications must be submitted in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) at the addresses below in:

##### Republic of Srpska

Ministry for Agriculture, Forestry and Water Management of the Republic of Srpska

Agricultural Project Implementation Unit

Trg Republike Srpske 1

78 000 Banja Luka

e-mail: [R.Jeftic@mps.vladars.net](mailto:R.Jeftic@mps.vladars.net)

##### Federation of BH

Ministry for Foreign Trade and Economic Relations of Bosnia and Herzegovina

Department for projects implementation

Musala 9

71 000 Sarajevo

##### Montenegro

Ministry for Agriculture and Rural Development

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<sup>1</sup> Small Grants Committee will consist of representatives from the relevant ministries and countries

Directorate for Water Management  
Project Implementation Unit  
Rimski Trg 46  
81000 Podgorica

#### Serbia

Ministry for Agriculture and Environment  
Republic Directorate for Water  
Project Implementation Unit  
Bulevar umetnosti 2A  
11070 Novi Beograd

#### **14. Criteria for the selection of proposals:**

1. The project will generate tangible results, which can be verified with clearly set indicators (a clear baseline should be provided)-(10)
2. There will be benefits to water conservation and pollution control-(30)
3. Results of the project are sustainable- (10)
4. There will be benefits to the livelihood of local people-(5)
5. Activities will bring benefits to majority of community-(5)
6. Positive environmental effect – e.g. on the wetlands ecosystem-(10)
7. A realistic methodology and clear work plan-(20)
8. Enhances community participation during the project implementation (e.g. financial contribution up to 30% for the projects until 10.000 € and up to 50% for the projects above 10.000 €) - (10)

The total number of points is 100. Only applications winning the score of at least 70 points will be awarded.

#### **15. Priority will be given to projects which:**

- A. are located where needs on natural resource conservation are the highest
- B. are viable, financial feasible income-generating activities
- C. use matching funds
- D. increase civil society involvement in decision making.

A standard application form as shown in Attachment 1 will be used.

#### **16. SGP projects screening, appraisal, and approval**

The Small Grants Committee may request technical assistance from the relevant ministry. The evaluation and selection process may involve visits to communities to assess the capacity of the community to implement the project, evaluate its ability to provide sufficient in-kind co-financing and ensure that all conditions are in place for transparent use of funds.

Based on the appraisal, evaluation and sub-project score, Small Grants Committee will make decisions whether to reject, approve or require modifications or (conditional approval) to the project proposal. The Small Grants Committee will approve the grant awards.

#### **17. Procurement**

Procurement of goods, works and services under World Bank-financed projects will be conducted in

accordance with the following procurement guidelines: Procurement of Goods, Works and Non-consulting Services Under IBRD Loans and IDA Credits & Grants" dated January 2011, revised July 2014 (Procurement Guidelines); Selection and Employment of Consultants Under IBRD Loans and IDA Credits & Grants by World Bank Borrowers" dated January 2011, revised July 2014 (Consultant Guidelines), the provisions stipulated in the Financing Agreement (FA) as well as in this Grant Operation Manual.

The respective forms for procurement are attached. The fiduciary staff of the national implementing units (PMT, PIU, APCU and TSU) (hereinafter called "the PIT") will decide on the procurement method to be applied taking into account the value of the works, goods or services to be procured.

**17.1. The steps to be taken for acquisition of goods, works or services, estimated up to \$10,000 equivalent per purchase** are detailed below. Please note that in order to expedite procurement some of the steps below may be taken in parallel.

1. **"Shopping" or "Comparison of Prices" (for goods contracts less than EUR 10,000).**

Steps to be followed:

- Determine the type and units of the required equipment and their delivery time
- Prepare list of suppliers (for this purpose use the register of suppliers, if available)
- Obtain information about the availability of the required goods either by phone or in person (shop around) from the suppliers
- Record information about the suppliers in an exercise book, include prices, etc.
- Obtain brochures and lists of prices if available from the suppliers; if not obtain prices by phone or in person
- Consider the quality of goods, whether items are readily available, if good after sales service is available, how much the final cost will be, etc.
- Compare the prices with the unit price reference database, if available
- Negotiate the prices if higher than the unit price reference database, or in the absence of such a database, higher than "market prices"
- Prepare a brief evaluation report showing the names of the suppliers from whom the prices were obtained, and justifying the selection of a supplier based on the quality and availability of goods and the price
- Submit the evaluation report, along with the brochures, etc., obtained, to the national PIU to approve the recommendation for contract award
- After approval, prepare a procurement order and purchase goods from the selected shop/supplier;
- Pay the suppliers
- Obtain written receipt from the supplier
- Keep all documents, including list of suppliers, receipts, etc. on file

2. **Comparison of Prices (for works estimated at less than EUR 10,000 equivalent each)**

Steps to be followed:

- Prepare documents customarily prepared for such works (such as simple specifications, bill of quantities, etc.)
- Determine required completion time
- Prepare list of contractors (for this purpose use the register of suppliers, if available)
- If possible, send the documents relating to the works, to several contractors in order to obtain a minimum of three written quotations



- If it is not possible to obtain written quotations, invite at least three contractors from the list one by one, interview them, and obtain their prices
  - Record all information in an exercise book
  - Use the unit price reference database, if available, to check the prices
  - Prepare a brief report showing the names of the contractors from whom the prices were obtained, including a comparison of the prices, completion time, etc, and justifying the selection of one of them
  - Submit the report to the national PIU to approve the recommendation for contract award
  - After approval of the report, sign a contract with the selected contractor
  - Obtain written receipts for payments from the contractor
  - Certify that works have been completed satisfactorily
  - Keep all documents, including list of contractors, receipts, etc. on file
3. **Selection of consultants (for contracts less than EUR 10,000 per contract)** Steps to be followed:
- Prepare a job description if an individual is to be selected as a consultant, or terms of reference if a firm is to be selected
  - Prepare a list of potential individuals or firms (if possible at least three, use the register of consultants, if available)
  - Select the best candidate(individual/firm)
  - Contact the selected candidate
  - Negotiate the contract terms and conditions
  - Sign a sample contract
4. **Direct Contracting or Sole Sourcing.** In case of the procurement of proprietary items, such as licensed materials, required items available only from the manufacturer, extension of an existing works contract for additional works (estimated to cost up to 20% of the original contract value), in case of emergencies (where there is no time to wait for comparing prices, etc.), this method can be used. The justification of this method must be documented and kept on file. This method can also be used when there is only one supplier, contractor or consultant in the grant-funded project area and neighboring areas and when it has been determined that getting quotations from other localities will add no value and will result in higher cost because of transportation, etc. In such cases, reasonableness of the price quoted by the single supplier must be certified and kept on file.
5. **Financing “Operating Costs”** It represents expenditure incurred on account of project implementation for salaries, project related auditing services, communications, utilities, office supplies, and maintenance, fuel and vehicle operations and maintenance, travel, per diem, training workshops, including renting of training equipment, conference rooms, etc. In case of grants, the operating expenditure budget should be elaborated during negotiations between the project implementation agency and the selected beneficiary. The procurement methods discussed above may be used in relation to the operating costs if considered appropriate. The beneficiary’s own purchasing practices (commercial practices), if it has any, may also be applied as long as the principle of efficiency is respected.

## 17.2. The steps to be taken for acquisition of goods, works and consulting services estimated

in excess of \$10,000 per purchase are detailed below.

- I. **Shopping (SH) This method is used for off-the-shelf items of goods or standard specification commodities available from several sources** of supply within the country.  
- Steps to be followed:
  - Prepare technical specifications;
  - Prepare list of suppliers broad enough to generate good competition but to yield at least three quotations, as required. Such a list may be prepared based on the past experience, consultation with chambers of commerce, Internet, or direct market research;
  - Prepare Invitation to Quote (ITQ) using the sample in Attachment 3
  - Send the ITQ to the suppliers;
  - Make sure that the requirement of obtaining a minimum of three responsive quotations has been fulfilled;
  - Receive quotations by a deadline, open them and evaluate them;
  - Prepare an evaluation report using the sample in Attachment 4 and make recommendation for award of contract
  - Submit evaluation report to the national PIU to approve the contract award recommendation
  - Finalize draft Purchase Order (included in ITQ), and along with the Conditions of Supply and send to the selected supplier
  - Keep the process confidential until the contract has been awarded
  - Receive and inspect goods and make payments according to the Purchase Order
  - Keep all documents on file
- II. **Minor Works (MW)** Steps to be followed:
  - Prepare technical specifications, drawings, etc.;
  - Prepare list of qualified contractors;
  - Prepare Invitation to Quote (ITQ) using sample at Attachment 5;
  - Send the ITQ to the contractors on the list;
  - Make sure that the requirement of obtaining a minimum of three quotations has been fulfilled;
  - Receive quotations by a deadline, open them and evaluate them;
  - Prepare an evaluation report using Attachment 6 and make recommendation for award of contract;
  - Submit evaluation report to the official authorized to approve the contract award recommendation;
  - Prepare the contract at and have it signed by the contractor;
  - Keep the process confidential until contract has been awarded;
  - Help the contractor start up works;
  - Obtain invoices, receipts for payments, etc.; and
  - Keep all documents on file.
- III. **Selection of a Firm Based on Consultant's Qualification (CQ)** Steps to be followed:
  - Prepare terms of reference;
  - Request expressions of interest and qualification information on the consultants'

experience and competence relevant to the assignment, preferably through advertisement;

- Establish a shortlist;
- Select the firm with the best qualifications and references;
- Prepare an evaluation report using Attachment 8
- Submit evaluation report to the official authorized to approve the selected firm
- Prepare Request for Proposal using sample at Attachment 7;
- Send the Request for Proposal to the selected firm to submit technical and financial proposals for the assignment, in accordance with the terms of reference;
- Review the proposals and prepare for negotiations;
- Negotiate the contract (See Attachment 11 for Standard Forms of Contract) with the firm and prepare minutes of negotiation as per the attachment;
- Sign the contract;
- Keep the process confidential until contract signature; and
- Keep all documents on file.

**IV. Selection of Individual Experts.** Steps to be followed:

- Prepare terms of reference;
- Seek expression of interest from individual consultants preferably through advertisement;
- Evaluate the expressions of interest and prepare a shortlist of a minimum of three consultants based on their qualification and experience;
- Send the terms of reference to the short listed individual consultants, along with the request for CVs at Attachment 9;
- Establish a small evaluation committee comprising two or three members;
- Receive the CVs and evaluate them;
- Prepare evaluation report using the form in Attachment 10;
- If subject to Bank's prior review, submit the evaluation report to the Bank;
- After Bank's agreement, negotiate contract (See Attachment 11 for Standard Forms of Contract) with the selected consultant via email or on the phone;
- Sign the contract; and
- Keep the process confidential until contract is awarded

**18. Grant Disbursements**

Disbursement of grants will be in two installments if under \$5,000:

- a) 70% at the receipt of the grant, and
- b) 30% at the statement of final report and project evaluation act

Grants larger than \$5,000 but less than \$20,000 will be disbursed in three installments:

- a) 35% at the receipt of the grant
- b) 50% after submission of the progress statement report, and
- c) 15% after submission of the final report and evaluation act

Payments for grants under \$5,000 will be made after decision of Local Advisory Board. Payments for grants over \$5,000 will be made upon the "no objection" of the WB. Payments may be withheld if activity and reporting are not up to date or do not meet SGP's requirements.

The grantee is responsible for handling all taxes incurred by the project in accordance with the relevant policies and regulations. The SGP program will assist where possible, in getting tax exemption status for grantee, but final responsibility lies with the grantee. The SGP may not be used to cover taxes, though applicants may include taxes in their matching contribution. Local taxes such as VAT imposed by law will not be financed by the SGP.

If the grant recipient has failed to comply with the grant terms and conditions, the PIU may terminate the grant at any of time by written notice to the grant recipient. Termination entitles the PIU to immediately cease payments under the grant, take immediate possession of all non-expendable property and to recover from the grantee any unspent funds provided under the grant. The grant recipient shall be obligated to provide a complete financial report and return all unspent funds within 7 days of termination.

## **19. Reporting**

Progress report – Quarterly progress reports prepared by the grant recipient should (i) describe the achieved results, (ii) specify the further project actions, (iii) identify any problems and suggests the ways to eliminate them, (iv) provide statements of expenditures with supporting documentation and (v) describe the expected results at the completion of the SGP project. The PIT will review progress reports.

Final report – On the completion of the project the recipient will provide a final report to the PIT. The final report should (i) describe social, ecological, and economic results achieved during performance of the project, (ii) the successes and reasons for failure if any, (iii) a full accounting of how the funding was utilized, as well as (iv) conclusions and recommendations for future work. The recipient will be asked to present results of the grant during an annual SGP program results workshop.

## **20. Monitoring**

Results of the monitoring of the impact of the activity on environment have to be described in all reporting documents. It has to be clearly explained how negative impact was mitigated, and indicators to prove this mitigation have to be spelled out.

## **21. Ineligible Grant Activities**

Grants funds may not be used for the following purposes:

- a. Activities that threatens the environment or cultural heritage and does not respect the national legislation and local planning regulations;
- b. Activities that duplicate projects or actions sponsored by other institutions;
- c. Advertising
- d. Contributions to reserves in connections with contingencies
- e. Entertainment, including banquets, cultural programs, ceremonies and expenses connected with them, such as treating guests and lodging; as well as rental, transportation and tips
- f. Pay interest payments, give out loans
- g. Fundraising
- h. Investment consultation
- i. Payment of losses brought about by more expenses than income on any other projects
- j. Deduction of amortization funds on equipment or capacity, purchased on funds from a current or previous SGP fund
- k. Penalties, debts, the manufacture of alcoholic drinks and tobacco products
- l. Purchase of land and buildings.
- m. Study tours

## 22. Monitoring and the key performance /outcome / impact indicators of SGP

Monitoring and evaluation are the primary mechanisms to assess whether a project is meeting its targets and objectives. SGP program will be monitored as a component of the project, based on the indicator as set in the PAD.

### List of SGP Attachment :

1. Grant Application Form
2. Guidelines for Application
3. Shopping
4. Shopping Evaluation Form
5. Minor Works
6. Minor Works Evaluation Form
7. Consultant Selection - Consultants Qualification (CQ)
8. Consultant Selection - Evaluation Form
9. Selection of Individual Consultants
10. Individual Consultant - Evaluation Form
11. Contract for Consulting Services – Lump Sum Contract for Consulting Services – Time based

### Attachment 1: Grant Application Form

#### GRANT APPLICATION FORM: Front Page

PROGRAM OF GRANTS FOR LOCAL PROJECTS	
PROJECT REF. NO.:	APPLICATION COMPLETE: YES – NO
DATE OF PROPOSAL RECEIPT: (filled by the national Project Implementation Unit)	APPLICATION WITHIN THE ACTIVITIES OF THE SMALL GRANTS PROGRAM: YES - NO
APPLICATION GRANTED:	
Project name:	
Organization type:	
Project type:	
Applicant name:	
Registration type: (Basic document that proves the status of the applicant - excerpt from the court, craft or trade register, excerpt from the register of agricultural producers)	

Address:	
E-mail:	
Phone:	
Fax:	
Account no.:	Bank address:
Bank name:	
SWIFT code:	
Total project budget (EUR):	
Total grant funds:	
Total additional funds:	
Project duration:	
Project area:	
Project summary (max. 6 lines):	

### Grant Application: Technical Description

- Project name:
- General information and problem outline – 1/2 page
- Objectives – 1/4 page
- Proposed project activities – 1-2 pages

*(Including the description of mitigation of impact of project activities on nature and the environment. It should be confirmed that the activity does not involve: (i) purchase of land or buildings; (ii) involuntary resettlement of people; and (iii) adverse impacts on cultural heritages structures)*

- Expected results – 1/2 page
- Delivered results and performance indicators – 1/2 page
- Sustainability and continuation of the project /future activities resulting from the project – 1/2 page
- Compliance with local environmental regulations and WB Operational Policies (e.g. confirm that the proposed sub-project/investment complies with the environmental laws; attach relevant documents (e.g., valid permits, environmental authorizations/certifications/licenses if applicable).

**Grant Application: Operational Plan Form**

Activity	Year 1 (by months)												Year 2 (by months)											
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12
Initial phase																								
Xxxx																								
Xxxxx																								
....																								
Implementation phase																								
Xxx																								
Xxx																								
.....																								
Evaluation / assessment phase																								
xxx																								
xxx																								
Final report																								
xxxx																								
xxxx																								
...																								

Complete the operational plan by putting an X in the period when certain activities and tasks shall be finished, stating the name of activity as stated in the technical description part of the application.

## Grant Application: Project Budget Table and Summary

### Investment costs (list of necessary equipment and assessment of procurement costs)

Description	Cost per item		Quantity	Total cost	
	Cost	Local taxes incl. VAT		Cost	Local taxes incl. VAT

### Operational costs (detailed list of operational and utility costs required for planned research)

Description	Cost per item		Quantity	Total cost	
	Cost	Local taxes incl. VAT		Cost	Local taxes incl. VAT

### Expenses for salaries for persons employed under the project (list of expert staff and quantity of time necessary for each task / job)

	Year								
	1			2			3		
	equiv. of working days*	Total cost		equiv. of working days*	Total cost		equiv. of working days*	Total cost	
		Cost	Local taxes incl. VAT		Net	Local taxes incl. VAT		Net	Local taxes incl. VAT
Expert staff (*)									
1.									
2.									
Technical staff (*)									
1.									
2.									
Other staff (*)									
1.									
2.									
Technical assistance (*)									
1.									
2.									
Subtotal: Staff									



**Trips and traveling allowances (planned business trips and expected costs)**

Person	Trip details	Travelling expenses		Duration (days)	Travelling allowance	Total cost	
		Cost	Local taxes incl. VAT			Cost	Local taxes incl. VAT

**Funds from other sources**

Description	Cost per item		Quantity	Total cost	
	Cost	Local taxes incl. VAT		Cost	Local taxes incl. VAT

**Grant Application:** Procurement Plan Form

Contract description	Estimated value		Procurement method	Contract signed	Start date	End date	Notes
	Local currency	EUR*					
Goods							
Works							
Services							
Total							

\* Calculated at the exchange rate \_\_\_\_\_

## Attachment 2: Guidelines for Application

### GUIDELINES FOR APPLICATION FOR GRANTS

#### Small grant application forms

A complete application for Small Grants Program consists of the following documents:

1. **Front page** - The front page is the first page of the application. It should be completed legibly, thus providing the Local Advisory Board complete information about the applicant.
2. **Guidelines for technical description** - In the technical description, the applicant explains the significance of the project, its contribution to the improvement of the environment and solving the economic problems of the project area, and who will implement the planned activities. The applicant should describe the expected contribution to the development of economy and all environmental impacts related to the project and describe the steps to be taken in order for the project to meet the prescribed conditions of nature protection and environmental protection. The Project Implementation Unit shall provide assistance in describing the impact on nature and the environment and measures for its mitigation.

The description must provide insight into the organization of operation in order for the project to be successful and achieve concrete results.

The technical section of the application may not exceed 4 pages, typed or written in font size 12 with line spacing of at least 1.5 lines. The document must be clear and consistent. The technical description includes the following key subsections:

- Project name – 2 sentences: Select a brief name that denotes the type of the project. You can add a sub-title that explains it in more detail.
- General information and problem outline – 1/2 page : Explain the problem the project relates to, where and how it occurs, what are the consequences and for whom. Reliable data on this issue shall help the Local Advisory Board understand the influence of the project.
- Objectives – 1/4 page: Define the main objective of the project and then divide it into more specific objectives. The main objective directs the project, and specific objectives should be reached as results of a successful project.
- Proposed project activities – 2 pages : This section provides information “who does what, when and where”. Outline the content of the project and how you plan to implement it. Describe in detail:
  - i. The different phases of the project
  - ii. Planned activities
  - iii. Equipment to be procured
  - iv. Tasks to be performed
  - v. Environmental Compliance

The phases described here must correspond to the phases listed in the operational plan.

- Expected results – 1/2 page: List the results you or your company wish to see as the achievements of the proposed project. Bear in mind that these results are the logical consequences of the proposed activities. Described the expected results in a way that clearly states when you will consider the project to be successful.
- Delivered results and performance indicators – 1/2 page: Based on the expected results, define the quantity indicators on the basis of which you will measure whether the results were achieved. These indicators should help the Local Advisory Board understand the project objectives and

determine whether they have been reached. The indicators shall be used for assessment of the delivered results of the project. This section should also identify the potential risks or obstacles out of your control, which could thwart the success of project implementation.

- Sustainability and continuation of the project – 1/2 page: Sustainability of the project in the future is an important criterion for the Small Grants Program. Describe the continuation of the project. Explain the long-term improvements resulting from the project; or explain the activities by which you plan to prevent the loss of the positive influence of the project. State how the project can be copied in other areas.

### **3. Operational plan form**

The operational plan should be adapted to the amount of the Grant. The operational plan consists of all planned key activities and the timeframe for their execution. In order to give a clear review of all activities, the project should be divided into phases, e.g. “project launch”, “project implementation”, “project assessment” (when the results are evaluated and the final report prepared). The list of activities and tasks should show all steps of activities in each phase of the project. The phases must correspond to Grant disbursements (in case of more installments), which must be adequately explained in the technical description.

### **4. Budget table and summary**

The budget summary has been arranged to provide clear insight into the items financed from proceeds of the Small Grants Program and items financed by the applicant. If another source of financing is used, this should also be stated. The detailed budget should also be divided by costs and related local taxes including VAT.

The budget table must be completed, all amounts stated in EUR. The budget table should contain all expenses related to the proposed project. All activities should be connected to expenses in the budget table. Subtotals of all items in the budget table correspond to each line of the budget summary. Applicant may adapt the offered forms of budget table and summary to their needs, adding lines and pages if necessary.

The budget table should contain measurement units - items for all expected expenses, number of items required, cost per unit and total costs. Additional sources of financing and contributions 'in kind' may be shown in any of the budget items. For each line, the source of financing should be listed, whether from Grant proceeds, additional sources, 'in kind' or any other source of financing, if applicable.

Contributions 'in kind' are allocated human and material resources evaluated in corresponding amounts. Contributions 'in kind' include the duration of work on the project, equipment, reserves and other goods and services that directly contribute to project activities. Office equipment such as computers, printers, fax machines, cannot be stated as contributions 'in kind'. All contributions 'in kind' should be precisely described and their value assessed according to the current market rates for their rental or purchase. The value of volunteer services can be assessed according to the current market rates for such type of labor.

#### **Explanation of budget items: Investment costs**

**Equipment, vehicles and machinery** - Define clearly the type of equipment/technology that would be procured and give price estimates. Equipment or technology includes any capital and tangible assets of value exceeding EUR 100 that last for more than one year. Equipment used during project implementation for the purposes of the project must be stated as an individual item. Any equipment of

value exceeding EUR 250 must be procured in accordance with the procurement rules.

**Works** - State the type of works to be contracted and an estimated Bill of Quantities.

### **Operational costs**

- **Consumables** - State the types of consumables to be procured and give price estimates. Give an overview of costs by categories of consumables.
- **Communication costs** - State the average monthly costs of communication services (phone, fax), postage and electronic communications.
- **Trips** - Each applicant must include the costs of attending seminars in the budget table of the small grant application form.
- **Salaries/expenses of persons employed on the project**

State the salaries of persons employed on the project, including the costs of working on reports. You can use working days, weeks or months as units for the calculation of costs. Assess the time required for each task (job). State the name (if known) and position of the person performing the work. The amount of daily or monthly payments should be reasonable and correspond to average amounts of compensation for work in the project area. Each person engaged on the project must be issued with a certificate of average salary for the previous year.

- **Services**- Define which services shall be used during project implementation. In the item "other services", state which services shall be used.
- **Other expenses** - List all other expenses not included in the above budget items.

### **Procedure of applying for a grant**

The applicant is responsible for submitting the project proposal and can confirm the sending of his package by phone (.....), e-mail (.....) or fax (.....). The original copy of the application should be sent by post or delivered to the address of the national PITs.

The small grant application should be completed using the attached forms in the order as above. Incomplete applications will not be taken into consideration.

The small grant application shall be in local language. Only the approved applications shall be translated into English. The PIT shall translate the applications for grants of value not exceeding EUR 1,800.00. Translation of applications for grants exceeding EUR 1,800.00 is the responsibility of the applicants, and can be included in the project costs.

The applicants shall be responsible for the quality of translation. The copies of registration documents can be submitted in the original form.

The grant application must be completed as above. The application must contain:

1. A properly completed **Front page** of the application
2. A **Technical description** of the proposed project according to given guidelines – max. 4 pages. Description of mitigation of impact of project activities on nature and the environment.
3. **Operational plan**
4. **Budget table and summary**
5. **Procurement plan form**
6. A copy of a registration document for the applicant's organization/company
7. Other necessary financial documents, including proof/verification of additional funds, lease agreement, etc.



### **Attachment 3: Shopping**

#### **SHOPPING: INVITATION TO QUOTE (ITQ)**

**Reference No.**

**Date:**

**To: Name/firm/Address/Phone/Fax:**

1. You are invited to submit your price quotation(s) for the supply of the following items:
  - (i)
  - (ii)Etc.,
2. Information on technical specifications and required quantities are attached.
3. You must quote for all the items under this Invitation. Price quotations will be evaluated for all the items together and contract awarded to the firm offering the lowest evaluated total cost of all the items.
4. Your quotation(s) in the required format should be addressed and submitted to address given in Paragraph 9.
5. Your quotation should be accompanied by adequate technical documentation and catalogue(s) and other printed material or pertinent information for each item quoted, including names and addresses of firms providing service facilities in \_\_\_\_\_. (The purchaser to specify the name of the Borrower country)
6. The deadline for receipt of your quotation by the Purchaser at the address indicated in Paragraph 9
7. Quotations by Telefax are acceptable
8. Your quotation(s) should be submitted as per the following instructions and in accordance with the Terms and Conditions of supply in the attached draft Purchase Order. Please sign the Terms and Conditions of Supply that will be attached to the Purchaser Order to be issued to the selected supplier.
  - (i) PRICES: The prices should be quoted in local currency. The prices must include the cost of delivery of the offered goods to the destination stated in this Invitation to Quote.
  - (ii) EVALUATION AND AWARD OF PURCHASE ORDER: Offers determined to be substantially responsive to the technical specifications will be evaluated by comparison of their prices. The award will be made to the firm offering the lowest evaluated price and that meets the required standards of technical and financial capabilities.
  - (iii) VALIDITY OF THE OFFER: Your quotation(s) should be valid for a period of 30 days from the date for receipt of quotation(s) indicated in Paragraph 6 of this Invitation to Quote.

9. Further information can be obtained from:

Name:

Address:

Telephone:

10. Please confirm by Fax the receipt of this invitation and whether or not you will submit the price quotation(s).

Sincerely



**Shopping: Draft Purchase Order**

**Purchase Order No.:**

**Date of Purchase Order:**

**Name of the Purchaser:**

**Complete Postal Address of Purchaser:**

**Telephone No.:**

**Email address:**

**Subject: Supply of .....**

**TO:** (insert Supplier's name and address)

Dear Sirs:

Your price quotation No. \_\_\_\_\_ Dated \_\_\_\_\_ for the supply of the above goods is accepted by the Purchaser for an amount of \_\_\_\_\_ as per the Terms and Conditions described in Attachment to this Purchase Order.

Please acknowledge receipt within 10 (ten) days from the date of receipt of this Purchase Order.

Sincerely,  
Purchaser

## Attachment to Purchase Order

### Terms and Conditions of Supply

Project Name:

Purchaser:

#### 1. Prices and Schedules for Supply

No	ITEM	QUANTITY	UNIT PRICE	TOTAL PRICE	DELIVERY TIME
TOTAL:					

(Note: In case of discrepancy between unit price and Total derived from unit price, unit price shall prevail)

Spare Parts / Tools and Accessories / Manuals (Specify, if applicable)

Maintenance Requirements

2. **Fixed Price:** The prices indicated above are firm and fixed and not subject to any adjustment during contract performance.

**The total price must include transport to the delivery destination.**

3. **Delivery Schedule:** 15 days from the date of placing the order

4. **Delivery destination:** \_\_\_\_\_ -

5. **Payment:** Payment of 100% of the contractual amount (in the currency of the country of the Purchaser) shall be made to your bank account within thirty (30) days after the delivery of goods and removal of possible defects, in accordance with this Invitation to Quote.

6. **Warranty:** Goods offered should be covered by manufacturer's warranty for at least 12 months from the date of delivery to the Purchaser. Please specify warranty period and terms in detail. The Consignee guarantees that the goods purchased under the contract are new and unused, and that the goods delivered under the contract shall not be damaged or have defects originating from its design, materials, manufacturer or any act or omission of the Consignee which may happen during normal use of goods in the conditions prevalent in the country of the Purchaser.

7. **Packaging and Marking Instructions:** (Purchaser to specify)

8. **Required Technical Specifications**

- (i) **General Description**
- (ii) **Specific details and technical standards**
- (iii) **Performance Parameters**

Supplier confirms compliance with above specifications (In case of deviations supplier to list all such deviations)

9. **Failure to Perform**: The Purchaser may cancel the Purchase Order if the Supplier fails to deliver the Goods, in accordance with the above terms and conditions.

**NAME OF SUPPLIER**

**Authorized Signature**

**Place:**

**Date:**



## Attachment 5: Minor Works

### INVITATION TO QUOTE: CONTRACT FOR MINOR WORKS

Contract Number:

Grant Number:

Date of Issue of Invitation:

To: *(insert name of contractor)*

Gentlemen:

1. The Government of (Recipient) has received a Grant from the World Bank towards the cost of the *(Name of the Project)* and intends to apply part of the funds to make eligible payments under the Contract for which this invitation is being issued.

2. The (Employer) hereby invites you to submit a quotation for the following items of work:

\_\_\_\_\_

3. To assist you in the preparation of your price quotation we enclose the necessary drawings, specifications and bill of quantities, and a sample form for submitting the quotation. Your quotation in the attached format should be sealed in an envelope and addressed to and delivered at the following address: (Name of Receiving Office)/ Attention : (Name of Authorized Person)/ (Address) / Fax:

4. Your quotation shall be valid for a period of thirty (30) days from (time and date of submission of the quotation).

5. A Contractor who withdraws his quotation during the validity period and/or refuses to accept the award of a contract when and if awarded will be excluded from the list of contractors for the project for two years.

6. Attached for your information and guidance are the Instructions to Bidders and the Terms and Conditions of the Contract.

7. Your Quotation should be submitted by (date and time). The Quotations shall be opened in public in the presence of contractors' representatives who choose to attend, on (same date as for bid submission) at \_\_\_\_\_ hrs (soon after the deadline for bid submission) at the following address: (Street address, Room No., Phone number, etc.).

Sincerely,

(Name of Official)

(Name of Office)

## Section 1 - INSTRUCTIONS FOR PREPARING QUOTATIONS

1. **Scope of Work:** The \_\_\_\_\_ (Name of the Agency), as the Employer, invites quotations for the construction of works as described in the Conditions of Contract (CC). The successful contractor will be expected to complete the works by the Required Completion Date specified in the CC.
2. **Eligibility to Quote:** In addition to private and commercially operating contractors, majority publicly-owned enterprises from the Employer's country may be eligible to participate only if they are also:
  - (a) commercially-oriented legal entities distinct and independent from the Employer, and are not a part of any Government department;
  - (b) financially autonomous, as demonstrated by requirements in their statutes or by-laws to provide separate audited accounts and return on capital, powers to raise loans and obtain revenues through the sale of goods or services; and
  - (c) should not be a dependent agency of the Government.

Each bidder shall submit only one Quotation, either individually, or as a partner in a joint venture. All Quotations submitted in violation of this rule shall be rejected. Partners in a joint venture shall be jointly and severally liable for the execution of the Contract.

3. **Qualification of the Bidder:** To qualify for award of the Contract, a bidder shall meet the following minimum qualifying criteria:
  - (a) Experience as a prime contractor in the construction of at least one work of the nature and complexity equivalent to the works included in this Invitation, over the last three years;
  - (b) Evidence of financial resources to successfully complete the works i.e. letter from a bank, credit institutions, or other financial intermediary, supporting the availability of financial resources.
4. **Site Visit:** The Contractor, at his own responsibility, cost, and risk, is encouraged to visit and examine the Site of the Works and its surroundings and obtain all information that may be necessary for preparing the quotation and entering into a contract for the construction of the Works.
5. **Contents of Proposal Documents:** The set of proposal documents comprises the documents listed below:

	Invitation to Quote
Section 1	Instruction for Preparing Quotations
Section 2	Conditions of Contract
Section 3	Drawings
Section 4	Specifications
Section 5	Bill of Quantities/Priced Activity Schedule {Delete one that is not applicable}
Section 6	Form of Quotation
Section 7	Form of Contract Agreement

6. **Documents Comprising the Proposal:** The Proposal submitted by the Contractor shall comprise the following documents:

- (i) Form of Quotation (as per sample attached)
- (ii) Bill of Quantities/Priced Activity Schedule **{Delete one that is not applicable}**
- (iii) Qualification and Experience Information

7. **Price Quotation:** The Contract shall be for the whole works as described in Clause 2 of the Invitation and shall be based on the unit and total price indicated in the Bill of Quantities for fixed unit rate contract or the Priced Activity Schedule for a lump sum fixed priced contract. Prices shall be quoted entirely in the currency of the Employer's Country. The Contractor shall fill in the rates and prices for all items of the Works described in the Drawings and Specifications listed in the Bill of Quantities or the Price Activity Schedule. Items for which no rate or price is entered by the Contractor will not be paid for by the Employer when executed and shall be deemed covered by the other rates and prices in the Bill of Quantities or Price Activity Schedule. All duties, taxes and other levies payable by the Contractor under the Contract, or any other cause, as of the date fifteen (15) calendar days prior to the deadline for the submission of Quotations, shall be included in the rates, prices, and total price Quotation submitted by the Contractor. The rates and prices quoted by the Contractor shall be fixed for the duration of the Contract and shall not be subject to any adjustment on any account.

8. **Validity of Quotations.** The price quotation shall remain valid for the period of thirty (30) calendar days counted from the date of submission of the Quotation specified in Clause 11 below. The Employer may request the Contractors to extend the period of validity for a specified additional period. The Employer's request and the Contractors' responses shall be made in writing or by fax or by cable. A Contractor may refuse the request for extension of bid validity in which case he may withdraw his Quotation without any penalty. A Contractor agreeing to the request will not be required or permitted to otherwise modify its Quotation.

9. **Language of the Quotation:** All documents relating to the Quotation and contract shall be in the \_\_\_\_\_ language (National Language of the Employer's Country).

10. **Preparation and Sealing of Quotations:** The Contractor shall prepare one original of the documents comprising the Price Quotation as described in Clause 6 above, with the Form of Bid, and clearly marked "Original". In addition, the Contractor shall also submit one copy which shall be clearly marked as "COPY". In the event of discrepancy between them the original shall prevail. The original and the copy of the Price Quotation shall be signed by a person or persons duly authorized to sign on behalf of the Contractor. All the pages of the Bid (Price Quotation) where entries or amendments or corrections have been made shall be initialed by the person or persons signing the Price Quotation. The Contractor shall seal the original and the copy of the Price Quotation in two inner envelopes and one outer envelope, duly marking the inner envelopes as "ORIGINAL" and "COPY". The inner and the outer envelopes shall be addressed to the Employer at the address provided above and shall provide a warning not to open before the specified time and date for Price Quotations opening as defined in Clause 7 of Invitation to Quote. The inner envelopes shall indicate the name and full address of the Contractor. If the outer envelope is not sealed and marked as above, the Employer will assume no responsibility for the misplacement or premature opening of the Price Quotation.

11. **Place and Deadline for Submission of Price Quotations:** The Price Quotations shall be delivered to the Employer **NO LATER than** \_\_\_\_\_ **(time, date) at the address given in Paragraph 3 of the Invitation to Quote.** Any Bid (Price Quotation) received by the Employer after

the deadline prescribed in this clause will be returned unopened to the Bidder.

12. **Modification and Withdrawal of Quotations:** No Quotation shall be modified after the deadline for submission of Quotations specified above in Clause 11. Withdrawal of a Quotation between the deadline for submission of Quotations and the expiration of the validity of the Quotation as specified in Clause 8 above will result in the Contractor being excluded from the list of contractors for a period of two years.

13. **Opening of Quotations:** The Employer will open the Bids (Price Quotations), including modifications, in the presence of the bidders' representatives who choose to attend, at the time, date, and in the place specified in Paragraph 7 of the Invitation To Quote. The bidders' names, the Bid (Quotation) prices, the total amount of each Bid (Quotation), any discounts, and bid modifications and withdrawals will be announced by the Employer at the Quotation opening.

14. **Process to be Confidential:** Information relating to the examination, clarification, evaluation and comparison of quotations and recommendation for the contract award shall not be disclosed until the award to the successful Contractor has been announced.

15. **Evaluation and Comparison of Quotations:** The Employer will award the Contract to the Contractor whose Quotation has been determined to be substantially responsive to the proposal documents and who has offered the lowest evaluated price quotation. In evaluating the quotations, the Employer will determine for each proposal the evaluated price quotation by adjusting the price quotation by making any correction for any arithmetic errors as follows:

- (a) where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
- (b) where is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern;
- (c) if a Contractor refuses to accept the correction, his Quotation will be rejected.

16. **Employer's Right to Accept Any Quotation and to Reject any or all Quotations:** The Employer reserves the right to accept or reject any quotation, and to cancel the process of competition and reject all quotations, at any time prior to the award of the Contract, without thereby incurring any liability to the affected Contractor(s) or any obligation to inform the affected Contractor(s) of the grounds for the Employer's decision.

17. **Notification of Award and Signing of Contract:** The Contractor whose Quotation has been accepted will be notified of the award by the Employer prior to the expiration of the validity period of the Quotation, by registered letter. This letter will state the sum (hereinafter and in the Contract called the "Initial Contract Price") that the Employer will pay the Contractor in consideration of the execution, completion, and maintenance of the Works by the Contractor as prescribed by the Contract. The written notification of award will constitute the formation of the Contract.

18. **Advance Payment:** If the Contractor so requests, the Employer will consider providing an Advance Payment as stipulated in Clause 16 of the Conditions of Contract.



## Section 2 - CONDITIONS OF CONTRACT (CC)

### 1. **Definitions:** Boldface type is used to identify the defined terms

- (a) **Bill of Quantities** specifies Employer's estimate of quantity for each item of work
- (b) **Activity Schedule** means the priced and completed schedule forming part of the Bid.
- (c) **The Completion Date** Is the date of completion of the Works as certified by the Employer.
- (d) **The Contract** is the Contract between the Employer and the Contractor to execute, complete, and maintain the Works as specified in the specifications or in other sections of the Contract. The name and identification number of the Contract is given in the Invitation to Quote.
- (e) **The Contractor** is a person or corporate body whose Bid to carry out the Works has been accepted by the Employer.
- (f) **The Contractor's Price Quotation** is the completed document (Invitation to Quote together with attachments) submitted by the Contractor to the Employer.
- (g) **The Contract Price** is the price stated in the Letter of Acceptance and thereafter as adjusted in accordance with the provisions of the Contract.
- (h) **Days** are calendar days; **months** are calendar months.
- (i) **A Defect** is any part of the Works not completed in accordance with the Contract.
- (j) **The Defects Liability Period** is one year counted from the Completion Date.
- (k) **Equipment** is the Contractor's machinery and vehicles brought temporarily to the Site to construct the Works.
- (l) **Materials** are all supplies, including consumables, used by the Contractor for incorporation in the Works.
- (m) **A Project Supervisor** is the person appointed by the Employer and who is responsible for supervising the execution of the Works and administering the Contract.
- (n) **The Required Completion Date** is the date on which it is required that the Contractor shall complete the Works. The Required Completion Date is \_\_\_\_\_. The Required Completion Date may be revised only by the Employer by issuing an extension time or an acceleration order in writing.
- (o) **Specification** means the Specification of the Works included in the Contract and any modification or addition made or approved by the Employer.
- (p) **The Site is** \_\_\_\_\_
- (q) **The Start Date is** \_\_\_\_\_. It is the latest date when the Contractor shall commence the execution of the Works.
- (r) **The Variation** is an instruction given by the Employer which varies the scope of the original Work requirements.

2. **Language and Law.** The Contract shall be in the \_\_\_\_\_ (National Language of the Employer's Country). The law governing the Contract shall be the applicable law(s) of the Government of \_\_\_\_\_ (Employer's Country).

3. **Communications.** Communications between parties that are referred to in these Conditions shall be effective only when made in writing. A notice shall be effective only when it is

delivered.

4. **Contractor's Risks.** From the Starting Date until the Project Supervisor has issued a certificate for the correction of any Defects, the risks of personal injury, death, and loss or damage to property and adjacent property (including, without limitation, the Works, materials and equipment) are Contractor's risks.
5. **Works to be Completed by the Completion Date.** The Contractor shall commence execution of the Works on the Start Date and shall carry out the Works in accordance with the work schedule submitted by the Contractor, as updated with the approval of the Project Supervisor, and complete them by the Required Completion Date.
6. **Safety.** The Contractor shall be responsible for the safety of all activities on the Site.
7. **Extension of the Completion Date.** The Project Supervisor shall extend the completion date if a Variation is issued which makes it impossible for Completion to be achieved by the Required Completion Date without the Contractor taking steps to accelerate the remaining work, which could cause the Contractor to incur additional cost.
8. **Delays Ordered by the Project Supervisor.** The Project Supervisor may instruct the Contractor to delay the start or progress of any activity within the Works. Delays or suspension of work by the Project Supervisor which increases the Contractor's costs shall be subject to equitable adjustments by the Employer.
9. **Defects.** The Project Supervisor shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion. The Defects Liability Period shall be extended for as long as Defects remain uncorrected. Every time notice of a Defect is given, the Contractor shall correct the notified Defect within the length of time specified by the Project Supervisor's notice. If the Contractor has not corrected a Defect within the time specified by the Project Supervisor's notice, the Project Supervisor will assess the cost of having the Defect corrected, and the Contractor will pay this amount, or the Employer shall recover these amounts by deduction from the amounts due to the Contractor.
10. **Program.** Within seven (7) days of the written notification of award, the Contractor shall submit to the Project Supervisor for approval a Program showing the general methods, arrangements, order, and timing for all activities of the Works. The Project Supervisor's approval of the Program shall not alter the Contractor's obligations. The Contractor may revise the Program and submit it to the Project Supervisor again at any time. A revised Program will show the effect of Variations.
11. **Activity Schedule.** The Contractor shall provide updated Activity Schedules within ten (10) days of being instructed by the Project Supervisor. The activities on the Activity Schedule will be coordinated with the activities of the Program.
12. **Changes in Quantities.** The Contractor shall carry out all the activities and complete them in accordance with the scope of work specified in the Contract as part of the prices in the Activity Schedule which shall not be subject to any changes. In the case of unit rate contracts no adjustment in the unit rate shall be made if the variation in quantity of each item does not exceed 25% of the initial estimated quantity. If the quantity exceeds 25% the Project Supervisor will determine if there is any justification to revise the unit price, based on information provided by the Contractor, and will fix such rate as he deems appropriate with the approval of the Employer.

13. **Payment Certificate.** The Project Supervisor shall check the Contractor's executed work and certify the amount to be paid to the Contractor. The value of work executed shall comprise the value of completed items of work or activities in the Activity Schedule.

14. **Payments.** Payments shall be adjusted for deductions on account of advance payments and retention money. The Employer shall pay the Contractor the amounts certified by the Project Supervisor within twenty one (21) days of the date of each certificate. If the Employer delays the payment the Contractor shall be entitled to be paid interest on the late payment in the next payment. Interest shall be calculated from the date by which the payment should have been made, up to the date when the late payment is made, at the rate of interest prevailing at the local banks for construction loans.

15. **Taxes.** The Contractor is responsible for all taxes in accordance with the laws of (Employer's Country).

16. **Advance Payment.** The Employer may make advance payment to the Contractor in the amount up to ten (10) percent of the Initial Contract Price after the Contractor has provided any advance payment Bank Guarantee for an equal amount. At the request of the Contractor the advance payment may be made by the Employer directly to the supplier or materials and/or equipment leasing companies in the case the equipment is being leased by the Contractor. The advance payment shall be repaid by deducting proportionate amounts from payments otherwise due to the Contractor, to be recovered within one-half of the Contract completion period.

17. **Completion and Taking Over.** The Contractor shall request the Project Supervisor to issue a certificate of completion of the Works, and the Project Supervisor will issue such a certificate when he determines that the work is satisfactorily completed. The Employer shall take possession of the site within seven (7) days of the Project Supervisor's issuing a certificate of completion of the Works.

18. **Final Account.** The Contractor shall supply the Project Supervisor with a detailed account of the total amount that the Contractor considers payable under the Contract before the end of the Defects Liability Period. The Project Supervisor shall issue a Defects Liability Certificate after the Contractor has fulfilled its obligations under the Contract to this end and certify any final payment that is due to the Contractor within fifteen (15) days of receiving the Contractor's account if it is correct and complete. If it is not, the Project Supervisor shall issue within fifteen (15) days a schedule that states the scope of the corrections or changes that are necessary. If the Final Account is still unsatisfactory after it has been resubmitted, the Project Supervisor shall decide on the amount payable to the Contractor and issue a payment certificate.

19. **Termination.** The Employer or the Contractor may terminate the Contract if the either party causes a fundamental breach of the Contract. Fundamental breaches of Contract shall include, but shall not be limited to, the following:

- (a) The Contractor stops work for ten (10) days when the stoppage has not been authorized by the Project Supervisor;
- (b) a payment certified by the Project Supervisor is not paid by the Employer to the Contractor within thirty (30) days of the date of the Project Supervisor's certificate;
- (c) the Project Supervisor gives notice that the Contractor has failed to correct a Defect within twenty one (21) days as determined by the Project Supervisor; and
- (d) the Contractor has delayed the completion of the Works by thirty (30) days.

Notwithstanding the above, the Employer may terminate the Contract for its convenience by giving the Contractor a thirty day notice in writing. If the Contract is terminated, the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site within fifteen (15) days of the completion of the notice period.

20. **Force Majeure:** Either party may terminate the Contract by giving a thirty (30) days notice to the other for events beyond that party's control, such as Wars and acts of God such as earthquakes, floods, fires, etc.

21. **Payment Upon Termination.** If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Project Supervisor shall issue a certificate for the value of the work completed and for the materials already ordered **LESS** the advance payments received up to the date of the issue of the certificate. If the total amount due to the Employer exceeds any payment due to the Contractor, the difference shall be a debt payable by the Contractor to the Employer.

22. **Property.** All materials and construction equipment on the Site, temporary works, and Works shall be deemed to be the property of the Employer if the Contract is terminated because of the Contractor's default.

23. **Resolution of Disputes.** The Employer and the Contractor shall make every effort to resolve amicably by direct negotiations any disagreement or dispute arising between them under or in connection with the Contract. In case of further disagreement either party can take the matter to arbitration in accordance with the Law governing the Contract. The place where arbitration will take place will be \_\_\_\_\_ (Place), \_\_\_\_\_ (Country).

**Section 3 – DRAWINGS**

**Section 4 – SPECIFICATIONS**

**Section 5 – BILL OF QUANTITIES / PRICE ACTIVITY SCHEDULE**



## Section 6 - FORM OF QUOTATION

\_\_\_\_\_ (Date)

To: (Employer's Name) (Employer's Address)

We offer to execute the *(name and number of Contract)* in accordance with the Conditions of Contract accompanying this Quotation for the Contract Price of *(amount in words and numbers)* ( \_\_\_\_\_ ) *(name of currency)*. We propose to complete the Works described in the Contract within a period of \_\_\_\_\_ words and number) \_\_\_\_\_ calendar days from the Start Date.

This Quotation and your written acceptance will constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Quotation you receive.

We hereby confirm that this Quotation complies with the Validity of the Quotation required by the proposal documents.

Authorized Signature:

Name and Title of Signatory

Name of Contractor:

Address:

Phone Number

Fax Number

## Section 7 - FORM OF CONTRACT AGREEMENT

### AGREEMENT

This Agreement, made the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, by and between (name and address of Employer hereinafter called “the Employer”) and (name and address of Contractor hereinafter called “the Contractor”) of the other part.

**Whereas** the Employer is desirous that the Contractor execute (name and identification number of Contract hereinafter called “the Works”) and the Employer has accepted the Bid/Quotation submitted by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

#### Now this Agreement witnessed as follows:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereafter referred to, and they shall be deemed to form and be read and construed as part of this Agreement.
1. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all respects with the provisions of the Contract.
2. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects wherein the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

**In Witness** whereof the parties thereto have caused this Agreement to be executed the days and year first before written

Binding Signature of Employer

Binding Signature of Contractor:



## Section 8 – BANK GUARANTEE FOR ADVANCE PAYMENT

To: (Name of Employer) (address of Employer)

(Name of Contract)

Gentlemen:

1. In accordance with the provisions of the Conditions of Contract, Clause 16 (“Advance Payment”) of the above mentioned Contract {name and address of the Contractor} (hereinafter called “the Contractor”) shall deposit with {name of Employer} a Bank Guarantee to guarantee his proper and faithful performance under the said Clause of the Contract in an amount of {amount of Guarantee} {amount in words}.

2. We, the {Bank or Financial Institution}, as instructed by the Contractor, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to {name of Employer} on his first demand without whatsoever right of objection on our part and without his first claim to the Contractor, in the amount not exceeding {amount of Guarantee} {amount in words}.

3. We further agree that no change or addition to or other modification of the terms of the Contract or of the Works to be performed thereunder or of any of the Contract documents which may be made between {name of Employer} and the Contractor, shall in any way release us from any liability under this Guarantee, and we hereby waive notice of any such change, addition, or modification.

4. The Guarantee shall remain valid and in full effect from the date of the advance payment under the Contract until {name of Employer} receives full payment of the same amount from the Contractor.

Yours truly,

SIGNATURE AND SEAL:

Name of Bank/Financial Institution:

Address:

Date:







**Attachment 7: Consultant Selection - Consultants Qualification (CQ)**

**Request for Proposals – Selecting a firm through CQ**

Date:

To: *(insert name of the consultant firm)*

1. The (hereinafter to referred to as the “Client”) invites you to submit a combined technical and financial proposals to provide the following consulting services: \_\_\_\_\_. More details of the services are provided in the attached Terms of Reference.

2. Please submit your technical and financial proposals in accordance with the attached forms. Your proposals will be subject to negotiation between your authorized representative and the Client and may result in a contract. A draft contract is also attached.

3. Your technical and financial proposals should be submitted at the following address, not later than \_\_\_\_\_20\_\_.

4. Please confirm receipt of this invitation by fax and that you will submit the proposals as requested.

Sincerely

(Client’s authorized representative)

**Consultant Selection - Consultants Qualification (CQ)  
Technical Proposal Submission Form**

*[Date]*

To: (insert name of the PIT)

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for implementation of the assignment as described in the attached terms of reference and in accordance with your Request for Proposal dated \_\_\_\_\_ and our proposals. We are hereby submitting our technical and financial proposals for the proposed services.

Our proposals are binding upon us and subject to the modifications resulting from Contract negotiations.

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

Yours sincerely,

Authorized Signature:

Name and Title of Signatory:

Name of Entity:

## **Consultant Selection - Consultants Qualification (CQ)**

### Sample Format of Curriculum Vitae (CV)

Proposed Position:

Name of Firm:

Name of Staff:

Profession:

Date of Birth:

Years with Firm/Entity:

Nationality:

Membership in Professional Societies:

Detailed Tasks Assigned:

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#### **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 about half a page.]*

---

#### **Education:**

*[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a 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 organizations, titles of positions held, and locations of assignments. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use about two pages.]*

---

#### **Languages:**

*[For each language indicate proficiency: excellent, good, fair, or poor in speaking, reading, and writing.]*

---

#### **Certification:**

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

\_\_\_\_\_Date: \_\_

*[Signature of staff member and authorized representative of the firm]*

*Day/Month/Year*

Full name of staff member:

Full name of authorized representative:

**Consultant Selection - Consultants Qualification (CQ)**

## Cost Estimate of Services and Schedule of Rates

## (1) Remuneration

Name	Rate (per working day)	Time spent (number of working days)	Total (currency)
			Sub-Total (1)

(2) Reimbursables<sup>2</sup>

	Rate	Calendar days	Total
(a) International Travel			
(b) Local Transportation			
(c) Interpreter/Translation			
(d) Per Diem			
			Sub-total (2)

TOTAL COST

CONTRACT CEILING

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<sup>2</sup>To include expenses for international travel, local transportation, interpretation/translation, per diem, visas, airport taxes, and other such travel related expenses as may be necessary; reimbursable at cost with supporting documents/receipts; except for per diem (which is fixed and includes cost of housing, meals and subsistence for the period spent in the country)



**Consultant Selection - Consultants Qualification (CQ)**

Terms of reference (ToR)

(to be attached)



**Attachment 8: Consultants Qualification (CQ)**

**Evaluation Report on Qualifications and Experience of Consultants for Selection Based on Consultant's Qualifications (CQ)**

Country:  
 Project Title:  
 Grant Number:  
 Date:

1. Implementing Agency: \_\_\_\_\_, tel. \_\_\_\_\_, e-mail: \_\_\_\_\_
2. Name of consulting assignment: \_\_\_\_\_
3. Package number (per Procurement Plan): \_\_\_\_\_
4. Total estimated cost of assignments: \_\_\_\_\_
5. Assignment period: \_\_\_\_\_
6. Name of Publication and Date of advertisement requesting expressions of interest:  
 \_\_\_\_\_
7. Deadline for submission of the expression of interest: \_\_\_\_\_
8. Members of Selection Committee:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

9. Criteria for evaluating Consultant's qualifications and experience

	Points
1. Experience of the consultants related to the Assignment	
1.1. Overall experience of the firm in the field of assignment	
1.2. Numbers of assignment-related contracts completed during last five years	_____
Total points for criterion (1.)	
2. Key Staff	
2.1. General qualification	
2.2. Experience	_____
Total points for criterion (2.)	
<b>Total points for the two criteria:</b>	<b>100</b>

10. Name of consultants who expressed interest in respond to the advertisement:
1. \_\_\_\_\_
  2. \_\_\_\_\_
  3. \_\_\_\_\_
  4. \_\_\_\_\_

11. Rank list of consultants after evaluation of qualifications and experience as per 9 above:

Name of Consultants	Score	Strengths	Weaknesses


12. The following top ranking firm (the highest scoring) is recommended to be invited for submit a technical and a financial proposal which will become the basis of contract negotiations between the Client and the highest scoring firm.

13. Complaints, if any: \_\_\_\_\_

Signatures of the Members of the Selection Committee:

**Attachment 9: Selection of Individual Consultants**

SELECTION OF INDIVIDUAL CONSULTANTS (IC) - REQUEST FOR CURRICULUM VITAE

Dear Sir or Madam,

1. We hereby ask you to submit your CV and a price list for performing consultants' services that include \_\_\_\_\_(brief description of services).
2. If you are selected, you shall assist (hereafter: "the Client") with \_\_\_\_\_. The list of services can be found in the attached Terms of Reference.
3. Your experience and qualifications must meet the requirements stated in the Terms of Reference. Your CV shall be evaluated according to the following criteria:

- i. General qualification \_\_\_\_\_
- ii. Overall experience of the Individual Consultant in the field of assignment \_\_\_\_\_
- iii. \_\_\_\_\_

Total points: \_\_\_\_\_ 100

4. After the evaluation of CVs of individual consultants, the candidate with the highest number of points shall be invited to negotiate the conditions of contract and conclude the contract. The negotiations shall take place by phone or e-mail. In case of delay, the Client has the right to revoke the offer. In case negotiations do not result in conclusion of contract, they shall be terminated, and the next candidate on the list shall be invited to negotiate.
5. Performing of the tasks should commence by ..... The Client shall select the Consultant during this period.
6. The estimated time for performing the tasks is: .....
7. The cost of preparation of CV and negotiation of the conditions of contract are not reimbursable as direct costs of the task.
8. Please find the following documents attached to the Invitation for Proposals:
  - CV form
  - Estimated costs of services and price list
  - Terms of Reference
  - Draft Contract
9. If you require additional information about the tasks and conditions, please do not hesitate to contact Mr/Ms ..... at the following phone number and address:
10. The completed CV should be sent by fax or e-mail or submitted to the above address by
11. The Client is not obliged to accept any of the submitted CVs.
12. Please inform us:
  - a. About the receipt of the Invitation for Proposal; and
  - b. Whether you would like to submit your CV.`

Best regards,

**Selection of Individual Consultants:**

Sample Format of Curriculum Vitae (CV)

Proposed Position:

Name of Firm:

Name of Staff:

Profession:

Date of Birth:

Years with Firm/Entity:

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 about half a page.]*

**Education:**

*[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a 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 organizations, titles of positions held, and locations of assignments. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use about two pages.]*

**Languages:**

*[For each language indicate proficiency: excellent, good, fair, or poor in speaking, reading, and writing.]*

**Certification:**

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

\_\_\_\_\_Date: \_\_

*[Signature of staff member and authorized representative of the firm]*

*Day/Month/Year*

Full name of staff member:

Full name of authorized representative:

**Selection of Individual Consultants:**  
Terms of Reference (ToR)

(to be attached)

**Attachment 10: Individual Consultants**

**Selection of Individual Consultants (IC)**

**Evaluation Report on Qualifications and Experience of Individual Consultants**

Date

1. PIU / Implementing Agency: \_\_\_\_\_, tel. \_\_\_\_\_, e-mail:
2. Name of consulting assignment:
3. Total estimated cost of assignments:
4. Assignment period:
5. Issuance date of request for curriculum vitae
6. Name of individual consultants who receive the request for curriculum vitae:
7. Criteria for evaluating:

	Points
1. General qualification	
2. Overall experience of the Individual Consultant in the field of assignment	
3.	
Total points:	100

8. Deadline for submission of CV's:
9. Name of individual consultants who submit their CV's:
11. Members of Selection Committee:
12. Rank list of consultants after evaluation of qualifications and experience:

Name of Individual Consultants	Score	Strengths	Weaknesses

13. The following top ranking Individual consultant (the highest scoring) is recommended to be invited for signing the contract:

Name of Individual consultant:

Contract price:

Complaints, if any.

Signature:



**Attachment 11: Sample Contract for Consulting Services**

## SAMPLE CONTRACT FOR CONSULTING SERVICES / TIME-BASED PAYMENTS

### CONTRACT No. *[insert]*

THIS CONTRACT ("Contract") is entered into this *[insert starting date of assignment]*, by and between *[insert Client's name]* ("the Client") having its principal place of business at *[insert Client's address]*, and *[insert Consultant's name]* ("the Consultant") having its principal office located at *[insert Consultant's address<sup>3</sup>]*.

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:

<p><b>1. Services</b></p>	<p>(i) The Consultant shall perform the services specified in Annex A, "Terms of Reference and Scope of Services," which is made an integral part of this Contract ("the Services").</p> <p>(ii) The Consultant shall provide the reports listed in Annex B, "Consultant's Reporting Obligations," within the time periods listed in such Annex, and the personnel listed in Annex C, "Cost Estimate of Services, List of Personnel and Schedule of Rates" to perform the Services.</p>
<p><b>2. Term</b></p>	<p>The Consultant shall perform the Services during the period commencing <i>[insert start date]</i> and continuing through <i>[insert completion date]</i> or any other period as may be subsequently agreed by the parties in writing.</p>
<p><b>3. Payment</b></p>	<p>A. <u>Ceiling</u> For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed a ceiling of <i>[insert ceiling amount]</i>. 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. The payments made under the Contract consist of the Consultant's remuneration as defined in sub-paragraph B below and of the reimbursable expenditures as defined in sub-paragraph C below.</p> <p>B. <u>Remuneration</u> The Client shall pay the Consultant for Services rendered at the rate(s) per man/month spent<sup>1</sup>(or per day spent or per hour spent, subject to a maximum of eight hours per day) in accordance with the rates agreed and specified in Annex C, "Cost Estimate of Services, List of Personnel and Schedule of Rates."</p> <p>C. <u>Reimbursables</u> The Client shall pay the Consultant for reimbursable expenses, which shall consist of and be limited to:</p> <p>(i) normal and customary expenditures for official travel, accommodation, printing, and telephone charges; official travel will be reimbursed at the cost of</p>

<sup>3</sup> Avoid use of "P.O. Box" address

<sup>1</sup> Select the applicable rate and delete the others.

	<p>less than first class travel and will need to be authorized by the Client's coordinator;</p> <p>(ii) such other expenses as approved in advance by the Client's coordinator.<sup>2</sup></p> <p>D. <u>Payment Conditions</u>  Payment shall be made in <i>[specify currency]</i> not later than 30 days following submission of invoices in duplicate to the Coordinator designated in paragraph 4.  Payments shall be made to Consultant's bank account <i>[insert banking details. If payment by bank wire is not possible, prior Bank approval to apply cash payments option shall be obtained]</i></p>
<p><b>4. Project Administration</b></p>	<p>A. <u>Coordinator</u>  The Client designates Mr./Ms. <i>[insert name and job title]</i> as Client's Coordinator; the Coordinator shall be responsible for the coordination of activities under the Contract, for receiving and approving invoices for payment, and for acceptance of the deliverables by the Client.</p> <p>B. <u>Timesheets</u>  During the course of their work under this Contract, including field work, the Consultant's employees providing services under this Contract may be required to complete timesheets or any other document used to identify time spent, as well as expenses incurred, as instructed by the Project Coordinator.</p> <p>C. <u>Records and Accounts</u>  The Consultant shall keep, and shall cause its Sub-Consultants to keep, accurate and systematic records and accounts in respect of the Services, which will clearly identify all charges and expenses. The Client reserves the right to audit, or to nominate a reputable accounting firm to audit, the Consultant's records relating to amounts claimed under this Contract during its term and any extension, and for a period of three months thereafter.</p>
<p><b>5. Performance Standard</b></p> <p><b>6. Inspections and Auditing</b></p>	<p>The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory.</p> <p>The Consultant shall permit, and shall cause its Sub-Consultants to permit, the Bank and/or persons or auditors appointed by the Bank to inspect and/or audit its accounts and records and other documents relating to the submission of the Proposal to provide the Services and performance of the Contract. Any failure to comply with this obligation may constitute a prohibited practice subject to contract termination and/or the imposition of sanctions by the Bank (including without limitation a determination of ineligibility) in accordance with prevailing Bank's sanctions procedures.</p>
<p><b>7. Confidentiality</b></p>	<p>The Consultants shall not, during the term of this Contract and within two years</p>

<sup>2</sup> Specific expenses can be added as an item (iii) in paragraph 3.C.

	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.
<b>8. Ownership of Material</b>	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. <sup>3</sup>
<b>9. Consultant Not to be Engaged in Certain Activities</b>	The Consultant agrees that, during the term of this Contract and after its termination, the Consultants and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than consulting services that would not give rise to a conflict of interest) resulting from or closely related to the Consulting Services for the preparation or implementation of the Project.
<b>10. Insurance</b>	The Consultant will be responsible for taking out any appropriate insurance coverage.
<b>11. Assignment</b>	The Consultant shall not assign this Contract or Subcontract any portion of it without the Client's prior written consent.
<b>12. Law Governing Contract and Language</b>	The Contract shall be governed by the laws of <i>[insert country name]</i> , and the language of the Contract shall be <sup>4</sup> <i>[insert language]</i> .
<b>13. Dispute Resolution<sup>5</sup></b>	Any dispute arising out of this Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Client's country.
<b>14. Termination</b>	The Client may terminate the Contract with at least 10 working days written notice to the Consultant after the occurrence of any of the events specified in sub-paragraphs (a) through (d) of this Clause: (a) if the Consultant does not remedy a failure in the performance of their obligations under the Contract within seven working days from the date of written notification or within any further period as may be further agreed with the Client in writing; (b) if the Consultant becomes insolvent or bankrupt; (c) if the Consultant, in the judgment of the Client, has engaged in corrupt or

<sup>3</sup> Restrictions about the future use of these documents and software, if any, shall be specified at the end of Article 8.

<sup>4</sup> The law selected by the Client is usually the law of its country. However, the Bank does not object if the Client and the Consultant agree on another law. The language shall be English, French, or Spanish, unless the Contract is entered into with a domestic firm, in which case it can be the local language.

<sup>5</sup> In the case of a Contract entered into with a foreign Consultant, the following provision may be substituted for paragraph 13: "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."

	<p>fraudulent practices in competing for or in executing the Contract.</p> <p>For the purpose of this Clause:</p> <p>"corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the selection process or in contract execution;</p> <p>"fraudulent practice" means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the Borrower, and includes collusive practice among Consultants (prior to or after submission of proposals) designated to establish prices at artificial noncompetitive levels and to deprive the Borrower of the benefits of free and open competition;</p> <p>(d) if the Client, in its sole discretion, decides to terminate the Contract.</p>
--	--

**FOR THE CLIENT**

**FOR THE CONSULTANT**

**Signed by** \_\_\_\_\_

**Signed by** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

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**List of Annexes**

Annex A: Terms of Reference and Scope of Services

Annex B: Consultant's Reporting Obligations

Annex C: Cost Estimate of Services, List of Personnel and Schedule of Rates

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## Annex C

### Cost Estimate of Services, List of Personnel and Schedule of Rates

(1) Remuneration of Staff

	Name	Rate(per month/day/ hour in currency)	Time spent(number of month/day/hour)	Total(currency)
(a)	Team Leader			
(b)				
				Sub-Total (1)

(2) Reimbursables<sup>6</sup>

	Rate	Days	Total
(a)	International Travel		
(b)	Local Transportation		
(c)	Per Diem		
			Sub-total (2)

TOTAL COST

Physical Contingency<sup>7</sup>

CONTRACT CEILING

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<sup>6</sup> To include expenses for international travel, local transportation, per diem, communications, reporting costs, visas, inoculations, routine medical examinations, portage fees, in-and-out expenses, airport taxes, and other such travel related expenses as may be necessary; reimbursable at cost with supporting documents/receipts; except for per diem (which is fixed and includes housing and \_\_\_\_\_ expenses).

<sup>7</sup> From 0 to 15 percent of total cost; use of contingency requires prior approval of the Client.

## SAMPLE CONTRACT FOR CONSULTING SERVICES / LUMP-SUM PAYMENTS

### CONTRACT No. *[insert]*

THIS CONTRACT ("Contract") is entered into this *[insert starting date of assignment]*, by and between *[insert Client's name]* ("the Client") having its principal place of business at *[insert Client's address]*, and *[insert Consultant's name]* ("the Consultant") having its principal office located at *[insert Consultant's address<sup>4</sup>]*.

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

WHEREAS, the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

<p><b>1. Services</b></p>	<p>(i) The Consultant shall perform the services specified in Annex A, "Terms of Reference and Scope of Services," which is made an integral part of this Contract ("the Services").</p> <p>(ii) The Consultant shall provide the personnel listed in Annex B, "Consultant's Personnel," to perform the Services.</p> <p>(iii) The Consultant shall submit to the Client the reports in the form and within the time periods specified in Annex C, "Consultant's Reporting Obligations."</p>
<p><b>2. Term</b></p>	<p>The Consultant shall perform the Services during the period commencing <i>[insert starting date]</i> and continuing through <i>[insert completion date]</i>, or any other period as may be subsequently agreed by the parties in writing.</p>
<p><b>3. Payment</b></p>	<p><b>A. <u>Ceiling</u></b> For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed <i>[insert amount]</i>. 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.</p> <p><b>B. <u>Schedule of Payments</u></b> The schedule of payments is specified below<sup>5</sup>: <i>[insert detailed list of payments specifying amount of each installment, deliverable/output for which the installment is paid and currency]</i></p> <p><b>C. <u>Payment Conditions</u></b> Payment shall be made in <i>[specify currency]</i>, no later than 30 days following submission by the Consultant of invoices in duplicate to the Coordinator designated in paragraph 4. Payments shall be made to Consultant's bank account <i>[insert banking details. If payment by bank wire is not possible, prior Bank approval to apply cash payments option shall be</i></p>

<sup>4</sup> Avoid use of "P.O. Box" address

<sup>5</sup> Fill in based on required outputs as described in Annex A (Terms of Reference) and Annex C (Reporting Requirements). Avoid front-loaded payments. Advance payments in contracts with firms require a bank guarantee for the same amount.



	<i>obtained]</i>
<b>4. Project Administration</b>	<p>A. <u>Coordinator</u>. The Client designates Mr./Ms. <i>[insert name and job title]</i> as Client's Coordinator; the Coordinator will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for the payment.</p> <p>B. <u>Reports</u>. The reports listed in Annex C, "Consultant's Reporting Obligations," shall be submitted in the course of the assignment, and will constitute the basis for the payments to be made under paragraph 3.</p>
<b>5. Performance Standards</b>	<p>The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory. The Consultant shall permit, and shall cause its Sub-Consultants to permit, the Bank and/or persons or auditors appointed by the Bank to inspect and/or audit its accounts and records and other documents relating to the submission of the Proposal to provide the Services and performance of the Contract. Any failure to comply with this obligation may constitute a prohibited practice subject to contract termination and/or the imposition of sanctions by the Bank (including without limitation s determination of ineligibility) in accordance with prevailing Bank's sanctions procedures.</p>
<b>6. Inspections and Auditing</b>	
<b>7. Confidentiality</b>	The Consultants 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.
<b>8. Ownership of Material</b>	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 <sup>6</sup> .
<b>9. Consultant Not to be Engaged in Certain Activities</b>	The Consultant agrees that, during the term of this Contract and after its termination, the Consultants and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than consulting services that would not give rise to a conflict of interest) resulting from or closely related to the Consulting Services for the preparation or implementation of the Project
<b>10. Insurance</b>	The Consultant will be responsible for taking out any appropriate insurance coverage.
<b>11. Assignment</b>	The Consultant shall not assign this Contract or sub-contract any portion of it without the Client's prior written consent.
<b>12. Law Governing Contract and</b>	The Contract shall be governed by the laws of <i>[insert country name]</i> , and the language of the Contract shall be <sup>7</sup> <i>[insert language]</i>

<sup>6</sup> Restrictions about the future use of these documents and software, if any, shall be specified at the end of paragraph 8.

<sup>7</sup> The law selected by the Client is usually the law of its country. However, the Bank does not object if the Client and the Consultant agree on another law. The language shall be English, French, or Spanish, unless the Contract is entered into with a domestic firm, in which case it can be the local language.

<b>Language</b>	
<b>13. Dispute Resolution<sup>8</sup></b>	Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Client's country.
<b>14. Termination</b>	<p>The Client may terminate the Contract with at least 10 working days written notice to the Consultant after the occurrence of any of the events specified in sub-paragraphs (a) through (d) of this Clause:</p> <p>(a) if the Consultant does not remedy a failure in the performance of their obligations under the Contract within seven working days from the date of written notification or within any further period as may be further agreed with the Client in writing;</p> <p>(b) if the Consultant becomes insolvent or bankrupt;</p> <p>(c) if the Consultant, in the judgment of the Client, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.</p> <p>For the purpose of this Clause:  "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the selection process or in contract execution;  "fraudulent practice" means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the Borrower, and includes collusive practice among Consultants (prior to or after submission of proposals) designated to establish prices at artificial noncompetitive levels and to deprive the Borrower of the benefits of free and open competition;</p> <p>(d) if the Client, in its sole discretion, decides to terminate the Contract.</p>

FOR THE CLIENT

FOR THE CONSULTANT

Signed by \_\_\_\_\_

Signed by \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

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<sup>8</sup> In case of a Contract entered into with a foreign Consultant, the following provision may be substituted for paragraph 13: "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."