



ELECTRICIDADE DE MOÇAMBIQUE, E.P

TENDER DOSSIER

PROCUREMENT OF CONSULTING SERVICES

for

The Feasibility Study for the Mavuzi-II Hydropower Project



Financed by



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Letter of Invitation

Feasibility Study for the Mavuzi-II Hydropower Project

Consultant Services financed by Sida

Electricidade de Moçambique (“the Client”) now invites eligible Tenderers to submit a Tender for the following consulting services (“the Services”) **Feasibility Study for the Mavuzi-II Hydropower Project**, as further described in the Terms of Reference (“the TOR”) found in the Tender Dossier. Sida will finance the “Services” by making a necessary budget available.

1. The procurement of the “Services” will be undertaken as Open Tendering in accordance with Sida Procurement Guidelines (SPG) and will follow the procedures described in the attached “Instructions to Tenderers” and “Tender Information Sheet”.
2. The firm selected will be required to enter into a contract with the Client based on the Draft Contract found in the Tender Dossier.
3. This Tender Dossier includes the following documents:
 - Letter of Invitation;
 - Section 1. Tender Information Sheet – TIS;
 - Section 2. Instructions to Tenderers – ITT;
 - Section 3. Standard Forms;
 - Section 4. Terms of Reference (ToR);
 - Section 5. Draft Contract;
 - Annex I Sida Procurement Guidelines (SPG), June 2004
 - Annex II Project Identification Study (2014)
4. For information on the general and specific rules and procedures for the preparation and submission of Tenders, please study carefully the Instructions to Tenderers, the Tender Information Sheet and the Checklist attached to Form 3A.
5. Please inform us, if you will submit a tender. Please provide also the name and e-mail address of your contact person, in order to promptly receive any clarifications or amendments to this Tender Dossier.

Yours Sincerely

.....
 Aly Sicola Impija
 Executive Board Member

Timetable in Summary

<i>Activities</i>	<i>Date and Time</i>	<i>Instructions</i>
Request for Clarifications	No later than 10 days prior to submission date	All requests for clarifications must be presented in writing by e-mail directly to the client's contact person(s) as specified in TIS section 2.1
Pre-Tender Meeting	Not applicable	Not applicable
Deadline for Submission of Tenders	2 nd July 2019 at 10:00 hrs local time	
Planned Time Period for Contract Negotiations	August, 2019	
Planned Commencement Date	December 2019	

SECTION 1. TENDER INFORMATION SHEET (TIS)

The Tender Information Sheet –TIS provides specific tender information to Tenderers related to the preparation and submission of Tenders for the “Services” that supplements the Instructions to Tenderers (ITT). Both sections should be carefully reviewed and read together by the Tenderer in its preparation of the Tender. It must be clearly understood that failure to comply with the detailed requirements of the Tender Dossier may lead to the rejection of the Tender. Tenderers should also closely study the Sida Procurement Guidelines (SPG) adopted in June 2004.

Tender Data

ITT Clause	References	Tender Information Data
1	General Information	
1.1	<i>Name of the Client:</i> <i>Phone:</i> <i>Fax:</i> <i>E-mail:</i> <i>Contact person:</i> <i>Address :</i>	Electricidade de Moçambique, +258 21353600 +258 21322074 Ines.teixeira@edm.co.mz Ms. Ines Teixeira Direcção de Desenvolvimento de Negócios 368 Filipe Samuel Magaia Ave 1st Floor Maputo
	<i>Name of the “Services”</i>	“Feasibility Study for the Mavuzi-II Hydropower Project ”

ITT Clause	References	Tender Information Data
	<i>The "Services"</i>	<p>The Services comprise an assessment of the Feasibility for the project development for the Mavuzi II site located about 60km from Chimoio city (approx. +157 meters above the sea level (meters above sea level) masl- which power production screening is around 37 MW) including recommendations on its do-ability strategy. It shall result in an accurate and dependable representation of the technical financial, economic and environmental feasibility of the project, to support decision making on the project financing, by relevant stakeholders.</p> <p>The study must include but not be limited to:</p> <ul style="list-style-type: none"> a) Hydraulic and hydrologic analysis b) Topographical Studies c) Elaboration and evaluation of Project Layout alternatives d) Preparation of Conceptual Design of the selected project alternative e) Elaboration of a geotechnical investigation program f) Elaboration of topographical maps for the project area g) Cost estimates for equipment and construction h) Computation of expected energy production i) Benefit/cost analysis & financial modelling j) Scoping of Environmental and Socio-economic Impact Assessment including RAP framework plus produce a TOR for recruiting a Consultant for the ESIA and RAP. Development impact assessment k) Reports <p>It shall be a comprehensive investigation that results in the definition of project accomplishments, performance characteristics, the operating plan, the general arrangement, an estimate of cost and a tentative plan for implementation.</p>

ITT Clause	References	Tender Information Data
Full explanation	<i>Procurement Guidelines</i>	Sida Procurement Guidelines (SPG), June 2004
	<i>Procurement Method</i>	Open Tendering without pre-qualification
	<i>Selection and Evaluation Variant</i>	Quality and Cost Based Selection (QCBS)
1.2	<i>Eligibility</i>	Open to all firms and individuals from any country with the exception of firms or individuals that are prohibited from participation by any action taken in compliance with a decision of the United Nations (UN) Security Council taken under Chapter VII of the Charter of the UN (SPG 2.2)
1.3	<i>Pre-Tender Meeting</i>	NA
1.5	<i>Downstream Work:</i>	No
1.7	<i>Formal Qualification Requirements</i>	The Tenderer shall furnish satisfactory evidence with its Tender that the firm meets all obligations under Clause 1.7 a-d) in the Instructions to Tenderers (ITT – Section 2). Failure to do this may be a ground for rejection of the Tender.

ITT Clause	References	Tender Information Data
1.8	<i>Minimum Financial and Technical Requirements</i>	<p><u>Minimum Financial Qualification Requirements</u></p> <p>The tenderer must have a solid financial base. The tenderer's latest approved annual accounts must show a liquidity ratio not less than 1 (one) and a solvency ratio not less than 15%.</p> <p>In case lower figures than the required are shown, the tenderer may still be regarded as qualified if the tenderer, in its tender, can present an explanation demonstrating that the tenderer is in a corresponding position of financial and economic stability, e.g. a guarantee issued by a parent company.</p> <p>The tenderer must sign and submit Standard Form 3E and (i) confirm that the above stated requirements are fulfilled and, if not, provide the required explanation, and (ii) confirm that the latest annual accounts (not older than two years) are approved by the auditors. Please note that Form 3E shall be submitted with the Technical Proposal.</p> <p>If a consortium or a joint venture submits a tender, each individual partner must provide the required information or documentation. However, this is not mandatory for sub-consultants.</p> <p>The tenderer shall on request submit the latest approved (not older than two years) annual accounts.</p> <p><u>Minimum Technical Qualification Requirements</u></p> <ul style="list-style-type: none"> - Documented experience of performing similar studies during the past 5 years - The Project Manager shall have at least a Bachelors' Degree in Civil Engineering with not less than 10 years' experience in the performance of similar works. - Other experts shall have at least a Bachelors' Degree with not less than 5 years' experience in similar works. - Documented Quality Management System - Documented Corporate Code of Conduct - Documented Environmental Policy
2	Clarification and Amendments	
2.1	<i>Request for Clarifications</i>	Requests for Clarifications must be received by the Client by e-mail at the e-mail address stated in Clause 1.1 above no later than 10 days prior to submission date. Response will be given in writing and sent by e-mail to all Bidders.
3	Preparation of Tenders	
3.1	<i>Language of the Tender</i>	English

ITT Clause	References	Tender Information Data
3.3 (ii)	<i>Available budget</i>	10 MSEK
3.3 (vii)	<i>Language of Reports</i>	Reports prepared as part of the “Services” must be prepared in the same language as the Tender Dossier. The Final Report shall be submitted in both English and Portuguese
3.4	<i>Limitation of Number of Pages of the Technical Proposal</i>	The extent of pages should desirably not exceed the following numbers:
(i)	<i>Summary of Technical Proposal</i>	6 pages
(ii)	<i>Bidder’s Organisation and Experience</i>	6 pages
(iii)	<i>Approach and Methodology</i>	10 pages
(iv)	<i>CV’s (each)</i>	3 pages
3.4 (vi)	<i>Distribution of Time Spent between Field Office and Home Office</i>	The main part of the assignment shall be performed in Mozambique. The home office work for the Consultant shall be strictly limited to activities that are necessary for efficiency purposes to be carried out as non-field activities, and that do not have a negative impact on the assignment objectives. The EDM expects the Consultant’s core team to be present in Mozambique 60% of the time.
3.4 (ix)	<i>Association Arrangements</i>	The Bidder may associate with sub-consultants (firms) under the conditions specified in 3.4 (ix) provided the proportion of the contract intended to be executed by the sub-consultants does not exceed 30% of the total contract amount. The formation of joint ventures is allowed.
3.6	<i>Local Expenditure</i>	NA
3.7	<i>Currency</i>	SEK
3.10	<i>Tender Validity Period</i>	Tenders shall be kept valid for 180 days beyond the deadline for submission of Tenders.

ITT Clause	References	Tender Information Data
4	Submission, Receipt, and Opening of Tenders	
4.1	<i>Submission Rules</i>	<p>The Technical Proposal and Financial Proposal shall be submitted in one original and three copies, respectively, in the language of the Tender as specified under Clause 3.1 above. The original and the three copies of the Technical Proposal shall be placed in a separate and sealed inner envelope clearly marked "Technical Proposal"; and the original and the three copies of the Financial Proposal shall also be placed in a separate and sealed inner envelope clearly marked "Financial Proposal" and warning "Do not open with Technical Proposal". Complete electronic copies (digital searchable files) of the original signed proposals shall be submitted on labelled USB sticks or CDs (separate devices for the respective technical and financial proposal and submitted in the respective separately sealed envelopes). All copies of the technical and financial proposals, including the soft copies, shall be made from the signed and initialled original, only. Files must be in PDF format. Please note that no information regarding the Financial Proposal shall be included in the envelope containing the Technical Proposal as this will lead to immediate rejection of the tender. Both envelopes shall be marked with the name and address of the Bidder and placed into an outer envelope that shall be sealed and sent to the Client. The outer envelope shall be marked as indicated in 4.2.</p>
4.2	<i>Outer Envelope Marking</i>	<p>The Submission Address is the same as stated in Clause 4.3 below.</p> <p>The outer envelope shall be marked: "Feasibility Study for the Mavuzi-II Hydropower Project "</p> <p>The name and address of the Bidder shall be written on the outer and the inner envelopes.</p> <p>The outer envelope should be marked: "DO NOT OPEN, EXCEPT IN PRESENCE OF THE TENDER COMMITTEE."</p>
4.3	<i>Deadline for Submission of Tenders</i>	<p>The Tender comprising the separately sealed Technical and Financial Proposals must be received by the Client at the address stated in Clause 1.1 not later than 2nd July 2019 at 10:00 hours local time.</p>

ITT Clause	References	Tender Information Data		
5 Tender Evaluation Procedure				
5.3	Technical Evaluation System	<div>Technical Evaluation Criteria</div> <div>Firm's Experiences</div> <div>- Specific experience of the firm related to the assignment during the past 5 years</div> <div>- Experience in Similar Countries</div> <div>Approach and Methodology</div> <div>- Understanding of the requirements</div> <div>- Adequacy of the proposed methodology and time plan</div> <div>Qualifications and competence of the key staff for the assignment in relation to requirements in the ToR</div> <div>- Team leader qualifications</div> <div>- Relevant expertise of other proposed experts</div> <div>- Team composition and gender balance</div> <div>- Team members' language skills, familiarity with conditions of countries in Sub-Saharan Africa</div> <div>Total Points:</div>		<div>Max Points</div> <div>20</div> <div>15</div> <div>5</div> <div>40</div> <div>15</div> <div>25</div> <div>40</div> <div>15</div> <div>15</div> <div>5</div> <div>5</div> <div>100</div>
	The rating system is the procedure for calculating number of points for the technical evaluation criteria. For example, a criterion of max. 20 p. evaluated as "Good" will receive 0,8 x 20 = 16 points.	<div>Rating System</div> <div>Poor¹</div> <div>Not entirely satisfactory²</div> <div>Satisfactory³</div> <div>Good⁴</div> <div>Very Good⁵</div>	<div>0%</div> <div>40%</div> <div>60%</div> <div>80%</div> <div>100%</div>	
	Minimum Technical Score	A Technical Proposal shall obtain a minimum of 70 points as a condition for further evaluation		
5.7	Financial Evaluation Formula	Sf = 100 x Fm/F, in which Sf is the financial score, Fm is the lowest price and F the price of the Proposal under consideration.		
5.8	Allocation of Weights	Tenders will be ranked according to their combined technical and financial scores using the weights T= [0,80] P= [0,20] (T+P shall be equal to 1)		

¹ Not sufficient² Sufficient in some aspects but not as a whole³ Sufficient but lacks substantial advantages or has uneven quality⁴ Adequate and well suited to the purpose⁵ Gives added value and shows high quality on the whole

ITT Clause	References	Tender Information Data
6	Negotiations	
6.1	<i>Place for Negotiations</i>	Pre-award negotiations are planned to take place at the following address: EDM – Direcção de Desenvolvimento de Negócios 368 Filipe Samuel Magaia Ave 1st Floor Maputo
7	Award of Contract	
7.2	<i>Commencement of “Services”</i>	The Consultant is expected to commence the “Services” in December, 2019

SECTION 2. INSTRUCTIONS TO TENDERERS (ITT)

1 General information

- 1.1 *"The Client"* named in the **Tender Information Sheet – TIS** will select a firm among eligible Tenderers, for providing the consulting services required for *"the "Services"'* named in the TIS, in accordance with the *"Procurement Guidelines"* specified in the TIS using the *"Procurement Method"* and the *"Selection and Evaluation Variant"* indicated in the TIS. The Client has applied to Sida (the Swedish International Development Cooperation Agency) for financing of the services, and Sida will provide such financing in accordance with *the Agreement* concluded between Sida and the Cooperation Partner.
- 1.2 *"Eligible Tenderers"*, as specified in the TIS, interested in and qualified to perform the services should submit a Tender consisting of a Technical Proposal and a Financial Proposal based on the information and instructions provided in this Tender Dossier. Failure to submit a Tender in conformity with and containing all the information required in this Tender Dossier may result in the rejection of the Tender. The Tender, if successful, will form the basis for future negotiations and may, ultimately, result in a contract between the selected firm and the Client, based on the Contract Conditions provided with this Tender Dossier.
- 1.3 To obtain more detailed and clarifying information on the "Services" and to receive responses to requests for clarifications, Tenderers may be invited, if found appropriate, to attend a *"Pre-Tender Meeting"*, including when possible a site visit. Attending the pre-tender meeting is optional. Tenderers are not allowed to contact the Client in order to arrange an own separate visit between the date of invitation to tender and the deadline for submission of tenders.
- 1.4 Please note (i) that the cost of preparing and presenting the Tender and of negotiating a contract, including any trips, is not reimbursable as a direct cost of the "Services"; and (ii) that the Client is not bound to accept any of the Tenders submitted.
- 1.5 Sida policy requires that consultants provide professional, objective, and impartial advice and at all times hold the Client's interests paramount, without any consideration for future work, and strictly avoid conflicts with other assignments or their own corporate interests. Consultants shall not be hired for any assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of not being able to carry out the assignment in the best interest of the Client. Without limitation on the generality of this rule, consultants shall not be hired under the circumstances set forth below:
 - (a) A firm which has been engaged by the Client to provide goods or works for the Project, and any of their affiliates, shall be disqualified

from providing consulting services for the Project. Conversely, firms hired to provide consulting services for the preparation or implementation of the Project, and any of their affiliates, shall be disqualified from subsequently providing goods or works or services related to the initial assignment (other than a continuation of the firm's earlier consulting services) for the Project.

- (b) Consultants or any of their affiliates shall not be hired for any assignment which, by its nature, may be in conflict with another assignment of the consultants.

The resulting contract with the selected Tenderer may, when continuity is essential, be extended to include "*Downstream Work*". In such case this possibility shall be indicated in the TIS and the factors used for the selection of the Tenderer should take the likelihood of continuation into account.

- 1.6 Sida requires clients as well as consultants to observe the highest standard of ethics during the selection and execution of consultancy contracts financed by Sida. In pursuance of this policy, Sida requires that all parties concerned take measures to ensure that contracts and purchase orders relating to Sida financing are not used as devices for the transfer of gifts, payments or other benefits to public officials and/or procurement management/staff members with decision making responsibility or influence.

For the purpose of this provision, the terms set forth below shall have the following meaning:

"corrupt practice" means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official, or the threatening of injury to person, property or reputation in connection with the procurement process or in contract execution in order to obtain or retain business or other improper advantage in the conduct of business; and

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

Sida reserves the right where a client, firm or individual has been found by a judicial process, or an official enquiry undertaken by any of the IFIs or bilateral donors, or by an independent review of Sida, to have engaged in corrupt or fraudulent practices to cancel all Sida financing for such client, firm or individual. In a contract financed by Sida, a provision shall be included requiring firms or individuals to permit Sida to inspect their accounts and records relating to the performance of the contract and to have them audited by auditors appointed by Sida.

- 1.7 The Tenderers shall, unless otherwise stated in the TIS, meet the following *Formal Qualification Requirements as listed below*.

A Tenderer is required to include in its Tender evidence in the manner as stated in the TIS, that it:

- a) is registered by a national Registrars of Companies and a Trade Association (Patent och Registreringsverket, PRV or a corresponding national official register for non- Swedish firms);
- b) is registered for declaration and payment of value added tax or a similar sales tax in accordance with national legislation;
- c) has declared preliminary taxes for staff and employee contributions; and
- d) is free from debts regarding taxes and social security contributions.

Failure to furnish such information may be a ground for rejection.

A Tenderer not registered by the PRV or by a corresponding national official register as well as one not registered for declaration and payment of value added tax in accordance with national legislation, when so is required, will be excluded from participation in the tender proceedings.

- 1.8 As indicated in the Letter of Invitation, in case no shortlist is established, any interested firm may submit a Tender. However, only Tenderers who meet the *“Minimum Technical and Financial Qualification Requirements”* as specified in the TIS, will be subject to further evaluation.
- 1.9 A Tenderer may be excluded from the evaluation and the award of a contract, who:
- a) is bankrupt or is being wound up, whose affairs are being administered by court, who has entered into an arrangement with creditors, who has suspended business activities or who is subject of an injunction against running business by court;
 - b) is the subject of proceedings for a declaration of bankruptcy, for an order for compulsory winding up or administration by court, or for an arrangement with creditors or of any other similar proceedings;
 - c) has been convicted of an offence concerning his professional conduct by a court;
 - d) has been found guilty of grave professional misconduct;
 - e) has not fulfilled obligations relating to payments of taxes or social security contributions.

- 1.10 When so mentioned in the Letter of Invitation , Sida may have agreed with the Client to provide procurement assistance in the engagement of the Consultant firm by the retaining of a Procurement Expert Team

2 Clarification and Amendments to the Tender Dossier

- 2.1 Tenderers may request a clarification of any of the documents of the Tender Dossier *“up to the Number of Days”* indicated in the TIS before the Tender submission date. Any request for clarification must be sent in writing by paper mail, fax or electronic mail to the Client’s Address indicated in the TIS. The Client will respond by paper mail, fax or electronic mail to such requests and will send copies of the response to all Tenderers who have announced to the Client their intent to submit proposals. Responses to the Request for Clarifications may also be prepared in conjunction with a Pre-tender Meeting, if arranged.
- 2.2 At any time before the submission of Tenders, the Client may, for any reason, modify the Tender Dossier documents by amendment. The amendment will be sent in writing by paper mail, fax or electronic mail from the Client to all consultants who have announced to the Client their intention to submit Tenders and will be binding on them. The Client may at its discretion extend the deadline for the submission of Tenders.

3 Preparation of Tenders

- 3.1 Tenderers are requested to submit the Tender, composed of a Technical Proposal and a Financial Proposal, written in *“the Language”* indicated in the TIS. The Tender should be concise, written in a clear language, and should not contain excessive material. Tenders, which materially deviate from the guidelines given below, may be rejected. Both the Technical Proposal and the Financial Proposal shall be signed by authorised representative(s) of the Tenderer. In case authority to sign is not by registration, a power of attorney shall be included with the Tender. The original Tender shall be prepared in indelible ink. It shall contain no interlineations or overwriting, except as necessary to correct errors made by the Tenderer itself. Any such corrections must be initialled by the persons or person who sign(s) the Tender. An authorized representative of the Tenderer shall initial all pages of the Financial Proposal.

Technical Proposal

- 3.2 In preparing the Technical Proposal, Tenderers are expected to examine the documents comprising this Tender Dossier in detail. Material deficiencies in providing the information requested may result in rejection of a Tender.
- 3.3 While preparing the Technical Proposal, Tenderers must give particular attention to the following:

- (i) If a Tenderer considers that it does not have all the expertise for the "Services", it may obtain a full range of expertise by associating with individual consultant(s) and/or, when so allowed and stated in the TIS, other eligible firms or entities in a joint venture relationship or sub-consultancy, as appropriate.
- (ii) For assignments on a staff-time basis, "*the Estimated Number of Professional Staff-months*" is indicated in the TIS, when so found appropriate. The Tender shall, however, be based on the number of professional staff-months estimated by the Tenderer.
- (iii) When found appropriate, the *Ceiling Budget* for the "Services" is given in the TIS.
- (iv) It is desirable that the majority of the key professional staff proposed be permanent employees of the Tenderer or have an extended and stable working relationship with it.
- (v) Proposed professional staff must, at a minimum, have the experience indicated in the TOR, preferably working under conditions similar to those prevailing in the country of the "Services".
- (vi) Alternative professional staff shall not be proposed, and only one curriculum vitae (CV) may be submitted for each position.
- (vii) Reports to be issued by the consultants as part of these "Services" must be in the "*Language(s)*" specified in the TIS.

3.4 The Technical Proposal should provide the following information, using the attached standard forms:

- (i) **Summary of the Technical Proposal**
Description of key features of the Technical Proposal, the special competence provided by the Tenderer, and the main objectives as perceived by the Tenderer. This section should be limited to the "*Number of Pages*" indicated in the TIS.
- (ii) **Tenderer's Organisation and Experience**
A brief description of the Tenderer's organisation and an outline of recent experience on assignments of a similar nature. For each assignment, the outline should indicate, inter alia, the profiles and names of the staff provided, duration of the assignment, contract amount, and Tenderer's involvement. This section should be limited to the "*Number of Pages*" indicated in the TIS, but may be supplemented by reference lists and brochures.

(iii) **Approach and Methodology**

A short description of the methodology, for each item⁶, by which the Tenderer proposes to execute the services, including any field work, on-the-job training, transfer of know-how or similar activity included. The description should follow closely the structure of the TOR, provide comments (if any) to the TOR and indicate for each item tangible output and its format. For each item, any data, services, and facilities expected to be provided by the Client, shall be listed. This section should be limited to the “*Number of Pages*” indicated in the TIS.

(iv) **CV's**

CVs of each individual team member in the format specified in Section 3. Standard Forms shall be submitted with the Tender. CVs have to be signed by the proposed staff member and the authorized representative submitting the Tender, when so expressly required by the TOR. Key information should include number of years working for the firm/entity, and degree of responsibility held in various assignments during the last ten (10) years. A letter of willingness and availability to participate on an exclusive basis with the Tenderer for the proposed “Services” is required from all independent consultants, (not employed with the Tenderer). Each CV should be limited to the “*Number of Pages*” indicated in the TIS.

(v) **Work Plan/Time Schedule**

The work programme should include (i) an organisation chart, (ii) a bar chart of items and sub-items and graphics, or PERT methodology, of the work plan proposed by the Tenderer, where each item should be broken down in sub-items, with start date, completion date, and milestones (e.g. reports) clearly indicated.

(vi) **Team Composition**

Project management arrangements, the composition of the core team, a description of each individual on the core team, his/her specific responsibility and tasks, and expected local consultants' participation. The team leader should be specifically identified. The members of the support team should also be described to the extent required by the TOR. The Tenderers are encouraged to include both women and men in their team.

(vii) **Total Time Input**

Estimate of the total staff input of time (core team and support staff) to be provided to carry out the “Services” indicating for each month and each core team member amount of time spent in the country of the “Services” and amount of time spent in the Tenderer's home country.

⁶ Items = “activities” to be carried out in self-contained assignments such as feasibility studies and project designs; = “tasks” for which the consultants will be responsible in assignment consisting mainly in the provision of specialized staff.

"Time spent" by foreign consultants *"in the home office"* shall be limited as indicated in the TIS.

(viii) **Eligibility and Minimum Qualification Requirements**

Documentary evidence that the Tenderers comply with the requirements stated in Sub-clauses 1.2 and 1.8.

(ix) **Association Arrangements**

The proposed *Association Arrangements*, if any allowed as indicated in the TIS, shall be clearly indicated in the Tender. A letter of association agreement from an included sub-consultant(s) agreeing to exclusively associate with the Tenderer shall be attached to the Tender.

In case the formation of a joint venture is allowed, as indicated in the TIS, the Tender shall be signed by all partners of the joint venture, so as to legally bind all partners, jointly and severally, and the tender shall be submitted with a copy of the joint venture agreement providing for joint and several liability with respect to the contract, including the nomination of the lead firm of the joint venture.

(x) **Facilities**

If applicable, in addition to the facilities provided by the Client as described in the TOR, the Tenderer shall provide an estimation of requirements for office and other related facilities, staff accommodation requirements, that the consultant will use in the field for carrying out the proposed services and of which would have to be covered by the budget of the contract.

- 3.5 The Technical Proposal shall not include any financial information relating to the cost of the "Services".

Financial Proposal

- 3.6 The Financial Proposal should follow the financial proposal form attached to the Tender Dossier. It should list all costs associated with the "Services", including as applicable and indicated in the financial proposal form, (a) remuneration for staff (foreign and local, in the field and at home office), and (b) reimbursable expenses such as subsistence (daily allowances, hotel costs, and housing), transportation (international and local, for mobilization and demobilization), office rent, international telecommunication, insurance, printing of documents, surveys, and training, if it is a major component of the assignment and (c) equipment (vehicles, office equipment, furniture, and supplies). If appropriate, these costs should be broken down by activity and, if appropriate, into foreign and local expenditure. *"Local expenditure"* incurred by the consultant (not provided by the Client) may, as indicated in the TIS, be eligible with no restriction or up to a certain percent (X %) of the contract amount in accordance with the Agreement. The Consultant shall economize as much as possible with regard to reimbursables, by e.g. using economy class travel when possible, and by avoiding to split activities to be performed

in the country of the "Services". The Consultant shall be responsible for all direct and indirect tax liabilities (if any) arising out of, or connected to, the performance of the services wherever they arise, including but not limited to the country of the "Services".

- 3.7 Costs must be expressed, and will be paid, in SEK (Swedish Kronor), unless any other *currency* in addition to SEK is accepted as specified in the TIS. Costs shall be specified exclusive of VAT.
- 3.8 There shall be no commissions and gratuities, paid or to be paid by consultants and related to the "Services" included in the Financial Proposal.
- 3.9 The Client and Sida will retain the right to audit, both during and after the services, the selected firm's accounts and cost records relevant to the services.
- 3.10 The Tenders shall remain "*Valid for the Number of Days*" after the submission date indicated in the TIS. During this period, the Tenderers are required to keep available the professional staff proposed for the "Services". The Client will make its best effort to complete negotiations within this period. If the Tender validity period is extended, the Tenderers have the right not to maintain the validity of their Tenders.

4 Submission, Receipt, and Opening of Tenders

- 4.1 The Technical Proposal shall be prepared in one original and in the "*Number of Copies*" as indicated in the TIS. The Financial Proposal shall be prepared in one original and in the "*Number of Copies*" as indicated in the TIS. The Proposals should be marked "Original" or "Copy" as appropriate. If there are any discrepancies between the original and the copies of the Proposal, the original governs.
- 4.2 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "Technical Proposal," and the original and all copies of the Financial Proposal in a sealed envelope clearly marked "Financial Proposal" and warning: "Do Not Open with the Technical Proposal." Both envelopes shall be placed into an outer envelope and sealed. This outer envelope shall bear the "*Submission Address and Other Information*" indicated in the TIS and be "*Clearly Marked*" as indicated in the TIS.
- 4.3 The completed tender comprising the Technical and Financial Proposals must be delivered at the submission address on or before the "*Submission Time and Date*" stated in the TIS. Any Tender received after the deadline will be returned unopened
- 4.4 The Technical Proposals shall be opened immediately after the closing time for submission of Tenders by a committee of at least three officials in a non-public session. Tender opening minutes shall be prepared. The Financial

Proposals shall remain sealed and deposited in safe custody until the Technical Proposals have been evaluated.

5 Tender Evaluation Procedure

General

- 5.1 From the time the Tenders are opened to the time the contract is awarded, if any Tenderer wishes to contact the Client on any matter related to its Tender, it should do so in writing (paper mail, fax or electronic mail) at the contact address indicated in the TIS. Any effort by the Tenderer to influence the Client in the tender evaluation, tender comparison or contract award decision may result in the rejection of its Tender
- 5.2 Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation, including Sida's review and issuance of a "no objection" letter, is concluded.

Evaluation of Technical and Financial Proposals

- 5.3 The Client will appoint three members to an evaluation committee that will carry out the evaluation of the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the *"Evaluation Criteria and Point System"* specified in the TIS. The technical evaluation should commence with the assessment of the Tenderers' qualifications to determine that the minimum qualification requirements are met, thereby being eligible to participate in the tender proceedings. The preparation and evaluation of Tenders will, if so required by Sida and indicated in the Invitation to Tender and the TIS, be performed with the assistance of a consultant.. Each responsive Technical Proposal will be given a technical score (St). A Tender shall be rejected at this stage if it does not respond to important aspects of the Terms of Reference or if it fails to achieve the *"Minimum Technical Score"* indicated in the TIS.
- 5.4 The evaluation committee may interview the key experts proposed in the technically compliant tenders, after having established its written provisional conclusions but before concluding the technical evaluation. The date and time of any such *interview*, if any, will be confirmed or notified to the Tenderers in advance and given sufficient notice.
- 5.5 The name of the Tenderer, the quality scores, and the proposed prices shall be recorded when the Financial Proposals are opened. The Client shall prepare minutes of the opening.
- 5.6 The evaluation committee will determine whether the Financial Proposals are formally correct, complete and check for any computational errors. Computational errors will be corrected at the Client's discretion. In case a Ceiling Budget has been specified in the TIS, Financial Proposals that exceed this budget will run the risk to be rejected.

- 5.7 The lowest Financial Proposal (price= F_m) will be given a financial score (S_f) of 100 points. The financial scores (S_f) of the other Financial Proposals will be “*Computed*” as indicated in the TIS. Proposals will be ranked according to their combined technical (S_t) and financial (S_f) scores using the “*Weights*” (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; $T + P = 1$) indicated in the TIS: $S = S_t \times T + S_f \times P$. The Tenderer achieving the highest combined technical and financial score will be invited for negotiations.

6 Negotiations

- 6.1 Negotiations between the Client and the invited firm will be held at the “*Address for Negotiations*” indicated in the TIS. The aim is to reach agreement on all out-standing points and record the agreement reached in the Minutes of Negotiation, which shall be signed by both parties. The representative conducting negotiations on behalf of the consulting firm shall have written authority to negotiate the financial and other terms and to conclude a binding agreement. The agreed Minutes of Negotiation will form part of the Contract.
- 6.2 Negotiations will include a discussion of the Technical Proposal, the proposed methodology, work plan, staffing and any suggestions made by the Tenderer to improve the Terms of Reference. The Client and the firm will record in the Minutes of Negotiation any agreed changes to the Terms of Reference, the proposed staffing, the Work Plan and the proposed Time Schedule. During negotiations, special attention should be paid to optimising the required outputs from the firm within the available budget and to clearly defining the inputs required from the Client to ensure satisfactory implementation of the “*Services*”.
- 6.3 The financial negotiations will include a clarification of the firm's tax liability in the Client's country (if any), and how it will be reflected in the contract and will reflect the agreed technical modifications in the cost of the services. Tax issues related to Sida's financing shall be addressed in the Agreement concluded between Sida and the Cooperation Partner, but Sida is not liable under any circumstances to the Tenderers for the correct application of tax laws and regulations in the country of the Client. The financial negotiation will review the reimbursables with regard to Clause 3.6 above. The financial negotiations will not, unless there are exceptional reasons, involve the remuneration rates for staff.
- 6.4 During contract negotiations, the Client will require assurances that the proposed experts will be actually available. The Client will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the “*Services*”. If this is not the case and if it is established that key staff were offered in the Tender without confirming their availability, the firm may be disqualified.

- 6.5 The negotiations will conclude with a review of the draft form of the contract. To complete negotiations the Client and the firm will initial the agreed contract. The initialled contract and the Minutes of Negotiation shall be submitted to Sida for its review and “no objection” prior formal signing of the contract may take place between the parties. If negotiations fail, the Client will invite the firm that received the second highest score to contract negotiations.

7 Award of Contract

- 7.1 Following successful negotiations and subject to the issuance by Sida of its “no objection” to the draft contract, the contract shall be duly signed by both parties. After the contract has been signed, the Client will promptly notify in writing other Tenderers who submitted Tenders that they were unsuccessful and attach for their review the tender evaluation report.
- 7.2 The firm is expected to commence the “Services” on the “*Date and at the Location*” specified in the TIS.
- 7.3 *Payments* under the resulting contract will be made in accordance with the procedures and under the conditions specified in the draft Contract in conformity with the provisions of the Agreement or as otherwise determined by Sida as indicated in the TIS.

8 Confidentiality

- 8.1 Information relating to evaluation of Tenders and recommendations concerning awards shall not be disclosed to the Tenderers who submitted the Tenders or to other persons not officially concerned with the process, until Sida’s “no objection” to the contract has been obtained. In case Sida being the contracting party the tender evaluation process from the date of issuance of the invitation to tender up to the award of contract is confidential.

9. Client’s right to accept or to reject any tender

- 9.1 The Client reserves the right, subject to Sida’s “no objection”, to accept or reject any tender, and to cancel the tender process and reject all tenders at any time prior to award of the contract, without thereby incurring any liability to the affected tenderer or tenderers.

SECTION 3. STANDARD FORMS

The following standard forms shall be used by the Tenderers in their preparation of the Tenders:

Technical Proposal

- Form 3 A. Technical Proposal Submission Form, including checklist for fulfilment of minimum formal, financial and technical qualification requirements
- Form 3 B. Information on Reference Assignments for which your firm, either individually or as one of the major companies within an association, was legally contracted.
- Form 3 C. Composition of team, staff time
- Form 3 D. Curricula Vitae of Proposed Professional Staff
- Form 3 E. Minimum Financial Qualification Requirements

Financial Proposal

- Form 3 F. Financial Proposal Submission Form
- Form 3 G. Financial Proposal Form

Form 3A. Tender Submission Form

To: [Name and address of Client](#)

[Location, Date](#)

Ladies/Gentlemen:

Consulting Services: [Name of the Assignment, Contract Number](#)

We, the undersigned, offer to provide the consulting services for the above mentioned project in accordance with your Invitation to Tender, and our Tender. We are hereby submitting our Tender, which includes this Technical Proposal and a Financial Proposal sealed under a separate envelope.

We, the undersigned, confirm that the firm and any associates are not in any position subject to or guilty of any of the issues specified in ITT clause 1.9 a) – e).

If negotiations are held during the period of validity of the Tender, i.e., before [state date](#) we undertake to negotiate on the basis of the proposed staff. Our Tender is binding upon us and subject to the modifications resulting from contract negotiations.

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

Yours sincerely,

Authorized Signature:

Name and Title of Signatory:

Name of Firm:

Address:

Attachment:

Checklist for Fulfilment of Formal and Minimum Qualification Requirements

Checklist for Fulfilment of Formal and Minimum Qualification Requirements

Please indicate in the right column where in your proposal that the evidence of fulfilment of the minimum qualification requirements can be found.

Ref.	Documents and information included in the Technical Proposal	Page number(s) in the Technical Proposal
Form 3A	Tender Submission Form (completed and signed)	
ITT 1.7 a)	Copy of registration by a national Registrars of Companies and a Trade Association or similar in accordance with national legislation	
ITT 1.7 b)	Copy of registration for declaration and payment of value added tax or a similar sales tax in accordance with national legislation	
ITT 1.7 c)	Evidence that the Tenderer has declared preliminary taxes for staff and employee contributions	
ITT 1.7 d)	Evidence that the Tenderer is free from debts regarding taxes and social security contributions	
ITT 1.8	Form 3E: Minimum financial qualification requirements (ticked as appropriate and signed)	
ITT 1.8	Evidence that the Tenderer has experience of performing similar studies during the past 5 years	
ITT 1.8	The Project Manager have at least a Bachelors' Degree in Civil Engineering with not less than 10 years' experience in the performance of similar works.	
ITT 1.8	Other experts have at least a Bachelors' Degree with not less than 5 years' experience in similar works.	
ITT 1.8	Documented Quality Management System	
ITT 1.8	Documented Corporate Code of Conduct	
ITT 1.8	Documented Environmental Policy	

Form 3B. Firm's ReferencesFirm's Name: [state name](#)Ref. no: [state ref.](#)**Relevant Services Carried out in the Last Five (5) Years That Best Illustrate Qualifications**

ASSIGNMENT NAME:	COUNTRY:
state name	state country
Name of Client: state name	Location: state location
Client's contact person: state name	Phone: state phone no. Fax: state fax no.
Narrative Description of Project: describe	
Description of Actual Services Provided by Your Firm: describe	Value of Services: state Start date: state date Completion date: state date No of Staff-Months: state
Professional Staff Provided by Your Firm (list profiles): state	List no of Staff-Months: state
Name of Associated Consultants, if any: state	List no of Staff-Months Provided by Associated Consultants: state
Name of Senior Staff (Project Director/Coordinator, Team Leader) involved and functions performed: state	

3 C. Composition of Team, Staff Time

1. CORE TEAM			
Name	Position/Task assignment	No. days field work	No. hours home office work
2. SUPPORT STAFF			
Name	Assignment	No. days field work	No. hours home support

3D. Format of Curriculum Vitae (CV) for Proposed Professional Staff

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 Relevant to the Assignment:

[Give an outline of staff member's professional experience most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations. Years. Give types of activities performed and client references, where appropriate. Use about three-quarters of a page.]

Education:

[Summarize college/university, other specialized education and training 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, giving dates, names of employing organizations, positions held/work performed, and locations of assignments. Use about one quarter of a page]

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, and that I will be available to work on the assignment as indicated in the Proposal if it will be successful.

Date:

Signature of staff member

Signature of authorized representative of the Firm

3 E. FORM FOR MINIMUM FINANCIAL QUALIFICATION REQUIREMENTS

(To be included in the envelope with the **Technical Proposal!**)

We hereby confirm that

Name of company	VAT No.

Please mark relevant box(es)!

- ☐ the part of the company comprising the activity within the range of this procurement has a liquidity ratio (Current assets/Short term liabilities) of not less than 1 and a solvency ratio (Share holders equity +(0.7 x Untaxed reserves)/Total assets) not less than 15% and that the basis of the calculation is the figures accounted for by the latest approved annual accounts.
- ☐ the company does not account for the figure requested for, due to the reason **<specify>** and that the company is in the possession of corresponding financial and economic stability.
- ☐ the auditor's report reflects that the annual accounts have been prepared in accordance with applicable law and give a true and fair view of the company's financial position and results of operations and in accordance with generally accepted accounting principles. The auditor's report also contains a recommendation that the members of the Board of Directors and the Managing Director be discharged from liability.

Place and date	
Signature	
Name in block letters	
Position	

Form 3 F. Financial Proposal Submission Form

To: **Name and address of Client**

Location, Date

Ladies/Gentlemen:

Consulting Services: **Name of the Assignment, Contract Number**

We, the undersigned, offer to provide the consulting services for the above-mentioned project in accordance with your Invitation to Tender, and our Tender (Technical and Financial Proposals). Our attached Financial Proposal is for the sum of **state sum and currency** (excluding VAT and Withholding Tax).

state amount in words and figures, excluding VAT and Withholding Tax.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from contract negotiations, up to expiration of the validity period of the Proposal, i.e. **state date**.

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

Yours sincerely,

Authorized Signature:

Name and Title of Signatory:

Name of Firm:

Address:

3 G. Financial Proposal Form

1. Fees (Remuneration)

Consultants

Currency SEK

Name of Expert	Job Title	Weeks in the Field	Weekly rate	Total fee in the Field	Hours in the Home Office	Hourly rate	Total fee in the home office	Total
Total								0.00

REIMBURSABLE EXPENSES

2. Daily Allowance

Name/Place	Per Day	N° of Days	Total
	288		
Total			0.00

3. Accommodation Costs: hotel costs and/or housing costs

Name/Place	N° of Nights	Cost per Night	Total
Total Accommodation Cost			0.00

4. Air Travel: (Economy Class Fare or Equivalent)

Name/Routing	Fare	No of Flights	Total
Total Air Travel			0.00

5. Local Travel: (Travel from home to departure airport and return, and reasonable local travel when abroad.)

Routing / Place	Mode of transport	Distance	Rate	Total
Total Local Travel				0.00

5. Miscellaneous:

Visas	0.00
Reports	0.00
Communications	0.00
Other Miscellaneous Expenses (to be specified if applicable)	0.00
Miscellaneous Total	0.00
TOTAL REIMBURSABLE EXPENSES	0.00

TOTAL MAXIMUM PAYMENT net of Contingencies	0.00
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5. 6.Contingencies:

(utilisation only after prior approval in writing by the Client)	0.00
TOTAL MAXIMUM PAYMENT incl. Contingencies	0.00

SECTION 4. TERMS OF REFERENCE

TERMS OF REFERENCE

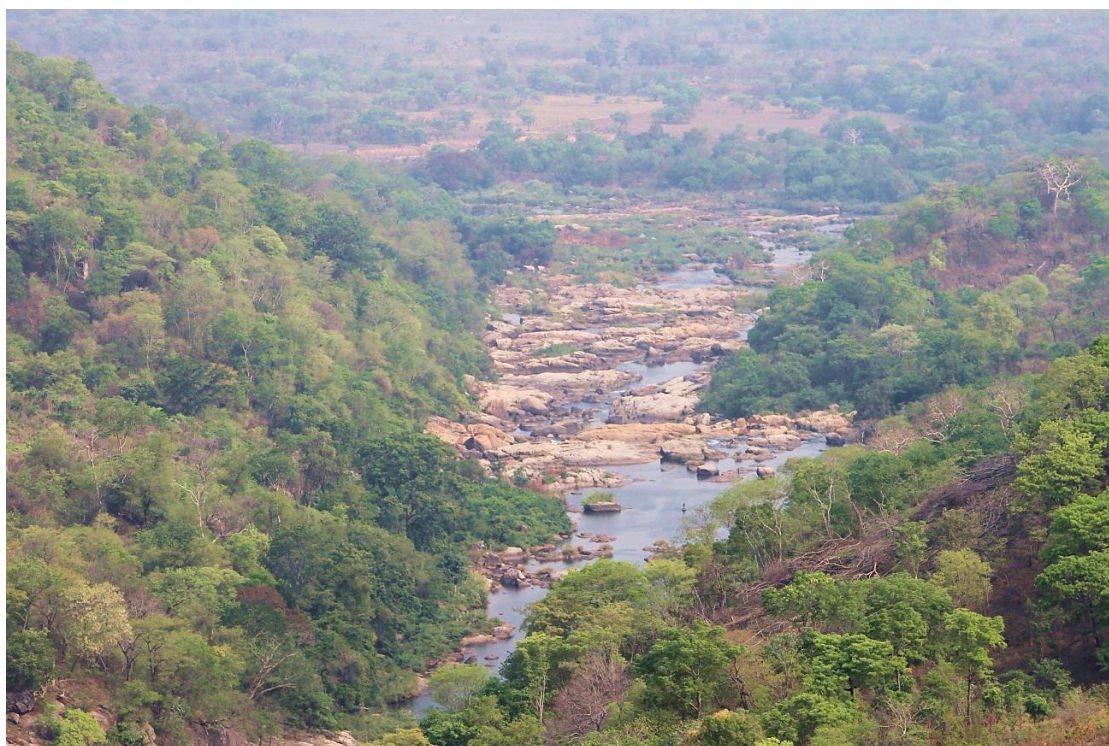


ELECTRICIDADE
DE MOÇAMBIQUE, E.P.

Consultancy Services

for

the Mavuzi-II Hydropower Project



Maputo, March 2019

FEASIBILITY STUDY FOR THE MAVUZI II HYDROPOWER PROJECT

1. Background

The National Development Strategy (2015-2035), approved in July 2014, defines the Government of Mozambique's (GoM) main development strategic lines in order to achieve the goal of "raise the population's life quality through the structural transformation of the economy and the expansion and diversification of the production base".

An essential objective in the Government's development agenda includes promotion and the development of renewable energies, diversification of the national energy matrix, contributing to the achievement of the objectives defined in the Integrated Master Plan and in the National Electrification Strategy. This includes achieving the target of universal access to energy by 2030 and positioning Mozambique as a regional energy hub.

A core development challenge as for Electricidade de Moçambique, E.P (EDM) is to provide quality electricity to expand generation and transmission capacity to meet growing demand, promote industrial development and widen access to rural and peri-urban areas.) is shown in appendix 1.

This, however, requires reliable and updated information about production characteristics, construction costs and the environmental impact for several potential sites which can then be ranked against each other. Such information, in Mozambique is only available for a few potential investments. Two feasibility studies have been carried out recently, namely for the site Mphanda Nkuwa on the Zambezi river, and the Lurio II on the Lurio river. In addition, the ESIA of the Feasibility Study for the Tsate Hydropower Project is being executed and the technical studies were finalized by the end of 2015. For other candidates only desk-studies exist, many of them very old and with completely outdated information pertaining to design characteristics and construction cost estimates.

EDM is planning to reinforce electricity production in Mozambique with the addition of the Mavuzi II Hydroelectric Power Plant (HPP) Project. The main objective for the development of the HPP is to increase by 37 MW the production and supply of electricity generated from renewable sources in the region. The HPP Project is located in central Mozambique on the Revué River in Manica Province, approximately 60 km by road from the provincial capital of Chimoio. The Project site is downstream of existing Mavuzi HPP. The HPP is expected to have an installed capacity of 37 MW and annual average production of 100 GWh .

A suitably qualified consultant is required to provide expert services to Electricidade de Moçambique (EDM) for the Feasibility study of the development of the Mavuzi II hydropower facility in Revue River basin just downstream of the existing Mavuzi hydropower station. The aim is to pursue an independent and accurate investigation on the feasibility of the identified potential at Mavuzi II site which power producing screening account for about 37 MW. The project area is shown in Appendix 1.

The Mavuzi II Project is in line with the strategic goals of infrastructure development of the GoM and it is a cornerstone in providing reliable electrical energy to central and northern Mozambique and neighboring countries. Direct and indirect benefits for local populations are numerous. This project is expected to secure investments, and support local industries and businesses. The implementation of the project will also allow a large number of people to be supplied by energy in Central and Northern Mozambique.

In rendering the services, the consultant shall make regular reference through written task reports and briefings to EDM to advice on the progress and status of the study. EDM encourages the tenderers to make observation to the TOR when preparing the offers. Tenderers are encouraged to point out items missing or under- and over-emphasized in the professional opinion of the Tenderer.

2. Study Objectives

The Revué River has previously been subject to Studies on the development of hydroelectric power generation. These studies have led to identification of four potential sites in cascade namely Muenezi, Tsate, Mavuzi II and Mavuzi III between the existing main regulation reservoir Dam of Chicamba (625 meters sea level) and downstream of Mavuzi Hydropower Plant (108 meters sea level) with a total estimated potential of 140 MW and production of 1000 GWh/year. See Appendix 2.

The main objectives of the Feasibility Study are to propose a viable project development for the Mavuzi II site (approx. +157 masl) and to make recommendations on a development strategy. It shall result in an accurate and dependable representation of the technical, economical, financial and environmental and social feasibility of the project.

It shall be a comprehensive investigation of the Mavuzi II Hydropower Project that results in the definition of project accomplishments, performance characteristics, the operating plan, the general arrangement, an estimate of cost and a tentative plan for implementation.

The study must include but not be limited to:

- Hydraulic and hydrologic analysis
- Topographical Studies

- Geological and Geotechnical studies
- Elaboration and evaluation of Project Layout alternatives
- Preparation of Conceptual Design of the selected project alternative
- Access the power evacuation capacity and propose if any addition to be added
- Cost estimates for equipment and construction
- Time schedule
- Development impact assessment
- Computation of expected energy production
- Benefit/cost analysis and financial modeling
- Scoping of Environmental and Socio-economic Impact Assessment (ESIA)
- Produce TOR for recruiting Consultant to undertake full ESIA and RAP
- The Consultant shall investigate the roads toward the premises

To this end, EDM targets to:

- Conclude about the feasibility of the identified hydropower potential at Mavuzi II site, which power production screening is around 37 MW, through evaluations, analysis and cost-based definitions and benefits that can be achieved in accordance with the present Terms of Reference and thereby determine whether it is worthwhile to allocate funds and effort for the further development of the project.
- Support elaboration of the documents needed to prepare and file for appropriate environmental licensing, obtain necessary authorizations, and to obtain funding for project design and construction.
- Review of other potential development constraints (financing, environmental regulatory or public opinion) and thereby promote necessary actions close to public and private entities aiming to obtain financing and optimize the use of the existing natural resources in the project area and thereby promote its integration in the region.
- Give support to decision making with regards to purchase negotiations and the start-up of constructions activities.

In order to achieve the above mentioned objectives it is necessary that the studies be made in uniform and homogenous form, using basic criteria that shall guide the quality and quantity of the studies. The feasibility study shall be performed with reliable and accurate data which are available or acquired during the course of the study. The basic data, analysis, and results shall be such that no future alterations or refinements will cause any significant changes in cost, benefits, and time schedules so as to adversely affect for the project.

As such, the consultant is expected as a minimum to:

- (i) For the selected potential site at Mavuzi II in the Revué River, optimize and refine the assessment reached in the Project Identification Study prepared by Sweco International AB in 2014;
- (ii) Identify the best technical, economical, financial and environmental i.e. the optimal project alternative and for the selected alternative, assert that the project complex technical, economical, financial and environmental viability and then;
- (iii) Prepare detailed facility design for civil works and electromechanical equipment needed for the project implementation i.e. construction and installation.
- (iv) Provide the project development strategy and time plan.
- (v) Review all potential development constraints and recommend mitigation measures.
- (vi) Deliver a bankable project feasibility report to present to financing entities to support project implementation.

The Tasks to be performed by the consultant will utilize data and available studies at EDM, as well as other information furnished by the Grantee and the Office of National Water Authority (DNA/MOPHRH), Central Region Water Authority (Ara-Centro) Ministry of Environment Affairs and Rural Development (MITADER) Electricity Directorate of the Ministry of Energy and Mineral Resources (“DNE/MIREME”) in the host Country. Additional Information on the current and projected electric generation loads and demand profiles will be available from the Integrated Master Plan 2017-2042 (“IMP”) EDM Strategy 2018-2028, Electrification Strategy, Feasibility Study for the Tsate Hydropower Project, Generation Master Plan Study (“GMPS”) and potentially other sources.

Additional information on other hydroelectric projects in the country and relevant environmental information will be gathered from Ministry of Environment and Rural Development (“MITADER”).

The available studies at EDM:

- Generation Master Plan, Norconsult 2009
- Mavuzi II Hydro Power Project - Project Identification Study, SWECO 2014
- Tsate FS, Lahmeyer Int’l and Tecnica Engenheiros Consultores (2015)
- Integrated Master Plan (2017-2042). JICA
- National Electrification Strategy (NES)
- EDM Strategy 2018-2028

3. Justification and Expected Socio-Economic Impact

The Government of Mozambique (GoM) Development Plan highlights Agriculture, energy, infrastructure and tourism as the four priorities which are centered on increasing employment, productivity and competitiveness to improve the living conditions of the Mozambicans in rural areas and urban areas, in an atmosphere of peace, harmony and tranquility, thus, consolidating democracy and participatory and inclusive governance.

With regards to specific strategies for the different energy subsectors, the Government recognizes the need to implement strategic initiatives, including encouraging the participation of the private sector in power generation projects. The electric power strategy recommends the expansion of electricity production capacity to the domestic market and for export.

Electricity is a key commodity for development. This requires harnessing the country's natural resource advantages fully, in conjunction with local and foreign capital. In doing so EDM will support the aim of the GoM to achieve 58% access to the grid by 2030 and 100% access by 2030.

Achieving the above mentioned goal by 2030 is an enormous challenge that will always matching supply and demand by increasing power availability and improvement of the system reliability through implementation of the short, medium and long term investments.

According to the Integrated Master Plan (IMP), power availability and demand forecasts Mozambique will experience an electricity shortfall around 2020. After 2021, the least-cost generation expansion predicted in IMP will allow the Country to have an energy surplus which can be traded at a competitive price in the regional Market.

Already a considerable number of investments (national and international) in areas such as agriculture, agro – industry, mining and heavy sands, smelters, and others are on standby due to the inability of EDM to guarantee power supplies.

The Mavuzi II Project under assessment proposes the construction of a hydroelectric power generation infrastructure, which will also provide base load power from nationally available renewable energy sources. This infrastructure has the potential to substantially increase EDM's existing annual energy generation, and as such is in full alignment with the infrastructure development strategic goals defined in the National Development Strategy for the period 2015-2035.

The generated power will improve the quality and reliability of the electricity provision in the provinces of Manica and Sofala. This will enhance access to electricity for the population of the two provinces and hence contribute to sustainable socio-economic

development. Combined with energy generation, the project will boost the emergence of other economic activities that can contribute to the development of the region, such as ensuring water supply for agriculture, fish farming and safe water for drinking and sanitation.

Sustainable and reliable hydro power production is crucial for EDM to provide power for the development of the Mozambican economy and welfare to the society in general. Access to modern and renewable energy to increase country's electrification is one of the means to create better living conditions and alleviate poverty in Mozambique.

4. Scope of work and tasks to be performed by the Consultant/Outputs

The aim herein is to provide a Scope of Work that would advance this Feasibility study of the Mavuzi II (about 37 MW) site to the level necessary to conclude if the project is technically, financial, economically and environmentally and socially feasible.

The result of this Feasibility Study will then form basis for the financing decision of the project development:

Task 1: Preliminary Review

The Consultant shall acquire and analyze available data for the Revu  River basin, including the hydrological data, reports and maps provided by the Government, EDM and/or any relevant national and international entities to pursue the Feasibility study. In this regard the Consultant shall review and perform a high level screening of all the available studies and material for the purpose of this assessment. The Consultant shall also meet with the engineers and economists and internal officers that are relevant to the sector in particular to this assignment. The Consultant shall also locate any other technical and scientific publications, maps, aerial photographs and statistical data available from overseas sources.

The review of previous assessment (PIS) performed by SWECO International AB is highly advised.

The Consultant shall communicate with the EDM advance of the first site visit to identify any information needs.

Task 2: Reconnaissance Study / Site Visits and Meetings with the Grantee

The Consultant shall visit Mozambique, dividing the time in-country between Maputo and the project site. The Consultant shall conduct meetings with the following institutions to review current and future developments in the electric sector that could influence the technical and economic feasibility of the project: DIPREME/MIREME; DNA/MOPHRH; National Water Authority; Fundo Nacional de Energia – The National Energy Fund (“FUNAE”); the Ministry of Environment affairs and Rural Development; and the body in charge with collecting and maintaining meteorological and hydrological data.

Global positioning system (GPS) and satellite imaging, remote sensing equipment, etc may be a viable option for various field-surveying and data collection activities. Field staff can collect data to upgrade existing topography maps if any. Used in combination with regular line maps and aerial photographs or satellite imagery, GPS can provide a quick, fairly accurate tool for planning studies.

The Consultant will begin with a documentation collection and review and an assessment covering as a minimum the following tasks, some of which will be expanded upon in the tasks included in this Terms of Reference:

- 1) Collect historical updated data on hydrology of the Revué River basin;
- 2) Collect existing LIDAR scanning data of the Mavuzi II project area;
- 3) Collect (if any) existing photographic records from Mavuzi Dam (345 masl) to downstream of Mavuzi II Hydropower Plant (100 masl);
- 4) Verify the technical feasibility of constructing an access road or rehabilitating existing roads;
- 5) Verify the needs and the feasibility of building transmission system to evacuate the produced electricity;
- 6) Verify and validate the assessment of geology and seismicity of the facility site;
- 7) Prepare a geological and geotechnical investigation program;
- 8) General reconnaissance of socio-environmental aspects with emphasis to possible interferences in the reservoir areas.
- 9) Formulate (functionally and physically) and analyze the alternatives of project development. At the end of this step, one alternative shall be selected which represent the most attractive development for meeting the stated objectives.
- 10) Report about all activities performed and available information which shall lead to the general programming of the feasibility study.
- 11) Schedule and conduct the end-of-mission seminar on methods and tools used in conducting the study.

In order to enhance the level of dialogue and facilitate collaboration between the Consultant and relevant members of the technical and financial staff of Grantee, and in order to exploit any potential for capacity building or training imparted by the Consultant to the Grantee staff, the Consultant shall Plan a one-or-two-day seminar on the methods and tools to be used in the completion of the study.

Task 3: Hydrological Study and Reservoirs Simulations

The main purpose of this investigation is to determine how much power is available at the site and how often it is available. Also of interest is the magnitude of floods which will occur if spillway capacity is an issue in the development (and it usually is). Hence, The Consultant shall review available hydrological data and meet with appropriate officials in the Host Country Government to gather data on water usage and management at upstream regulation dams, and projections for water usage. The Consultant shall study and validate water flow projections in the regulated river, and

develop data sets for use in modelling generation projections at off peak, standard and peak hours.

The Consultant shall look for the available time series (data sequences) covering at least 40 years in paper form.

The study must consider the output and regulation strategy of the existing Mavuzi and Chicamba dams, projected Tsate HPP and the development of other hydropower sites with regards to the best use of hydropower generation potentials. Thus the consultant must as a minimum cover:

- 1) Installation of a confirming gauging station at proposed site for discharge measurements.
- 2) Discharge estimates, with projections for high, low and medium flows;
- 3) Flood studies and sediment analyses, using deterministic methods
- 4) Estimates of present water consumption through abstraction and evaporation, and projections of future water requirements for agricultural, industrial and domestic uses in the region; and
- 5) Water management modelling and strategies for the Revué River and sequential development priority based on power output, water usage and at least development costs for the all possible scenarios
- 6) Detailed evaluation and estimation of the firm power production with 95% assurance and seasonal production that can be expected at the selected site

Task 4: Topographical Studies

The Consultant shall undertake a study to produce new topography in electronic format of the project area to confirm accurate contours and project benchmarks. The new topographic mapping will be conducted at a sufficient scale to identify existing features, such as dwellings, rock outcrops, streams, areas of agriculture production, roads and crossings, and other features deemed relevant to a detailed feasibility study.

For the purpose of the study the following map base as a minimum shall be performed.

- 1) Collect and process existing LIDAR scanning data (from the Tsate HPP Feasibility Study) covering the areas of the reservoir, the dam site, and the potential borrow areas. The location and elevation of exploratory holes, trenches, and pits and significant physical features, such as rock outcrops, landslides, or roads, trails, etc. shall be placed on the map and geo-referenced.
- 2) Develop digital topographic mapping to identify features relevant to the study covering the proposed project area and undertake any additional work required to determine the optimal location of the various structures and components

- 3) From the topography of the dam site, estimate the amount of excavation and embankment materials and lay out the dam, appurtenant structures, and access roads.

Project area maps should be at a scale of 1:50 000, 10-15 m contour intervals; Reservoirs areas: 1:25 000 , 5m contour intervals; general maps 1:10 000, 5 m contour intervals; Site maps 1:2 000 or 1:1000, 1 m contour intervals.

The prepared maps shall with good margin cover the complete project area including access roads etc. and up to and including the Mavuzil HPP site and at least 1 km downstream the Mavuzi II outlet. The total mapping area shall not be less than 5 km².

Task 5: Geology & Geotechnical Studies

The objective of the geotechnical investigations are:

- 1) To characterize the distribution and the engineering properties (strength, compressibility, and permeability) of the soils and rocks which comprise the dam foundation and the abutments at alternative sites, and
- 2) To study the extent and characteristics of available construction materials for embankments and for concrete

These studies shall be accomplished through desk studies (including literature reviews), and field investigations.

As an initial step, available information concerning the site area should be collected including topographic, geologic, and soil maps and aerial and satellite photographs.

Following the study of the information provided by maps and photos, a program of field exploratory work (including testing) shall be prepared. This program should consist of a detailed field reconnaissance and mapping by engineers and geologists, and the execution of subsurface explorations, and soil and rock sampling, including boreholes, test pits, trenches, geophysical surveys, in situ soil and rock permeability, and strength testing.

For the selected site to be developed, the Consultant shall review the available records, and conduct an assessment of the project site, with the goal of establishing as much details as possible on the surface characteristics of the sites and regional seismicity, with emphasis on conditions at the locations for the major structures (Dam site, intakes, water conveyance and power houses), as well as areas from which material will be borrowed. In particular, work by the Consultant shall include but not limited to:

- 1) Gathering existing records on regional geological studies and related data from relevant agencies with the Government of Mozambique and international agencies

- 2) Gathering other maps. Useful information can also be derived from maps and documents on mineral resources and agricultural soil maps which are prepared by various public agencies
- 3) Gather historical data on seismic activity in the region; Catalogs of historic seismicity should be compiled for the region and correlation with structural geologic and tectonic maps; and
- 4) Geological assessment, including a discussion of the physical settings for the project, morphology, geotechnical issues relevant to the different structures contemplated in the project, sources of construction materials, and evaluation of seismic risk;

The consultant shall analyze the results of the geological investigations in a manner sufficient for Feasibility design and principal settings of design criteria for rock excavations, foundation improvement, slope stability, etc.

Task 6: Environmental and Socio-Economic and Social Scoping

It is incumbent upon the engineering team to prove that significant ecological impacts will not occur, or can be effectively mitigated. Thus it is important that the ecological consultants are conversant with ecological impact issues.

The aim herein is to provide AID (anticipation, interpretation, decision) for the developer. Licensing will proceed more smoothly if the consultant can:

1. anticipate what impacts are likely to be significant at the selected site or for a given design
2. interpret the statements or recommendations of fish and game representatives and expert consultants; and
3. decide on the most efficient course of action in concert with design and operational alternatives and economics

Therefore, this task shall highlight which effects might be expected, how to decide if such effects are likely to be severe at a proposed plant, and what modifications of structure of operation will help to minimize, or obviate the impact(s).

As such, the Consultant shall prepare an Environmental and Social Scoping Study ("ESIS") and Mitigation Plan to allow the EDM with Consultant support, as appropriate) to initiate discussions with the environmental authorities and secure guidance on the feasibility of the project to obtain an environmental permit. Based on Mozambique national and local requirements, as well as those of the World Bank, DFI's, and the Study shall identify the technical and energy characteristic of the Project; identify physical, biological, socioeconomic and cultural aspect of the immediate surroundings, and identify any potential negative environmental impacts, discussing the extent to which they can mitigated. The Consultant shall also develop plans for full environmental impact assessment if and when the Project moves forward to the

implementation stage, utilizing, among others, the Environment Act (20/1997) and Decree 45/2004 to identify the specific requirements for the full environmental impact assessment.

The ESIS prepared by the Consultant shall serve as the basis for the bidding processes and for preliminary review by the environment authorities. The winning contractor will be responsible for securing the final environment permit upon presentation of detailed designs for the Project.

The studies shall be divide in phases two namely construction and post construction phase.

Specifically, the Consultant shall undertake the following in the process of preparing the ESIS It is advisable to separate the ESIS in two parts, namely permanent and temporary impacts during a period of Construction

- Prepare a preliminary study of environmental and social impacts ;
- HIV/Aids awareness campaign, protection of vulnerable groups, control of the use of children, sexual abuse exploration, etc.
- Verify and augment available information on the physical and biological resource of the areas, the Revué river and surrounding region, to update and expand the presentation on the potential impacts of facilities at the sites and in the surrounding region;
- Perform mandatory consultations with all stakeholders;
- Prepare assessment of the environment impacts at two levels: (1) the local area immediately affected; and (2) the region and surrounding regions that may be impacted as a result of the project's construction, operation and maintenance of the dam (if any) including population resettlement, relocation of productive activities, such as farming, as well as cultural, historical, and religious sites and/or artefacts;
- Identify a possible structure for monitoring programs to continue during and after implementation of the project; and Perform an Environmental Impact Assessment consistent whit Host Country regulation and the standards of international institutions, including the World Bank and DFI's
- Reflecting the work above the Consultant will as a minimum deliver the following: ESIS, including an overview of the following environment aspects: physical (climate, geology, topsoil, and hydrological resources) biological (flora and fauna, fish and other aquatic biota, soil, air and water quality); socioeconomic (municipal, infrastructure, demography, economic activities, and sanitation system).
- The ESIS shall establish the baseline condition and identify relevant environmental and social impacts.
- Recommendations for mitigation strategies to address these impacts where appropriate.

- Deliver all documentation deemed necessary for the issuance of the Environmental MITADER (Ministry of Environmental Affairs and Rural Development)

Task 7: Conceptual Design for Civil Works

The Consultant shall conduct relevant technical studies and prepare a project conceptual design engineering, as appropriate, with conceptual drawings. Thus, the Consultant is expected to at least deliver a set of conceptual design drawings showing location, structure and other relevant details of project structures.

Thus the Consultant is expected to at least deliver:

- Set of detailed conceptual designs showing location, structure and other relevant details of project structures.
- Quantify the required investment for the proposed design and civil works.
- The conceptual drawings of the project clearly identified as the most cost effective first priority
- Permanent and temporary roads
- The sizes of all documents and drawings shall conform to the ISO standard, and be of size A0, A1, A2, A3 or A4. Map base scales to be used on the drawings shall be: catchment area 1: 50 000, 10-15 m contour intervals; Reservoirs areas: 1:25 000 , 5m contour intervals; general maps 1:10 000, 5 m contour intervals; Site maps 1:2 000 or 1:1000, 1 m contour intervals. Project features should be on 1:1000 maps and project details at 1:200 scales. All measurements shall be given using metric system. The consultant shall during the execution of the assignment maintain a list of documentation to be updated by him whenever needed. The list shall include the date of original issue of each document submitted as well as the dates of every revision.

Task 8: Electro-Mechanical Equipment

The Consultant shall conduct relevant studies and prepare a project concept, as appropriate, with conceptual layout, including relevant specifications for electro-mechanical equipment. This entails, as a minimum:

- 1) Description of equipment selection criteria, the performance, the conceptual designs, including all relevant specifications and details for the project;
- 2) Detailed cost estimates based on quotations provided by equipment manufacturers/suppliers and delivery time.
- 3) The Consultant shall also study one/ multiple turbine solutions

Task 9: Model Impact of Proposal Project on Interconnected System

Using load flow system design, generation facility performance and cost data, and any available system modelling data, the Consultant shall perform an analysis on the impact on the transmission interconnection system from the proposed development of the Mavuzi II HEP and validate that the proposed development will not create system instability and adverse reliability issues.

Among the issues that must be addressed in this context are the following:

- Evaluation of the current status of the system, demand and load growth patterns in the regions, and optional use of current system expansion and upgrade activities by the grantee including any additional requirements in the Central part of the system due to the addition of capacity from the Mavuzi II project;
- Conceptual design for the interconnection configuration including voltage level, equipment requirements, and other relevant aspects of the design, including location of control system for the facility;
- SCADA- The consultant shall also study the possibility of remote operation of the HPP
- Impact on the interconnected system of having the new planned Power Plant(s) at Revue River and the existing facilities to serve existing and future industrial loads.

The above entails that the Consultant as a minimum must deliver the following:

- Transmission system impact assessment, which shall include sections on the evaluation of the current status of the transmission and sub transmission system in the Central region; the conceptual design for the optional configuration, project system flows and line loading in the central grid.

The existing transmission and generation infrastructure in Mozambique (as per January 2019) are given in Appendix 3.

Task 10: Cost Estimates and Financial/ Economic Evaluation

The Consultant shall prepare cost estimates for the selected Project. The Consultant shall consult with the Grantee to determine potential pricing structures for power and capacity from the facility, and will model the financial performance of the proposed Project.

The Consultant shall also review, characterize and simulate relevant Project risk, including but not necessarily limited to political, market, commercial, project and contractual risks, and the results of sensitivity analyses of scenarios that reflect possible outcomes that reflect these risks and its mitigation. The Consultant shall provide a

financial model and a concise presentation of the Project's overall financial performance based on the most probable scenario for the Project.

The Consultant shall as a minimum deliver:

- Detailed financial model in Microsoft Excel format, with accompanying financial analysis detailing and justifying all assumptions, including scenarios for sensitivity analysis showing likely effects on production prices of changes in key cost, operational and financial parameters;

The Consultant must consider the full ambit of financing possibilities ranging from pure project financing through commercial banks to mixed models involving a degree of concessionary financing from bilateral and multilateral development organizations.

Note: The contingency allowances adopted should be not more than 10% for construction cost, generation and transmission.

Task 11: Development Impact Report

The Consultant shall report on the potential development impact of the Project in the Region. While specific focus should be paid to the immediate impact of the Project, Consultant will include, where appropriate, any additional development benefits to the Project, including spin-off and demonstration effects. The Consultant's analysis of potential benefits should be as concrete and detailed as possible. The development impact factors are intended to provide the Project's decision-makers and interested parties with a broader view of the Project's potential effects on the Region. The Consultant will provide estimates of the Project's potential benefits in the following areas:

- (a) Infrastructure/Industry. The Consultant will provide a statement on the infrastructure impact giving a brief synopsis.
- (b) Market-Oriented Reforms. The Consultant will provide a description of any regulation, laws, or institutional changes that are recommended and the effect they would have if implemented.
- (c) Human Capacity Building. The Consultant will address the number and type of positions that would be needed to construct and operate the proposed Project as well as the number of people who will receive training and brief description of a proposed training program.
- (d) Technology Transfer and Productivity Enhancement. The Consultant will provide a description of any advanced technologies that will be implemented as a result of the Project, including quantitative description of any efficiency that will be gained.
- (e) Other. The Consultant will identify any other developmental benefits of the Project, including any spin-off or demonstration effects.

Task 12: Conclusion and Recommendation

Inherent in any decision to proceed with the design and construction of a project is the conclusion that its benefits outweigh its cost. To this end, the Consultant shall present a his conclusions and recommendation on the Feasibility Study for the Mavuzi II Hydro Power Project in the Revue River. The Feasibility-level investigations shall clearly demonstrate that the proposed project is the best way to develop the resource to meet EDM's needs and that the project is technically feasible and financially viable. This includes, but is not restricted to: detailed findings and conclusions, outline of necessary steps required and a "road map" for the development and implementation of the project.

The Consultant shall also prepare a Project Information Memorandum (PIM) suitable for distribution to donor agencies, Multilateral and Bilateral Financing institutions, investors and firms that could be interested in an eventual bid for the Project, which covers the following points: market summary; project description with basic design parameters; financial structure and assumption; project risks.

Task 13: Final Report

The Consultant shall prepare the Final Report, which shall include and executive summary and evidence of completion of all of the tasks set forth in the Terms of Reference and, among other things, include an executive summary. Each task of the Term of Reference shall form a separate chapter of the Final Report.

The Consultant shall submit the Final Report in English and Portuguese language. The Consultant shall submit the Report in electronic format.

5. Obligation of the Consultant /Reporting requirements

The consultant shall be fully responsible for performing the works and services deemed necessary for the Study, but not limited to as defined within this Terms of Reference. EDM shall be advised as to the progress of work in accordance with the scheduled report submittals listed below.

Reports presenting quantitative and qualitative information and data collected during task study efforts will be required. Specific details regarding the general content of each report, the organizational format and the data presentations requirements shall be mutually agreed upon, prior to initiation of any study efforts, via formal discussions with the consultant/organization and appropriate project management personnel.

Only a single "Final" report will be required. No "interim" stage reports detailing a study progress, etc. will be required. In place of interim reports, discussions will be held as

appropriate between EDM and consultant/organization and appropriate project management personnel to review studies progress and/or problems.

Inception Report

The consultant shall submit an inception report covering the initial site inspection, initial project evaluation, and an assessment of existing information and documents. The inception report shall include methodology and target details for the submission the draft final reports. It shall report about all activities performed and available information which shall lead to the general programming of the feasibility study. To be submitted six weeks after Consultants' mobilization. The Consultant shall provide eight (08) hard copies of the approved report plus two (2) electronic copies.

Draft Final Report

At the conclusion of the last task, a Draft Report summarizing the consultant's initial conclusions will be prepared for review by EDM before preparation of the final report. A workshop for other stakeholder (in addition to EDM) consultation shall be held in Maputo and organized by the consultant for presentation of the Draft Report. The Draft report shall be submitted two weeks before the workshop. The consultant should prepare also a summary report for release to the public, explaining the methodology, options considered, and rationale for the development of the hydropower plants. The Consultant shall provide fifteen (15) hard copies of the approved report plus two (2) electronic copies

Final Report

The consultant shall submit a Final Report upon completion of its studies. The Final Report shall incorporate comments from EDM and other stakeholders. The Consultant shall submit the Final Report and all other documents completed in the Terms of Reference in English language.

[Note: Drawings and maps need not be translated into Portuguese.] The Consultant shall provide twenty (20) hard copies in English and twenty (20) hard copies in Portuguese and four (4) electronic versions of both the confidential and public version of the Final Report and all other documents completed in the Terms of Reference to the EDM

6. Implementation Timeframe and Budget

It is projected that this study will be required to be completed 18 months from the commencement. The Consultant shall prepare a detailed time schedule for the

workshops and Tasks/deliverables and allowing a two weeks' time allowance for review by EDM.

The consultant shall submit at the end of each task completed the respective preliminary report for EDM review. He or she, shall present a detailed time schedule for the workshops and Tasks/deliverables and allowing in each task/deliverable two weeks gate review by EDM.

Appropriate budget to the conduct of each ToR task will be discussed and mutually agreed upon between EDM and the winning consultant/organization and appropriate project management personnel.

7. Team composition/ Key Expertise to Be Provided By the Consultant as a minimum

The services to be rendered by the Consultant will require input from a team of highly qualified international and local/regional experts headed by a Project Manager.

The proposed team shall possess extensive and documented competence and experience in the following fields:

- ✓ Hydropower and water resources development (Hydrology, hydraulics, geology, geotechnical, socio-environment) or similar
- ✓ Hydro Power Engineers including Electromechanical and structural/Civil Engineering or similar
- ✓ Project Finance and Economics or similar

The Project Manager shall have at least a Bachelors' Degree in Civil Engineering with not less than 10 years' experience in the performance of similar works.

The Project Manager shall be a person with good oral and written communication skills in English language (Portuguese is an advantage)and should be able to demonstrate a high level of organizational skills.

Furthermore, She/he should have past experience on similar projects particularly in developing countries.

Other experts (others than the Project Manager) shall have at least a Bachelors' Degree with not less than 5 years' experience in similar works. These staff members should also demonstrate that they are up to date with the current state of the art in their respective fields.

8. Facilities to Be Provided By the Consultant

The Consultant will provide the following facilities for the duration of the consultancy services:

- ✓ Consultants' staff accommodation in Maputo e Chimoio;
- ✓ Own computers, software licenses, office equipment including consumables as appropriate;
- ✓ All equipment and software (if any) procured using project funds will be handed over to the Client after completion of the assignment.
- ✓ Own transport

9. Duties and Responsibilities of EDM

EDM will nominate a project leader whose duties and responsibilities in liaison with the Consultant will include the necessary support for data collection, provisions of drawings and other documents to the extent it is available. The Project leader will also serve as a liaison between the Consultant, the various stakeholders and Government departments associated with or interested in the project.

The Consultant will be given unhindered access to the relevant agencies and territories in order to carry out the assignment. The Consultant shall however, be fully responsible for collecting data and information from these agencies.

EDM will provide the consultant with copies of all data and reports as available, which it considers relevant to the execution of the consultant's work.

EDM will provide the following facilities for the duration of the consultancy services:

- i. Office space in Chimoio and at Mavuzi HPP
- ii. Accommodation (during field work if need) in Mavuzi Guest House for 5 PAX maximum
- iii. Venue for workshops and review meetings
- iv. Provide counterpart personnel

10. Working Arrangements, Resources and Background Material

Upon request of the Consultant, EDM will prior to commencing the services of the present TOR provide specific background information necessary to do the assignment.

EDM will nominate a staff member that will be overall responsible for the project, liaising with the Consultant and ensuring timely payments for the services.

It is important that the Consultant, in cooperation with the responsible EDM staff, at an early stage, verifies the validity and extent of the underlying information. In case any

information is missing, it is the responsibility of the Consultant, in due time, to notice EDM and enabling them to take measures to ensure the availability of the missing data.

11. Profile of the Consultant

The Consultant shall meet the following selection criteria:

- ✓ Demonstrated knowledge and experience in power business;
- ✓ High technical background in hydropower plants, including, projects design, maintenance and operation;
- ✓ Profound economic and financial power project experience, that is direct experience with hydro power plants projects;
- ✓ Excellent and proven background in hydro power plant project development and implementation, including environmental and social impacts during construction and operation of the HPP.

12. Tender

EDM will execute a tender in accordance with Sida Procurement Guideline for Consultancy Services issued in June 2004.

The tender reflecting the information outlined above will detail the Consultants' general approach, work plan and time schedule for the work to be done.

The Compensation schedule will be divided into Fees and Reimbursables.

Fees:

- ✓ Daily rate of Expert(s) x Number of days

Reimbursable Expenses:

- ✓ Travel to and from Mozambique
- ✓ Accommodation in Mozambique
- ✓ Transportation in Mozambique

Attachments

Appendix 1: Map of Mozambique, showing project area

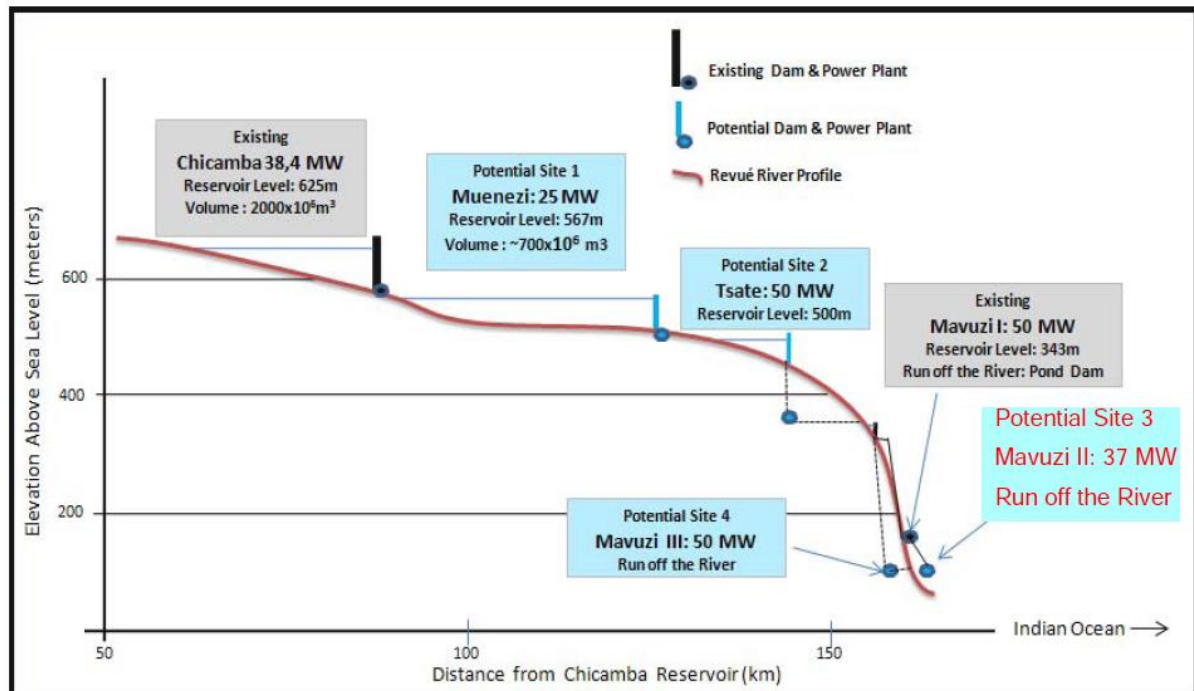
Appendix 2: Identified Hydroelectric Potential Sites - Revue River

Appendix 3: Grid configuration showing the main power plants and substations

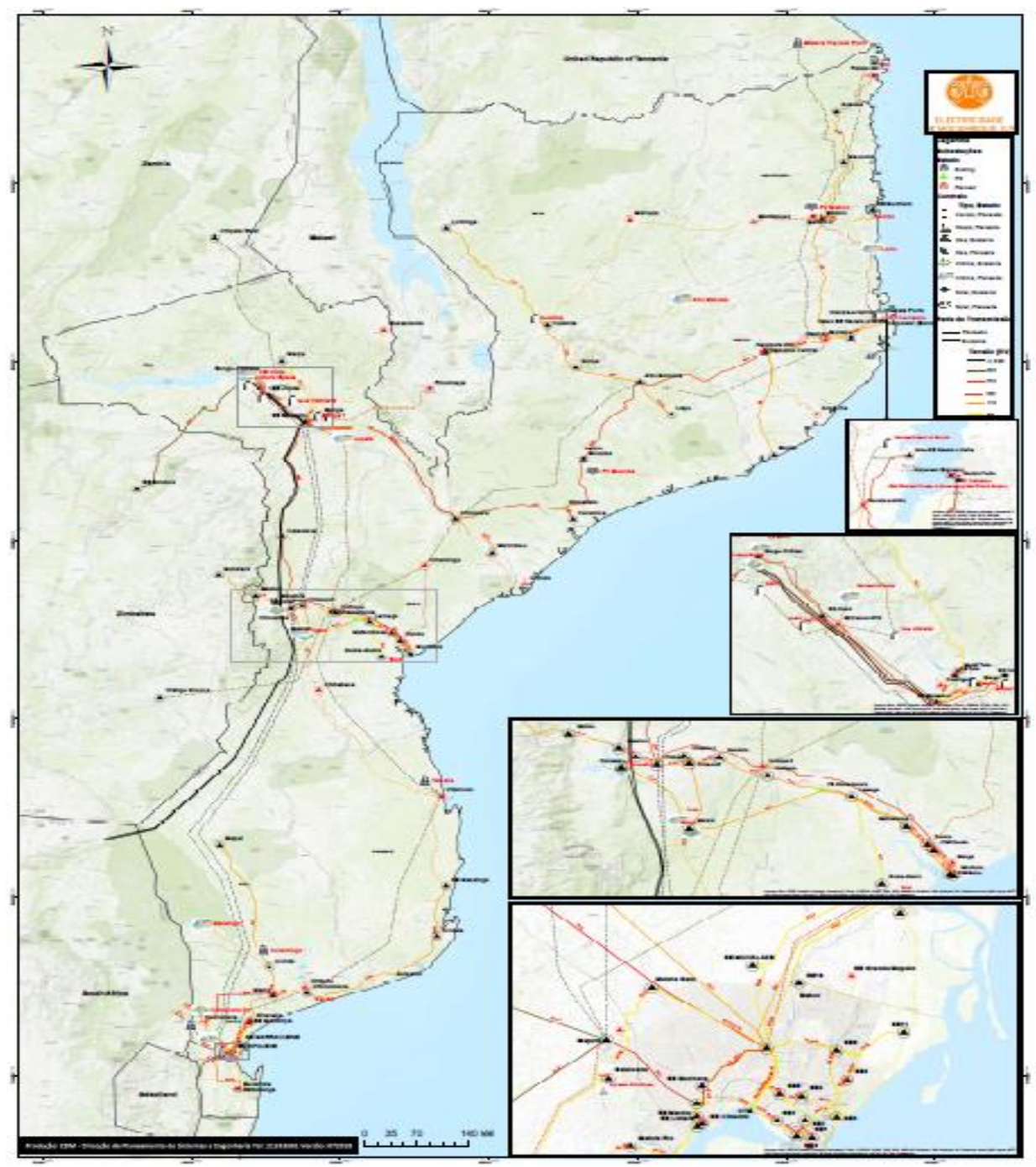
Appendix 1: Map of Mozambique, showing the project area



Appendix 2: Identified Hydroelectric Potential Sites -Revue River



Appendix 3: Grid configuration showing the main power plants and substations



SECTION 5. DRAFT CONTRACT

Contract no.

Contract no.

Reg. no.

Reg. no.

Decision no.

Decision no.

CONTRACT FOR CONSULTING SERVICES

PARTIES

a) Electricidade de Moçambique (hereinafter referred to as the Client)

Attention : <name>
 Address: Electricidade de Moçambique,
 <Address>
 VAT no.: 600000063
 Telephone: +258 <number>
 E-mail: name@edm.co.mz

b) State name of consultant (hereinafter referred to as the Consultant)

Pnr/Org.nr: Org. no.
 Attention: Attention
 Address: Address
 VAT no.: VAT no.
 Telephone: Telephone]
 Fax: Fax
 E-mail: E-mail

(1) FORM OF CONTRACT

This CONTRACT (hereinafter called the “Contract”) is made between, on the one hand, the Client and, on the other hand, the Consultant.

WHEREAS

- (a) the Client has requested the Consultant to provide certain consulting services as defined in Appendix A attached to this Contract (hereinafter referred to as the “Services”);

- (b) the Consultant has agreed to provide the Services on the terms and conditions set forth in the Contract;
- (c) an agreement between the Government of Sweden and the Government of Moçambique on General Terms and Conditions for Development Cooperation, has been signed 8 June 2015.
- (d) the Government of Sweden and the Government of Moçambique have in an agreement signed 11 December 2017 agreed that Sweden, represented by the Embassy of Sweden shall finance the Services.

NOW THEREFORE the parties hereto hereby agree as follows:

The following documents attached hereto shall be deemed to form an integral part of the Contract. The documents shall be regarded as complementary, but in case of discrepancies, they shall, unless it is obviously contrary to the purpose of the Contract, take precedence in the order set out below:

- (a) The Special Conditions of Contract;
- (a) The General Conditions of Contract;
- (b) The Appendices stated in the Special Conditions of Contract, in that order.

Place and date

For and behalf of the Client

Signature

Name and title in block letters

Place and date

For and behalf of the Consultant

Signature

Name and title in block letters

(2) GENERAL CONDITIONS

§ 1 Definitions

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

- a) "Country" means the Country where the Client is situated;
- b) "Counterpart Personnel" means personnel hired by the Client as employees;
- c) "Expatriate Personnel" means such persons hired by the Consultant or any Subconsultant who at the time of being so hired had their domicile outside the Country
- d) "GC" means the General Conditions of the Contract;
- e) "Government" means the Government of the Client's country;
- f) "Party" means the Client or the Consultant, as the case may be, and "Parties" means both of them;
- g) "Personnel" means persons hired by the Consultant or any Subconsultant, as the case may be, as employees and assigned to the performance of the Services;
- h) "Local Personnel" means such persons hired by the Consultant or any Subconsultant who at the time of being so hired had their domicile inside the Country
- i) "SC" means the Special Conditions of the Contract
- j) "Subconsultant" means any person or entity to whom/which the Consultant subcontracts any part of the Services
- k) "Third Party" means any person or entity other than the Government, the Client, the Consultant or a Subconsultant.

§ 2 Authorized Representative

Any actin required or permitted to be taken, and any document required or permitted to be executed under the Contract by the Client or the Consultant may be taken or executed only by the authorized representatives specified i the SC §2.

§ 3 Modification

Unless otherwise agreed, modification of the terms and conditions of the Contract, including any modification of the scope of the Services, may only be made by written

agreement between the Parties and shall not be effective until Sida's written "no-objection" has been obtained.

§ 4 Entire Agreement

The Contract contains all covenants, stipulation and provisions agreed by the Parties. No agents or representative of either Party has authority to make, and the Parties shall not be bound by or liable for, any statement, representation, promise or agreement not set forth herein.

§ 5 Consultants Personnel

The Consultant shall employ and provide such qualified and qualified and experienced Personnel as are required to carry out the Services. The Consultant, subject to the Contract, has complete charge of Personnel performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.

§ 6 Consultant's Standard of Performance

The Consultant shall perform the Services and carry out its obligations hereunder with all due diligence efficiency and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to the Contract, as faithful advisers to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with Subconsultants or Third Parties.

§ 7 Consultant Not to Benefit from

The remuneration of the Consultant pursuant to the Contract shall constitute the Consultant's sole remuneration in connection with the Contract. The Consultant shall not accept for its own benefit any trade commission, discount or similar payment in connection with activities pursuant to the Contract or in the discharge of its obligations hereunder, and the Consultant shall use its best efforts to ensure that any Subconsultants similarly shall not receive any such additional remuneration.

§ 8 Prohibition of Conflicting Activities

The Consultant shall not engage and shall cause any Subconsultants not to engage, either directly or indirectly, during the term of the Contract, in any business or professional activities in the Country which would conflict with the activities assigned to them under the Contract.

§ 9 Liability of the Consultant

If the Consultant, Subconsultants or Personnel or any other subject that the Consultant is liable for, violates any provision of the Contract or otherwise causes the Client any loss or damage, the Consultant shall indemnify the Client for any such loss or damage. The Consultant's liability may be limited, except for violations due to gross negligence or wilful misconduct, in accordance with the article on Limitation of Liability in the SC.

§10 Accounting, Inspection and Auditing

The Consultant shall keep accurate and systematic accounts and records in respect of the Services, in accordance with internationally accepted accounting principles in such form and details as will clearly identify all relevant time charges and costs, and the bases thereof. The Consultant shall permit the Client and Sida or their designated representatives periodically, and up to five (5) years from the termination of the Contract, to inspect the accounts and records and make copies thereof as well as to have them audited by auditors appointed by the Client.

§ 11 Adherence to Applicable Law

The Consultant shall perform the Services in accordance with the applicable law determine in the SC and with any mandatory legislation in the Country, and shall take all practicable steps to ensure that the Personnel and any Subconsultants, do the same and that they respect local customs, the culture and traditions of the Country. If, after the date the Contract has entered into force, there is any change in the law of the Country with respect to taxes and duties which substantially increases or decreases the costs incurred by the Consultant in performing the Services, the Parties shall renegotiate the remuneration to the Consultant. The Parties shall immediately inform Sida of any such negotiations. GC §3 shall apply to any modification of the Contract due to such negotiations.

§12 Subconsultants and Transfer of Contract

Any Subconsultants listed in the Contract are hereby approved by the Client.

The Consultant may not assign or transfer the Contract, or any part thereof, to anyone, or engage any Subconsultants to perform any part of the Services, without the prior approval of the Client and Sida's written "no-objection". The Client's approval of the assignment or transfer of any part of the Contract, or of the engagement of Subconsultants, shall not relieve the Consultant of any of its obligations under the Contract. The Consultant shall be liable for the work performed by any Subconsultants. Compensation to any Subconsultants shall be agreed upon between the Parties. Unless otherwise agreed, and in such case with Sida's written "no-objection", the Consultant shall, at its own expense, be responsible for the payment of any Subconsultants and shall not be entitled to any compensation for administrative costs for any Subconsultants.

§ 13 Approval and Replacement of Personnel

The core team Personnel listed in the Contract are hereby approved by the Client.

Except as the Client may otherwise agree, no changes shall be made in the core team Personnel. If, for any reasons beyond the reasonable control of the Consultant, it becomes necessary to replace any of the core team Personnel, the Consultant shall immediately provide as a replacement a person of equivalent or better qualifications.

The Consultant shall immediately inform the Client and Sida of any replacement or need for additional core team Personnel.

In respect of additional or replacement of core team Personnel, the Consultant shall submit to the Client for review and approval a copy of the biographical data of such Personnel. If the Client does not object in writing within twenty (20) days from the date of receipt of such data, the core team Personnel shall be deemed to have been approved by the Client.

If the Client finds that any of the Personnel has committed serious misconduct, or has been charged with having committed a criminal action, or has reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultant shall, at the Client's written request specifying the grounds therefor, promptly provide as a replacement a person with qualifications and experience acceptable to the Client.

Except as the Client may otherwise agree, and in such case with Sida's written "no-objection", the Consultant shall bear all additional costs arising out of or incidental to any removal or replacement of Personnel.

The remuneration shall not exceed the remuneration which would have been payable for the Personnel replaced.

§ 14 Confidentiality

The Consultant, Subconsultants and Personnel shall not, either during the term or within three (3) years after the termination of the Contract, disclose any information relating to the Services, the Contract or the Client's business or operations without the prior written consent of the Client.

§ 15 Obligations of the Client

Any agreement between the Parties concerning services, facilities, Counterpart Personnel, access to land and other obligations of the Client, shall be included in an Appendix to the Contract.

§ 16 Notices

Any notice, request or other communication shall be written in the English language, sent to the addresses stated on the first page of the Contract, and deemed to be duly given

- a) if delivered by hand, the same day,
- b) if sent by e-mail, on the day of dispatch of a confirming fax (provided there is a receipt confirming the fax transmission) or a confirming letter sent by courier mail,
- c) if sent by fax, the day of dispatch (provided there is a receipt confirming the fax-transmission),
- d) if sent by courier mail, the day after dispatch.

Any communication to Sida shall be sent to the following address: The Embassy of Sweden, 1128 Av. Julius Nyerere, Maputo, Mozambique, to the person indicated by the Embassy of Sweden.

(3) SPECIAL CONDITIONS

Contents

§ 1 Appendices

The following Appendices attached hereto shall be deemed to form an integral part of the Contract:

Appendix A: Minutes of Pre-award Contract Negotiations

Appendix B: Terms of Reference

Appendix C: Composition of Team (including work schedule and hours of work)

Appendix D: Budget (including fees and reimbursable expenditures)

Appendix E: The Consultant's Technical Proposal

Appendix F: Obligations of the Client (including counterpart personnel, services, facilities, property etc.)

§ 2 Authorized Representative

The following person, or his/her designated representative, shall be the authorized representative for the Client: Fatima Arthur

The following person, or his/her designated representative, shall be the authorized representative for the Consultant: name

§ 3 Resident Team Leader

The Consultant warrants that, at all times during the Consultant's performance of the Services in the Country, a resident Team Leader, acceptable to the Client, shall take charge of the performance of the Services.

§ 4 Adjustment of Hours of Work and Leave

Any adjustment of hours of work and leave by the core team Personnel may only be made with the written approval of the Client.

§ 5 Budget and Ceiling Amounts

An estimate of the remuneration to the Consultant is laid down in the Budget, Appendix D.

Except as may be otherwise agreed between the Parties, and with the written approval of Sida, payments under the Contract shall not exceed the following Ceiling Amounts:

Ceiling Amount for Fees: amount in SEK or other currency

Ceiling Amount for Reimbursable Costs: amount in SEK or other currency

The Consultant shall immediately inform the Client and Sida in writing if the Consultant foresees that the Services cannot be completed within the Ceiling Amounts. The Parties and Sida shall promptly discuss the situation and agree on appropriate actions to take.

§ 6 Mode of Billing and Payment

a) Currency of Payment

Fees shall be paid in SEK. Reimbursement for costs shall be paid in SEK.

b) Valuation of Currencies

Whenever necessary to determine the value of another currency in terms of SEK, the value shall be calculated on the basis of the market selling rate in Stockholm on the date of the transaction, or, if no such rate has been established, at such rate as the Client, or if Sida is paying the invoices, Sida, shall reasonably determine after consultations with the Consultant.

c) Mode of Billing

Invoices shall contain the following: the date and number of the invoice, the number of the Contract to which it refers, the name and address of the bank to which payment shall be made, the account number, the account holder, clearing number, SWIFT-code, and VAT number of the Consultant. The invoice shall state the relevant currencies and contain a cost summary indicating the total budget for the Services, the accumulated invoiced amounts and the balances outstanding.

d) Lump sum invoices for fees shall be sent according to the following payment schedule:

Payment Schedule	
10%	Advance payment against bank guarantee
	<specify>
	<specify>
	<specify>
20%	Final Report

5%	Retention Fee
----	---------------

- e) Separate invoices for reimbursable expenses shall be submitted to the client at the same time as each lump-sum invoice for fees, covering expenditures incurred during the performance of the services covered in the lump-sum fee invoice.

Copies of all receipts to verify all reimbursable cost claims shall be attached to each invoice.

The invoice shall state the relevant currencies and contain a cost summary indicating the total budget for the Services, the accumulated invoiced amounts and the balances outstanding.

Invoices shall be sent not later than fifteen (15) day after the end of each calendar quarter during the term of the Contract.

Costs shall be expressed in the following currency: SEK

The Consultant shall send invoices with one original and one copy to the Client.

d) Mode of Payment

The Client shall cause the payment of the invoices within sixty (60) days of receipt of the invoice. Any part of the invoice that is not satisfactorily supported may be withheld from payment. Interest shall become payable as from the time stated above on any amount not paid in due time without due cause.

The interest rate is: LIBOR +2%.

§ 7 Fees

The Consultant is only entitled to payment for approved deliverables as defined in the payment schedule for fees and only for Personnel and Subconsultants identified in the Contract.

The fees cover all such salaries and allowances as the Consultant has agreed to pay to the Personnel as well as factors for social charges and overhead etc.

§ 8 Price Adjustment

Fees shall be fixed for the duration of the assignment.

§ 9 Reimbursable Expenditures

The Consultant is only entitled to reimbursable expenditures actually and reasonably incurred by the Consultant under the Contract.

The Consultant is entitled to a daily allowance for time spent in the Country by the Expatriate Personnel at a daily rate of SEK 288⁷. The Consultant is entitled to a per diem allowance for time spent by the Local Personnel in the Country but away from the home office at a daily rate of SEK 288.

The Consultant is entitled to reimbursement for the cost of accommodation and transportation of the Personnel for transportation necessary for the performance of the Services. Daily transportation to and from the office is not reimbursable. Only the most appropriate means of transport and the most direct practicable route is reimbursable. In case of air travel, it shall be by the least expensive IATA fare.

Reimbursable expenditures are included in the Budget, Appendix D.

§ 10 Limitation of Liability

The Consultant's liability according to the GC is limited to the value of the contract.

§ 11 Insurance

The Consultant shall take out and maintain, and shall cause any Subconsultants to take out and maintain, at its own (or at the Subconsultants', as the case may be) cost, but on the terms and conditions approved by the Client, insurance covering the following issues:

- a) Professional liability insurance
- b) Employer's liability in respect of the Personnel, including any such life, health, accident, travel or other insurance as may be appropriate.
- c) Insurance against loss of or damage to equipment purchased with funds provided under the Contract, the Consultant's property used in the performance of the Services, and documents prepared by the Consultant in the performance of the Services.
- d) Third Party liability insurance
- e) Third Party motor vehicle liability insurance in respect of motor vehicles operated in the Country by the Consultant, its Personnel and any Subconsultants and their Personnel.

§ 12 Procurement

If the Consultant, as part of the Services, shall perform procurements, the following procurement rules shall apply: Sida Procurement Guidelines, June 2004.

⁷ Swedish Tax Authority rate for 2019, revised annually.

§ 13 Taxes and Duties

Unless otherwise agreed, the Consultant, Subconsultants and Personnel shall pay such taxes, duties, fees and other impositions as may be levied under the applicable law.

§ 14 Intellectual Property

Unless otherwise agreed, the Client shall be the sole owner of all work, materials and results which have been prepared by the Consultant under the Contract, including drawings, specifications, designs, reports and software (hereinafter referred to as the Result). The ownership does not embrace development tools and methods which have been used in the performance of the Services and which are owned by the Consultant or a Third Party. The Client shall be the sole owner of any copyright, patent rights and other industrial and intellectual property rights connected with the Result. The Client is entitled to carry out alterations, modify and transfer the Result. The Consultant undertakes to hold the Client harmless against any claims for infringement of industrial and intellectual property rights as stipulated above, resulting from the use of the Results in accordance with the Contract. The foregoing shall apply even when the Contract has ceased to be in force. The Client shall immediately inform the Consultant if any infringement claim is raised against the Client. The Consultant is not entitled, without the prior written approval of the Client, to use the Result. Any supporting documents handed over to the Consultant by the Client or which belong to a Third Party, shall, as the case may be, remain the property of the Client or the Third Party. The Result shall, not later than upon termination of the Contract, be delivered to the Client, together with a detailed inventory thereof.

§ 15 Ownership of Goods and Equipment

Goods and equipment supplied by the Client shall remain, at all times, the property of the Client. Goods and equipment owned by the Consultant shall remain the property of the Consultant. Unless otherwise agreed between the Parties, goods and equipment purchased by the Consultant under the Contract with funds provided by Sida or the Client, shall become the property of the Client, not later than upon termination of the Contract.

§ 16 Force Majeure

The Parties shall not be liable for delays in performing or failure to perform its obligations, if the delay or failure results from any cause beyond the control of the Parties, such as, outbreak of hostilities, riot, civil disturbance, acts of terrorism, fire, explosion, flood, statutory restraints, amendments of legislation, decisions by a court of law, the government or governmental agency. A Party that is of the opinion that a force majeure situation is at hand, shall immediately inform the other Party and Sida thereof in writing. The Parties and Sida shall discuss if, and in such case agree on what measures need to be taken. If a force majeure situation remains more than

forty-five days (45) either Party shall, by written notice of termination, be entitled to terminate the Contract with immediate effect.

§ 17 Remedy

The Client may, by written notice, with a copy to Sida, request the Consultant to, at its own expense, remedy any breach of contract. Such notice shall be sent within thirty (30) days after the Client became aware of the breach. Unless otherwise agreed, the Consultant shall remedy the breach within thirty days (30) from having received the notice. If the breach of contract is not remedied in due time, the Client is entitled to a reasonable reduction in price. The Client's right to price reduction does not deprive the Client from its right to claim damages and to take other measures due to the breach of contract.

§ 18 Duty to inform

Each Party shall inform the other Party in writing, with a copy to Sida, of any breach of contract on the other Party's side within six (6) months after the Party became aware of the breach, and in no case later than three years after the expiry of the Contract. Each Party shall inform the other Party in writing of any indemnification claim at the latest six (6) months after the other Party was informed of the breach of contract. However, the time limitations stated above do not apply if the breach of contract is due to gross negligence or wilful misconduct. Each Party shall always be entitled to raise counterclaims if the other Party initiates any legal proceedings.

§ 19 Dispute Settlement Procedure

Any dispute, controversy or claim arising out of or in connection with the Contract, or the breach, termination or invalidity thereof, which cannot be settled amicably, shall be finally settled by arbitration in accordance with the Rules of the Arbitration Institute of the International Chamber of Commerce. The number of arbitrators shall be three. The place of arbitration shall be South Africa and the language used in the arbitral proceedings shall be English.

The parties shall send a copy of any request for arbitration to Sida.

§ 20 Applicable Law

The Contract shall be governed by the substantive laws of Mozambique without regard to its conflict of laws rules.

§ 21 Suspension of Payment

In addition to what is stated in the above article named "Remedy", the Client may, by written notice of suspension, immediately suspend, in whole or in parts, payment to the Consultant, if the Consultant is in breach of contract, provided that such notice specifies the nature of the breach and requests the Consultant to remedy the breach within a specific time, however, not less than thirty (30) days.

The notice of suspension shall be sent to the Consultant with a copy to Sida.

§ 22 Termination of the Contract

a) By the Client

The Client may terminate the Contract if any of the following events should occur:

- 1) with thirty (30) days written notice of termination, if the Consultant has not remedied the breach referred to in the above article named "Remedy" or the above article named "Suspension of Payment", within the time specified by the Client, or,
- 2) with immediate effect on written notice of termination, i) if the Consultant is in material breach of contract, ii) if the Consultant becomes bankrupt, enters into an agreement with its creditors for relief of debt, suspends its payments, goes into liquidation, or otherwise is deemed to be insolvent, iii) if the Consultant submits to the Client any statement which has a material effect on the rights, obligations or interests of the Client and which the Consultant knows to be false, iv) or if the Consultant, in the judgement of the Client, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract, or,
- 3) with sixty (60) days written notice of termination, if the Client, at its own discretion decides to terminate the Contract.

In case the Contract is terminated in accordance with 1) and 2) above, the Client shall be entitled to indemnification. In case the Contract is terminated in accordance with 3) above, the Consultant shall take immediate steps to terminate the Services in a prompt and orderly manner, to reduce any losses and to keep further costs to a minimum. The Consultant is entitled to, in addition to full reimbursement before the termination becomes effective, reimbursement for reasonable costs for terminating the Services. However, such reimbursement is limited to a maximum period of fifteen (15) days from the date the termination became effective. The Consultant shall, in order not to forfeit its rights, inform the Client in writing of any claim for reimbursement as described above, no later than two months after the expiry of the Contract.

The notice of termination shall be sent to the Consultant with a copy to Sida.

b) By the Consultant

The Consultant may terminate the Contract if any of the following events should occur:

- 1) with thirty (30) days written notice of termination, i) if the Client or Sida, as the case may be, has not made payments, not subject to dispute, within the due dates and such default has not been remedied within thirty (30) days of the

Consultant's written notice thereof to the Client or Sida, ii) or if the Client is in material breach of contract and has not remedied the same within thirty (30) days of the Consultant's written notice thereof to the Client.

In case the Contract is terminated in accordance with 1) ii) above, the Consultant is entitled to indemnification.

The notice of termination shall be sent to the Client with a copy to Sida.

§ 23 Extension of the Contract

The Parties may agree that the Contract shall be extended twice with unaltered conditions for a period of twelve (12) months for each extension. The extension shall be made in writing and signed by both Parties while the Contract is still in force. The extension shall not become effective until Sida's written "no objection" has been obtained. The Consultant is not entitled to any compensation, should an extension not be agreed.

§ 24 Effectiveness of the Contract

The Contract shall enter into force after Sida's written "no- objection" to the Contract and after the Contract has been signed by the Parties, and, if applicable, after Sida has signed the undertaking referred to in the above article named "Mode of Billing and Payment". The Contract shall remain in force until **<date>**.

Bank Guarantee for Advance Payment

_____ *[Bank's Name, and Address of Issuing Branch or Office]*

Beneficiary: _____ *[Name and Address of Client]*

Date: _____

ADVANCE PAYMENT GUARANTEE No.: _____

We have been informed that *[name of Consulting Firm]* (hereinafter called "the Consultants") has entered into Contract No. *[reference number of the contract]* dated *[insert date]* with you, for the provision of *[brief description of Services]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of *[amount in figures]* (*[amount in words]*) is to be made against an advance payment guarantee.

At the request of the Consultants, we *[name of Bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[amount in figures]* (*[amount in words]*)¹ upon receipt by us of your first demand in writing accompanied by a written statement stating that the Consultants are in breach of their obligation under the Contract because the Consultants have used the advance payment for purposes other than toward providing the Services under the Contract.

It is a condition for any claim and payment under this guarantee to be made that the advance payment referred to above must have been received by the Consultants on their account number _____ at *[name and address of Bank]*.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Consultants as indicated in copies of

¹ The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency(ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Client.

certified monthly statements which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of the monthly payment certificate indicating that the Consultants have made full repayment of the amount of the advance payment, or on *[date]*² whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

[signature(s)]

Note: All italicized text is for indicative purposes only to assist in preparing this form and shall be deleted from the final product.

² Insert the expected expiration date. In the event of an extension of the time for completion of the Contract, the Client would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Client might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Client's written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee."

Annex1: Sida Procurement Guidelines (SPG)

Sida Procurement Guidelines (SPG)

The purpose of SPG is to define the procurement policies and rules to be applied by Co-operation partners or by Sida in Sida financed operations. A prerequisite for applying SPG as regulatory framework is however the existence of an agreement between the governments of Sweden and the country of the co-operation partner or between Sida and the co-operation partner.

June 2004



Swedish International Development Cooperation Agency
Division for Legal Services and Procurement Advice

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1 INTRODUCTION

1.1 Preamble

These Procurement Guidelines (SPG), enters into force on June 1, 2004 and will thereby replace the previous version of the Procurement Guidelines⁸.

The SPG serve as an instrument for undertaking efficient and sound procurement in projects/programmes financed by Sida, whilst at the same time ensuring a strong degree of transparency, fairness and integrity in the procurement and contract management process.

In terms of guiding principles and basic tendering procedures, these SPG essentially follow the World Bank and The European Bank for Reconstruction and Development's (EBRD) Procurement Guidelines, the European Directives on public procurement, and consequently also the Swedish Public Procurement Act (LOU), as well as the World Trade Organisation (WTO)/Government Procurement Agreement (GPA). If a question is raised how to interpret SPG in matters not addressed in SPG, a comparison with LOU shall be done. If there exists an established LOU legal interpretation for a corresponding situation, this interpretation shall be also be applicable for SPG.

1.2 The Purpose

These Sida Procurement Guidelines (SPG) set out the procurement policies and rules to be followed in Sida-financed operations, when so agreed in the Agreement, for contracts covering goods, works and consultant services between Sida and the Co-operation Partner.

Sida adopts a variety of financing and co-operation instruments in its development co-operation assistance. Those instruments should, whenever appropriate, address the procurement issue as well as define the relevant procurement policy framework and the specific provisions to be applied for the procurement of contracts subject to Sida- financing.

Unless Sida has otherwise agreed, procurement shall not be initiated before there is an effective Agreement concluded between Sida and the Co-operation Partner.

1.3 Definitions and Terminology

For the purpose of clarity and simplicity these SPG apply the following definitions:

- a) The term **Co-operation Partner** is used throughout the SPG as a common expression for the party, which enters into the Agreement with Sida and is thereby responsible under the Agreement for the correct application of these SPG.

⁸ SPG was first adopted on 24 September 2002 by the Director General of Sida and entered into force on 15 January 2003. The present revision was adopted in May 2004.

- b) Sida's **Representative** is the common expression for a staff member of Sida's organisation who is granted the authority to issue a "no objection" in respect of the various steps and components in the procurement and contract administration process.
- c) With **Firms** means all suppliers of goods, works and services.
- d) **Agreement** is used throughout the SPG as a common expression for the various financing and co-operation agreements and instruments applied by Sida in its development co-operation work.
- e) The term "**No objection**", whenever used in the SPG, constitutes Sida's written communication to the Co-operation Partner that Sida's review of tendering procedures and contract management concludes that agreed procedures have been followed as required by SPG and the Agreement.
- f) "**Procurement**": the purchase, leasing, rental or hire-purchase of goods, works or services.
- g) with "**Contract document** means the basic documentation for either "Tender Dossier" (services) or "Tender Documents" (goods and works).

These SPG apply British English terminology using terms and expressions that are based on the vocabulary practised within the EBRD and WTO/ Government Procurement Agreement (GPA). Co-operation Partners are requested to use the same terminology in procurement documentation to be used for prequalification or tendering.

1.4 Applicability of the SPG

Subject to an effective Agreement established with the Co-operation Partner, these SPG, unless otherwise agreed, shall be applied in the following circumstances:

- a) The Co-operation Partner undertakes the procurement and is the party to the contract;
- b) The Co-operation Partner is the party to the Agreement, but another entity under a sub-agreement with the Co-operation Partner undertakes the procurement and concludes the contract;
- c) The Agreement specifies that Sida may undertake procurement and conclude contracts subject to financing under the Agreement for the purpose of efficiently serving or monitoring the project.

1.5 When Sida applies the SPG

With reference to Clause 1.4 Applicability para c), Sida shall apply these SPG, when so agreed in the Agreement, on the same condition as the Co-operation Partner but with the following exceptions:

- The word Co-operation Partner shall be replaced by Sida where applicable
- Clause 2.2 second paragraph on eligibility will not apply

- Clause 2.7 Procurement Secrecy and 5.13 on Confidentiality will not apply since the Swedish Secrecy Act will apply;
- Clause 3.14, second paragraph on Pre-Tender meeting will not apply;
- Clause 3.16.1 and 3.16.2 on Tender Opening: (b) will apply and (a) will not apply.
- Clause 3.14 fourth paragraph on Submission of tenders in separate envelopes is optional for Sida
- Clause 3.19 regarding Appeal will not apply
- Section 6 regarding Review of procurement decisions will not apply

2 PRINCIPLES AND CONSIDERATION

2.1 Basic Principles

Open and fair competition is the foundation for good procurement practice. In addition to economy, efficiency and to ensure that procurement decisions are based on commercial grounds only, Sida requires transparency and accountability in conjunction with the use of its financing of projects and programmes. This will affect the choice of procurement method and the documents and procedures that are used and Sida, therefore, requires its Co-operation Partners and own organisation, in all appropriate cases, to undertake the procurement of goods, works and services through competitive tendering procedures in accordance with the rules outlined in these SPG.

2.2 Eligibility

Procurement of goods, works and services for contracts financed by Sida shall be open to all firms and individuals from any country.

Where another rule on eligibility restricting participation is considered for a certain project or contract as a result of a decision by the Swedish government, the applicable rule should be clearly addressed in the Agreement. The relevant eligibility rule to be applied should also be stated in the invitation to tender or to prequalify (Letter of invitation or/and publication notice) irrespective of the procurement method used.

Sida shall not finance a contract or make payment to firms or individuals that are prohibited from participation by any act taken in compliance with a decision of the United Nations (UN) Security Council taken under Chapter VII of the Charter of the UN

2.3 Co-operation Partner Responsibilities

Co-operation Partners are responsible for implementing Sida financed projects and contracts, including all aspects of the procurement process from the stage of planning through to the award of contracts, as well as the administration of the contracts themselves.

The rights and obligations of the Co-operation Partner vis-à-vis tenderers for goods, works and services to be furnished will be governed by the tender documents issued by the Co-operation Partner and not by these SPG.

2.4 Sida Responsibilities

Sida conducts reviews, in accordance with Section 6 Sida's Review of Procurement Decisions, to ensure that the tendering process has been carried out in accordance with agreed procedures, as required in the Agreement. Sida is responsible for procurement contracts concluded by itself.

If at any time in the procurement process (even after the award of contract) Sida concludes that the agreed tendering or contract administration procedures were not substantially followed in any material respect, Sida may declare that the contract is no longer eligible for

financing. Sida will also declare a contract ineligible for financing if it determines that its “no objection” was based on incomplete, inaccurate or misleading information furnished by the Co-operation Partner.

2.5 Ethics in Procurement

It is a requirement of Sida that the Co-operation Partners, as well as tenderers, suppliers, contractors, and consultants under Sida-financed contracts observe the highest standards of ethics during the procurement and execution of such contracts. In pursuance of this policy, Sida requires that all parties concerned take measures to ensure that contracts and purchase orders relating to Sida financing are not used as devices for the transfer of gifts, payments or other benefits to public officials and/or procurement management/staff members with decision making responsibility or influence.

For the purpose of this provision, the terms set forth below shall have the following meaning:

"corrupt practice" means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official, or the threatening of injury to person, property or reputation in connection with the procurement process or in contract execution in order to obtain or retain business or other improper advantage in the conduct of business; and

"fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Co-operation Partner and includes collusive practices among tenderers (prior to or after submission of tenders) designed to establish prices at artificial, non-competitive levels and to deprive the Co-operation Partner of the benefits of free and open competition.

Sida reserves the right where a Co-operation Partner, firm or individual has been found by a judicial process, or an official enquiry undertaken by any of the IFI (International Financial Institutes) or bilateral donors, or by an independent review of Sida, to have engaged in corrupt or fraudulent practices to cancel all Sida financing for such Co-operation Partner, firm or individual. In a contract financed by Sida, a provision shall be included requiring firms or individuals to permit Sida to inspect their accounts and records relating to the performance of the contract and to have them audited by auditors appointed by Sida.

2.6 Conflict of Interest

No affiliate of the Co-operation Partner shall be eligible to tender or participate in a tender in any capacity whatsoever unless it can be demonstrated that there is not a significant degree of common ownership, influence or control between the Co-operation Partner and the affiliate.

Where a firm, its affiliates or parent company, in addition to consulting, also has the capability to manufacture or supply goods or to construct works, that firm, its affiliates or parent company normally cannot be a supplier of goods or works on a project for which it provides consulting services and vice versa, unless it can be demonstrated that there is not a significant degree of common ownership, influence or control. The only exceptions would be turn-key, single responsibility, public works concessions or similar undertakings where design, supply and construction activities are an integral part of the contract or where certain critical items of equipment are an essential part of the process design.

A tenderer may submit or participate in any capacity whatsoever in only one tender for each contract. Submission or participation by a tenderer in more than one tender for a contract (other than alternatives, which have been expressly permitted or requested by the Co-operation Partner) will result in the disqualification of all tenders for that contract in which the party is involved. However, this does not limit the inclusion of the same subcontractor in more than one tender.

Consultants shall provide professional, objective and impartial advice and at all times hold the Co-operation Partner's interests paramount, without any consideration for future works, and strictly avoid conflicts with other assignments or their own corporate interests. Consultants or any of their affiliates shall not be engaged for any assignment which, by its nature, may be in conflict with another assignment of the consultant. Sida may accept the participation of a consultant in a tender that has been engaged in the preparation of a project if it can be demonstrated that no unfair advantage is given to the consultant and that the tendering process offers equal opportunities to all tenderers.

2.7 Procurement Secrecy

The procurement process, generally, is confidential from the time of receipt and opening of tenders to the notification of the award. The handling of the issue of confidentiality may differ depending on whether it is the Co-operation Partner who undertakes the procurement or Sida itself. The invitation to tender or the instructions to tenderers shall state the applicable rule for the specific tender.

2.8 Green Procurement – Environmental considerations

The sustainable use of natural resources and the protection of the environment belong to the fundamental objectives of Swedish development cooperation.

The Co-operation Partner shall give preference to environmentally sound products and/or services⁹ and shall follow the requirements stated in Sida's Policy for Green Procurement for Co-operating partners¹⁰ and where appropriate, special requirements stipulated in the Agreement. Environmental demands shall be clearly stipulated in the tender documents.

Procurement undertaken by Sida shall also take into consideration the environmental demands stated in the Guideline for Ecologically Sustainable Public Procurement which is a tool developed by The Committee for Ecologically Sustainable Procurement¹¹.

2.9 Social Considerations

Sida requires Co-operation Partners and tenderers to respect and safeguard human rights as defined in the Conventions of International Labour Standards of ILO (International Labour Organisation)¹².

⁹ Such independent services that may not be procured in accordance with section 5.

¹⁰ www.sida.se/partnerpoint

3 PROCUREMENT METHODS AND COMMON RULES APPLICABLE TO ALL CONTRACTS

3.1 Procurement Planning

Sound and efficient planning of procurement is crucial for the successful outcome of a project. The Co-operation Partner must determine what goods, works and services, including such independent services that may not be procured under Section 5, are required to carry out the project, when they must be delivered, what standards and other considerations are needed, and which procurement and contracting procedure is most suitable for each contract. Sida's requirement of a procurement plan shall be specified in the Agreement.

I. PROCUREMENT METHODS

The following procurement methods, under the rules and conditions described below, shall be used in the procurement of contracts for goods, works and services, including consultant services that are financed by Sida.

3.2 Open Tendering

Open Tendering procedures are those procedures under which all interested firms are given adequate notification of contract requirements and all *eligible* tenderers are given an equal opportunity to submit a tender. The Co-operation Partner must give sufficient public notification of tendering opportunities for potential tenderers to determine their interest and to prepare their tenders. Open Tendering may be conducted with or without prequalification proceedings.

Open Tendering is the principal method for procurement when the individual contract value in Swedish Kronor (SEK) exceeds:

	<u>SEK</u>
Goods	2,000 000
Consultant Services	2,000 000
Works	10,000 000

Co-operation Partners are also encouraged to apply Open Tendering below the above thresholds, but may use other methods where the conditions specified further in this section are met.

3.2.1 Open Tendering with Prequalification

Co-operation Partners may require potential tenderers to prequalify when that is justified by the nature of the contracts and all tenderers that meet the prequalification criteria should be

¹¹ www.eku.nu

¹² Freedom of Association and Protection of the Right to Organize Convention, (No. 87 and 98), Forced Labour Convention, (No. 29 and 105), Minimum Age Convention, (No. 138 and 182), Equal Remuneration Convention, (No. 100 and 111)

invited to submit tenders. The notification for prequalification and the evaluation procedure shall be consistent with those for Open Tendering in these rules. In the procurement of consultant contracts, the prequalification proceedings correspond to the request for “Expressions of Interest” and the short-listing of qualified firms. The prequalification criteria, which shall be specified in the prequalification documents or in the invitation to prequalify, shall be based entirely upon the capability and resources of the prospective tenderers to perform the particular contract satisfactorily and they shall be in the form of pass/fail criteria as regards contracts for goods and works.

Prequalification or shortlisting for consultancy services will use another methodology as further described in 5.9.

3.2.2 Negotiated Procedure

If no tenders or no appropriate tenders are submitted subject to a notification under open tender procedure, the Client may initiate a Negotiated Procedure without further publication of a Procurement Notice provided the contract terms originally laid down in the contract documents have not been substantially altered. Such procedure shall, with the exemption of notification, be carried out in accordance with the procedure stated for Open Tendering, and subject to “No-objection” from Sida.

3.3 Selective Tendering

Selective Tendering procedures are similar to those for Open Tendering, except that qualified firms are preselected for each tender and invited in writing by a direct invitation. In order to ensure sufficient competition, the number of invited tenderers, normally, should not be less than three (3) firms. A tender from a firm, which is not pre-selected, shall be treated in the same way as a tender from an invited firm.

Selective Tendering may be used for awarding contracts when the value of the contract is less than:

	<u>SEK</u>
Goods	2,000 000
Consultant Services	2,000 000
Works	10,000 000

Selective Tendering includes the preparation of a complete set of tender documents and the use of formal opening procedures.

3.4 Simplified Tendering

Simplified Tendering is a procedure where prospective tenderers are invited by direct invitation in writing and the formal requirements are less strictly set compared to the procedures for Open and Selective Tendering. It may be used when the contract value is less than:

	<u>SEK</u>
Goods	300 000
Consultant Services	300 000

Works 1,000 000

Simplified Tendering should be used in cases where a Co-operation Partner will carry out procurement for readily available off-the shelf items or products and services of a similar nature, and will include the following features:

- the invitation, normally to not less than three (3) firms,
- the tender and contract documentation can be prepared in a simple format;
- no public or formal opening of tenders is required;
- tenders can be submitted by fax or electronic mail.

3.5 Single Source Procurement/Selection

Single source procurement for goods or Single Selection for consultant services may be used in exceptional cases or when the contract value is less than:

	<u>SEK</u>
Goods	100 000
Consultant Services	300 000

Single source procurement, when the above thresholds are exceeded, may be justified in the following cases:

- a) The extension of an existing contract awarded in accordance with the procedures for Open or Selective Tendering for additional goods, works or services of a similar nature would clearly be economic and efficient and where no advantage would be obtained by further competition. In the case of a consultant contract, the contracts maximum value shall not exceed 50% of the original contract, unless otherwise agreed with Sida.
- b) A product or consultant services can only be provided by a single firm because of exclusive capabilities, exceptional worth for the assignment or proprietary rights;
- c) Standardisation with existing equipment is determined to be important and justified, and compatible goods cannot be provided by other suppliers;
- d) It is a case of extreme urgency not foreseeable or attributable to the Co-operation Partner.

II. OTHER RULES

3.6 Valuation of Contracts and Thresholds

For the purpose of determining the applicable procurement method, Co-operation Partners shall ensure that the estimation of the contract value is made correctly and cover all costs related to the specific contract, whether it is a so called one-off contract or a time-based contract for a certain period of time.

No procurement requirement for a given quantity or input of a contract may be split-up with the intention of avoiding the application of a formal procurement method.

3.7 Notification and Advertising

Timely notification of tendering opportunities is essential in competitive tendering. For this purpose, Sida requires Co-operation Partners under Open Tendering to publish invitations to prequalify or to tender and to make known the requirements to the public in the following manner:

- a) Whenever applicable, in at least one newspaper of national circulation in the country of the Co-operation Partner;
- b) The Co-operation Partner shall submit a "Procurement Notice"¹³ to Sida for publication.
- c) For large contracts, when so required by Sida, in one or more of the following publications; publication in the UN publication Development Business, the Tenders Electronic Daily (TED) of the Official Journal of the European Communities, and the DAC's Internet Procurement Bulletin Board. Publication of notices in international technical magazines and newspapers of wide circulation is encouraged.

The invitation to prequalify or tender may be sent by fax or electronic mail and shall contain all information necessary to guide the prospective tenderers about the requirements, the means and the cost, if any, of obtaining the tender documents, and the place and deadline for submission of tenders.

Only a nominal fee should be charged for the tender documents, solely to cover the costs of reproduction and of despatching the documents by courier.

3.8 Time Limits

Prescribed time limits for the preparation and submission of applications to prequalify or tenders shall be sufficient for all tenderers to prepare and submit applications or tenders. The following minimum time limits apply from the date of publication:

- a) Open Tendering with Prequalification
 - Prequalification/ "Expressions of Interest" 30 days
 - Submission of Tender 30 days
- b) Open Tendering 30 days
- c) Selective Tendering 30 days
- d) Simplified Tendering 15 days

For large and complex contracts, the time limits under Open Tendering should be extended considerably, normally to not less than 90 days.

¹³ www.sida.se/partnerpoint

3.9 Language

Tender documentation, including all published procurement notices, shall be prepared in English, French or Spanish. The chosen and governing language shall be stated in the Agreement between Sida and the Co-operation partner. In addition, the Co-operation Partner may prepare a further set of the tender documentation in other languages in order to assist local firms in tendering. However, the English, French or Spanish text and the interpretation thereof govern the tender documentation. A text in another language than the governing language is to be regarded only as a translation and as a guide to local firms.

3.10 Qualification of Tenderers

In tenders where a prequalification of tenderers has not been carried out, the Co-operation Partner shall assess the qualifications of a tenderer as part of tender evaluation in order to determine whether it is capable of performing a possible contract satisfactorily.

The qualification of tenderers may be undertaken as a post-qualification in the final step of the tender evaluation for goods and works. Alternatively, the assessment of tenderer qualifications may take place during the preliminary examination of tenders. The qualification of tenderers for consultant contracts should always be undertaken before the detailed technical evaluation of tenders is initiated.

The tender documents for goods and works and the tender dossier for consultant services should state the minimum qualification requirements that have to be met by the tenderers in order to qualify for the award of contract. Such minimum requirements may cover the following aspects, as appropriate:

- a) Necessary professional, technical and organisational capacity, financial resources and other required facilities to perform a contract;
- b) Proven experience, including the satisfactory completion of similar contracts;
- c) Legal capacity to enter into a contract.

To satisfy itself that the firms are qualified in accordance with the criteria referred to in the above section, the Co-operation Partner may, as appropriate, require the tenderers to provide the necessary documentary evidence or other information it may deem useful. The requirements specified shall be relevant for the particular procurement and be based on objective grounds. References shall, where possible, be made to European or international standards, such as EN 2900 and ISO 9000.

Consequently, the evaluation of the qualifications of the tenderers must be carried out in accordance with the criteria and procedures laid down in the tender documents, and nothing else.

3.11 Grounds for Disqualification

A firm may be excluded from the evaluation and the award of a contract, who:

- f) is bankrupt or is being wound up, whose affairs are being administered by court, who has entered into an arrangement with creditors, who has suspended business activities or who is subject of an injunction against running business by court;
- g) is the subject of proceedings for a declaration of bankruptcy, for an order for compulsory winding up or administration by court, or for an arrangement with creditors or of any other similar proceedings;
- h) has been convicted of an offence concerning his professional conduct by a court;
- i) has been found guilty of grave professional misconduct;
- j) has not fulfilled obligations relating to payments of taxes or social security contributions.

3.12 Verification of Qualifications

In addition to the verifications necessary to determine a firm's qualifications according to the various requirements set out above, prior to contract award, the Co-operation Partner, unless deemed unnecessary, shall ensure that a tenderer meets formal requirements as stipulated under national law. A tenderer would normally be required to include in its tender evidence that it:

- e) is registered by a national Registrars of Companies and a Trade Association (Patent och Registreringsverket, PRV or a corresponding national official register for non-Swedish firms);
- f) is registered for declaration and payment of value added tax or a similar sales tax in accordance with national legislation;
- g) has declared preliminary taxes for staff and employee contributions; and
- h) is free from debts regarding taxes and social security contributions.

In case of a request to the tenderer for the information referred to above, it shall be stated in the tender document/tender dossier, the procurement notice or letter of invitation in what manner the tenderer must provide such information. Failure to furnish such information may be a ground for rejection.

A firm not registered by the PRV or by a corresponding national official register as well one not registered for declaration and payment of value added tax in accordance with national legislation will be excluded from participation in the tender proceedings.

3.13 Clarifications

3.13.1 Clarification of Contract Documents

Tenderers shall have the right to seek clarifications on any aspect of the Contract documents and receive responses from the Co-operation Partner in good time before the deadline for submission of tenderers, normally not less than 14 days prior to the deadline. The responses

prepared by the Co-operation Partner shall be sent to all firms that have received the Contract Documents at the same time and without disclosing the names of the prospective tenderers.

3.13.2 Clarification of Tenders

The Co-operation Partner may also request clarification or amplification of a tender, if this can take place without risk of preferential treatment or limitation of competition.

The Co-operation Partner may also request for clarification or amplification of a certificate, written proof or other documentation that has been submitted as laid down in Clauses 3.10, 3.11 and 3.12

3.14 Submission of Tenders

Tenders shall be submitted in writing, unless otherwise determined by SPG. The Co-operation Partner shall allow enough time for the consultants to prepare their tenders. The time allowed shall depend on the assignment but shall never be less than the minimum time limits set out in Clause 3.8.

For more complex procurements, it may be appropriate to arrange a pre-tender meeting between the invitation and the deadline for submission. This should be stated in the invitation to submit tenders and all firms that have declared their intention to submit a tender shall be invited to attend.

If necessary, the Co-operation Partner may extend the deadline for submission of tenders. If such a decision is taken, the tenderers shall be informed of the decision to extend the deadline, not less than 7 days before the deadline for submission of tenders.

When the procurement relates to consultant services, technical and financial proposals shall be submitted at the same time but in separate envelopes.

3.15 Validity of Tenders

The period of validity of the tender should be specified in the tender documents and be sufficient to enable the Co-operation Partner to complete the evaluation of tenders and conclude a contract with the successful tenderer, including receiving Sida's "no objection" when so required. This would normally be in the range of 60 - 90 days. In exceptional circumstances, the Co-operation Partner may request the tenderers to extend the validity of their tenders, subject to Sida's "no-objection".

3.16 Tender Opening

3.16.1 Goods and Works

Tenders solicited under Open and Selective Tendering procedures for goods and works shall be received and opened under procedures and conditions guaranteeing the regularity of the opening as well as the availability of information from the opening. The following procedures will apply:

a) Tenders opened under procedures where the Co-operation Partner is responsible for the procurement.

h) At the time and place stated in the tender documents, the Co-operation Partner will open all tenders that have been received before the deadline for submission of tenders. Tenders shall be opened in the presence of the tenderers or their representatives that choose to attend. The name of the tenderers and the total price of each tender shall be read aloud and recorded when opened. Minutes of the tender opening shall be distributed to all tenderers that have purchased the tender documents as well as to Sida.

i) Sida shall have the right to nominate an observer to attend the meeting

A non-public procedure may be used by the Cooperation Partner for opening of tenders under Simplified Tendering and Single Source Procurement.

Tenders received after the deadline for submission will be rejected and returned unopened, see Clause 5.10, fourth paragraph.

b) Tenders opened under procedures where Sida is responsible for the procurement.

Opening of tenders shall be carried out in a non-public meeting the second day after the deadline for submission of tenders and all tenders shall be recorded in a protocol issued and signed by two persons appointed by Sida.

3.16.2 Consultant services

a) Tenders opened under procedures where the Co-operation Partner is responsible for the procurement

The technical proposals shall be opened as soon as possible after the closing time for the submission of the tenders by a committee of at least three officials in a non-public session. The financial proposals shall remain sealed until the technical evaluation has been completed and thereafter opened, provided they meet the minimum technical score, and recorded in accordance with the same procedure as for the technical proposals above. Tender opening minutes shall be prepared. Any tender received after the closing time for submission shall be returned unopened.

A non-public procedure may be used by the Cooperation Partner for opening of tenders under Simplified Tendering and Single Source Procurement.

b) Tenders opened under procedures where Sida is responsible for the procurement

Opening of tenders shall be carried out in a non-public meeting the second day after the deadline for submission of tenders and all tenders shall be recorded in a protocol issued and signed by two persons appointed by Sida.

3.17 Rejection of All Tenders

Rejection of all tenders shall only be done in exceptional circumstances. It may be justified when there is a lack of effective competition, where the budget is extensively exceeded, or where there is a lack of responsive tenders.

3.18 Joint Ventures

The formation of joint ventures is allowed in tendering for Sida-financed contracts when so stated in the pre-qualification or Contract Documents. Any tender shall be signed by all partners of the joint venture, so as to legally bind all partners, jointly and severally, and any tender shall be submitted with a copy of the joint venture agreement providing for joint and several liability with respect to the contract, including the nomination of the lead firm of the joint venture. The Co-operation Partner may request the successful joint venture tenderer to establish a special judicial form as a condition for contract execution.

3.19 Appeal

Tenderers with the view they have been harmed by an error or irregularity during the award process may file a complaint with the Co-operation partner directly.

The Co-operation Partner shall immediately inform Sida of such complaint and must respond to the complainant within a reasonable time as well as send a copy to Sida.

If the outcome of above procedure does not satisfy the complainant, the tenderer may have recourse to procedures established under the Co-operation partner's national legislation.

4 PROCUREMENT OF GOODS AND WORKS

In this section, a number of areas related specifically to the procurement of goods and works will be addressed including such independent services that may not be procured in accordance with section 5.

4.1 Tendering Procedures

The selection of procurement methods to be used in the procurement of goods and works are laid down in Section 3. Procurement methods and common rules applicable to all contracts, including the thresholds applicable for the various procurement methods and rules on advertising and time limits.

4.2 Tender Documents

The tender documents are the focal point in the tendering process and shall furnish all information necessary for a prospective tenderer to prepare a responsive tender for the goods and works to be provided. While the detail and complexity of these documents may vary with the size and nature of the tender package and contract, they generally should include:

- a) Invitation to Tender;
- b) Instructions to Tenderers;
- c) General and Special Conditions of Contract;
- d) Technical Specifications;
- e) Schedule of Requirements;
- f) Tender Form;
- g) Contract Form;
- h) Appendices.

Tender documents shall be drafted so as to permit and encourage the widest possible competition. They shall clearly define the scope of works, goods and associated services to be supplied, the rights and obligations of the purchaser and of suppliers and contractors, and the conditions to be met in order for a tender to be declared substantially responsive, and they shall set out fair and non-discriminatory criteria for selecting the winning tender.

4.3 Standards and Specifications

Standards and technical specifications referred to in tender documents shall promote and allow the broadest possible competition, while assuring the critical performance or other requirements for the goods and/or works under procurement. Co-operation Partners should use European (EN) and international standards (ISO) and specifications wherever these are available and appropriate. The use of performance related specifications are encouraged and may be appropriate to include when full comparability for evaluation purposes between the tenders can be achieved. The use of brand names and similar references should be avoided. If it necessary to quote a brand name of a particular manufacturer to clarify an

otherwise incomplete specification, the words “or equivalent” shall be added after such reference.

4.4 Domestic Preferences

Sida does not allow the inclusion of domestic preferences for local firms in the tender documents for evaluation purposes.

4.5 Tender Securities

A tender security, in the amount specified in the tender documents, affording the Co-operation Partner reasonable protection against irresponsible tenders may be acceptable, but it shall not be set so high as to discourage tenderers and the amount would normally fall within the range of 2-5% of the estimated contract price.

4.6 Evaluation Criteria

The Co-operation Partner shall accepted either the tender, which is:

- a) the economically most advantageous in consideration of the given evaluation criteria, such as price, operating costs, quality, aesthetic and functional characteristics, service and maintenance, environmental impact etc. or
- b) the lowest price

Only one of these two evaluation principles may be given in the Contract Documents.

4.6.1. *The economically most advantageous tender*

Tender documents, in the relevant section of the Instructions to Tenderers, shall specify the relevant factors in addition to price to be considered in the tender evaluation and in the manner in which they will be applied for the purpose of determining the most advantageous tender. Factors, which may be taken into consideration, include, inter alia, the time of completion of the construction or delivery, the operating costs, the efficiency and compatibility of the equipment, and the availability of service and spare parts.

Factors other than price to be used for determining the most economically advantageous tender should be quantifiable and expressed in monetary terms, or where that is not practicable, given a relative weight in the evaluation provisions of the tender documents.

4.6.2. *Tender with the lowest price*

This method may be appropriate for goods and works of a standard or routine nature where well established specifications and standards exist. Under this method, a minimum of technical points for quality is established. Those tenders securing the minimum threshold are determined qualified. Thereafter the firm with the lowest price shall be selected.

4.7 Award of Contract

The Co-operation Partner shall award the contract to the tenderer whose tender has been determined to be substantially responsive and has been determined to be the most

favourable tender, provided further that the tenderer is determined qualified to perform the contract satisfactorily. The award decision must be made in writing in an evaluation report and the report shall be distributed to all Tenderers.

4.8 Evaluation Procedure

The following steps and considerations should normally be followed and made in the examination and evaluation of tenders:

- a) Prior to the detailed evaluation, the Co-operation Partner will examine each tender to determine whether it is complete, the documents are properly signed, it is substantially responsive to the tender documents and any computational errors have been made;
- b) The Co-operation Partner may at this stage undertake an examination of the tenderer's qualifications in accordance with the qualification requirements specified in the tender documents in order to determine whether the tenderer is qualified to perform the contract satisfactorily. Alternatively, the determination of a tenderer's qualifications may be made when the evaluation is completed as a post-qualification of the tenderer whose tender has been determined the lowest evaluated;
- c) A substantially responsive tender is one that conforms to all the terms, conditions and specifications of the tender documents, without material deviation, reservation or omission. A material deviation, reservation or omission is one (i) which affects in any substantial way, the scope, quality or performance of the goods, (ii) which limits in any substantial way the rights and obligations under the contract, or (iii) the rectification of which would affect unfairly the competitive position of the other tenderers;
- d) The Co-operation Partner may waive any minor informality, non-conformity or irregularity, provided that such waiver does not prejudice or affect the relative ranking of any tenderer;
- e) If a tender is not substantially responsive, it will be rejected and may not subsequently be made responsive by any correction of the tender;
- f) The Co-operation Partner shall thereafter analyse the price and costs for those tenders determined substantially responsive, and the award shall be made to the tenderer that has submitted the most favourable tender

4.11 Negotiations

Negotiations on price are not permitted with tenderers prior to the award decision, other than in connection with Negotiated Procedure or single source procurement. Clarifications in writing in respect of a tender may be sought by the Co-operation Partner during the evaluation process.

In the course of concluding a contract with the successful tenderer, the Co-operation Partner may invite the winner for a meeting in order to discuss and agree on outstanding issues related to the contract to the extent that no substantial change is made to the basis on which the award decision was made.

4.10 Contract Models

Unless otherwise agreed, all contracts shall be concluded directly between the Co-operation Partner and the selected supplier or contractor. Co-operation Partners may use appropriate international contract models for the delivery of goods and works with associated services, such as the World Bank's sample contracts for goods and works as well as the various FIDIC (the International Federation of Consulting Engineers) contract formats appropriately adapted to Sida's requirements as set out in the Agreement.

5 PROCUREMENT OF CONSULTANT SERVICES

5.1 Introduction

The main concern when selecting consultants should be the quality of the services that are provided. The concept of quality in this context covers the entirety of factors subject to evaluation of the technical proposals, such as the qualifications of the consultant's team and the suitability of the approach and methodology indicated by the tenderer in its tender. The procedures for selecting consultants and contracting for their services should be competitive and transparent to ensure that assignments can be efficiently executed in a cost-effective way with high standards of performance, while providing the necessary degree of accountability.

5.2 Tendering Procedures

The selection of consultants will fundamentally rest on the same principles and basically follow the same procurement methods as laid down in Section 3. Procurement methods and common rules applicable to all contracts, including the thresholds applicable for the various procurement methods and rules on advertising and time limits. However, there are some significant features associated with the procurement of consultant services which generate the need to design and adopt special procedures to be used in order to ensure the quality of the firms to be retained as well as to secure the observation of requirements of objectivity and transparency in the evaluation and award of contracts. The term "Tender" as used in the following is normally composed of a Technical and Financial Proposal.

The following procurement procedures should be used:

a) Open Tendering with prequalification

This procedure should normally be used for large and complex consultant contracts where it is necessary to limit the number of tenderers for evaluation purposes.

The first step is the publication of an invitation notice where firms are invited to submit "Expressions of Interest" in order to establish a formal short list of qualified firms. The next step is to determine which firms are to be included in the short list based on the criteria stated in the invitation and thereafter invite those firms short-listed (in the range 3-6 firms) to submit a Tender based on the tender dossier issued by the Co-operation Partner.

b) Open Tendering

The invitation to tender, which may be combined, with a direct invitation of pre-identified firms, shall be made by the publication of a contract notice.

Since no formal short list is prepared, all eligible firms are invited to submit a tender. However, the invitation to tender and the tender dossier should state the minimum qualification requirements needed in order to determine which firms are qualified to perform the contract satisfactorily. Those firms not meeting the minimum qualification requirements will be rejected as non-responsive and excluded from further participation.

c) Selective and Simplified Tendering

This involves a direct invitation, normally not less than three firms chosen on objective grounds.

d) Single Source Selection

A qualified consultant firm or individual may be selected directly, when so justified (see Clause 3.5 Single source procurement/Selection), without the requirement to prepare a short list. The firm shall be asked to prepare a technical and financial proposal on the basis of a ToR furnished by the Co-operation Partner and acceptable to Sida, which may then be negotiated.

5.3 Selection and Evaluation Variants

The selection and evaluation of tenders will be conducted on the basis of the following variants which will govern the design of the tender dossier, in particular the instructions to tenderers with the application of the evaluation criteria and procedure, and the choice of contract conditions:

a) Quality and Cost- Based Selection (QCBS)

This process takes into account both the quality of the technical proposal and the cost of the services in the selection of a successful firm. The relative weight to be given to the quality and cost shall be determined for each case depending on the nature of the assignment. Quality must be measurable.

The budget and funds available for the assignment may be stated in the tender dossier, where appropriate.

Normally, Quality and Cost- Based Selection shall be the guiding basis for procurement of consultant services financed by Sida.

b) Least-Cost Selection

This method may be appropriate for assignments of a standard or routine nature (audits and engineering design of non-complex works, and so forth) where well-established practices and standards exist. Under this method, a minimum of technical points for quality is established. Those tenders securing the minimum threshold are determined qualified. Thereafter the firm with the lowest price shall be selected.

5.4 The Procurement Process

The procurement process for consultants under Open and Selective Tendering normally involves the following steps:

- a) Preparation of Terms of Reference (ToR) by defining the scope, objectives and deliverables, as well as determining the selection method and evaluation basis to be followed;

- b) Preparation of cost estimate and the budget;
- c) Preparation of the complete Tender Dossier normally comprising:
 - a. Invitation to Tender,
 - b. Instructions to Tenderers,
 - c. Terms of Reference (ToR),
 - d. Draft Contract;
- d) Advertising and/or the preparation of a short list of qualified firms (which varies with the selection method chosen);
- e) Receipt of Tenders (Technical and Financial Proposals);
- f) Evaluation of Technical Proposals;
- g) Evaluation of Financial Proposals;
- h) Preparation of complete Tender Evaluation Report;
- i) Negotiations and award of contract to the selected firm.

When Simplified or Single Source Procurement is used all the steps as listed in the above process are not needed.

5.5 Terms of Reference (ToR)

The ToR shall clearly and comprehensively describe the background, including objectives and scope of the project supported, the objectives, including intended longer-term effects, the scope of the assignment, the tasks to be performed and the time schedule for them, the deliverables, as well as the reporting requirements and other implementation arrangements.

Full harmonisation between objectives, tasks, deliverables and time schedule should be obtained.

The scope of the services described in the ToR shall be compatible with the available budget.

5.6 Cost Estimate (Budget)

Preparation of a realistic cost estimate is essential for the financial planning and Sida's allocation of resources to a project and for the specific assignment and contract. Costs shall be divided into two broad categories (a) fees and (b) reimbursables.

5.7 Tender Dossier

The Tender Dossier should furnish all information necessary for a prospective tenderer to prepare a responsive and competitive tender for the services to be provided. While the detail and complexity of these documents will vary with the size and nature of the proposed contract, they shall include:

- a) The Invitation to Tender which shall state the intention of the Co-operation Partner to enter into a contract for the provision of consulting services, the type of tendering method used, eligibility requirements, the source of funds (Sida), the details of the Co-operation Partner, any qualification requirements, the date, time and address for submission, and the required validity period of the tenders. The validity period shall be sufficient (normally 60-90 days) to enable the Co-operation Partner to complete the comparison and evaluation of tenders, and to allow for Sida's review and "no objection".
- b) The Instructions to Tenderers which shall contain all necessary information that would help the consultants prepare responsive tenders, and shall bring as much transparency as possible to the selection procedure by providing information on the evaluation process and by indicating the evaluation criteria and factors and their respective weights and the minimum passing quality score.
- c) The Tender Dossier, which shall normally include a draft contract proposal, that takes into account the special conditions and provisions applicable under Sida financing. The Co-operation Partner may use Sida's Contract for Consulting Services¹⁴ or other appropriate international contract models, such as those issued by the World Bank or others acceptable to Sida. Any changes or amendments to the general conditions should be introduced as special conditions of contract, with the general conditions remaining unchanged.

5.8 Advertising

Invitations to tender for consultancy contracts shall be done in accordance with the notification and advertising rules and procedures laid down in Clause 3.7. Notification and Advertising.

In case no formal short list of consultants is prepared, as being the case under Open Tendering without prequalification, the invitation to tender instead shall state the minimum qualification requirements that will be applied to the tender. Tenderers that fail to meet these minimum qualification requirements will be excluded from further participation and evaluation.

5.9 Preparation of Short Lists of Consultants

The formal short-listing of qualified firms to be invited to submit a tender is the first step under Open Tendering with prequalification and requires the publication of a notice for "Expressions of Interest".

Formal short lists of consultants should normally include no less than three and no more than six qualified and experienced consultants.

All relevant expressions of interest and other information on consultants should be collected that would be considered for short-listing. The short-listing criteria should be worked out in

¹⁴ see model at "Partner Point - Business Opportunities" - www.sida.se

advance, preferably in the form of short-listing grids. The three to six consultants having received the highest score then constitute the short list.

When the short-listed consultants have been invited to submit proposals, the other firms shall be informed in writing that they were not short-listed this time.

A short list of firms is also established in connection with the use of Selective Tendering and Simplified Tendering but without the publishing of an invitation notice. Instead, the short-listing will be based on market knowledge of qualified consultant firms and available lists of firms that have declared their interest with Sida or the Co-operation Partners to participate in tenders for certain areas of contracts.

5.10 Evaluation of Tenders under Quality and Cost- Based Selection

The evaluation of tenders shall be carried out in two stages: first the quality and then the cost. Evaluators of the technical proposals shall not have access to the financial proposals until the technical evaluation is concluded. Financial proposals shall be opened only after the technical evaluation has been completed. The combined evaluation of cost and quality shall be carried out in full conformity with the tender dossier.

The Co-operation Partner shall evaluate each technical proposal, taking into account several criteria such as: the consultant's experience, the quality of the methodology, the qualifications of key staff, and other factors as needed, all in accordance with the tender dossier. The Co-operation Partner shall further evaluate each proposal on the basis of its responsiveness to the ToR. A proposal shall be rejected at this stage if it does not respond to important aspects of the ToR or if it fails to achieve a minimum technical score as specified in the tender dossier. In the absence of a formal short listing of the tenderers, the Co-operation Partner shall conclude at this stage whether the tenderers meet the minimum qualification requirements as stated in the tender dossier.

At the end of the process, the Co-operation Partner shall prepare a technical evaluation report of the quality of the proposals. The report shall substantiate the results of the evaluation, describe the relative strengths and weaknesses of the proposals and indicate the technical scores of each proposal.

The Co-operation Partner shall open, under the procedures indicated above, the financial proposals of those proposals that met the minimum technical score, the other financial proposals to be returned unopened see Clause 3.16.1 a) and 3.16.2 b). The name of the consultant, the technical score, and the proposed total contract price (including fees and reimbursable costs) shall be recorded. The total score shall be obtained by weighting the quality and cost scores and adding them. The weighting principles for technical and financial merits shall be as specified in the tender dossier and, normally, the weight for cost shall be in the range of 20 – 40 points out of a total score of 100 points.

Evaluation procedures that include hearings or the presentation of tenders by the tenderers during this phase should not normally be practised, except for cases where it is determined necessary to conduct interviews with key members of the proposed team to determine their suitability for the positions.

The Co-operation Partner shall prepare a final evaluation report and the firm obtaining the highest total score shall be invited for negotiations.

5.12 Negotiations and Award of Contract

Negotiations may include discussions of the ToR, the methodology, staffing, Co-operation Partner's input, tax liability and special conditions of contract. These discussions shall not alter the original ToR or the terms of the contract, lest the quality of the final product, its cost, and the relevance of the initial evaluation be affected. The final ToR and the agreed methodology shall be incorporated as an attachment to the contract. Normally, proposed unit rates for fees shall not be negotiated, since these have already been a factor of selection in the cost of the financial proposal.

The selected firm shall not be allowed to substitute key staff, unless both parties agree. If it is established that key staff were offered in the proposal without confirming their availability, the firm may be disqualified and the process continued with the next ranked firm. The key staff proposed for substitution shall have qualifications equal to or better than the staff initially proposed.

If the negotiations fail to result in an acceptable contract, the Co-operation Partner shall terminate the negotiations and invite the next ranked firm for negotiations. The Co-operation Partner shall consult with Sida before taking this step. Once negotiations are commenced with the next ranked firm, the Co-operation Partner shall not reopen the earlier negotiations.

Negotiations with all firms meeting the requirements on technical scoring are not acceptable.

The award decision must be made in writing in an evaluation report and the report shall be distributed to all unsuccessful Tenderers.

5.13 Confidentiality

Information related to evaluation of tenders and recommendations concerning awards shall not be disclosed to the consultants who submitted the proposals or to other persons not officially concerned with the process, until the award of contract is notified to the successful firm, except as provided in the above paragraph.

Tenders and information concerning tenderers shall be regarded as classified until a contract has been signed or the procurement finalised in another fashion. The Co-operation Partner shall ensure that its employees, its consultants and their personnel and any other person involved respect the provisions regarding confidentiality set out in these SPG

6 SIDA'S REVIEW OF PROCUREMENT DECISIONS

Sida reviews the procurement process for the procurement of goods, works and services with respect to its fiduciary responsibility to ensure that tendering and contract management are carried out in accordance with agreed procedures as required by Sida Procurement Guidelines and the Agreement. Sida will communicate the result of its review in the form of either a "no objection" or a statement that Sida is not in a position to issue a "no objection".

1) *Sida's prior review is mandatory in the following manner for all SPG procurements with a contract value over the threshold value SEK 500.000 unless otherwise agreed in the Agreement*

A. Goods and Works

- Prior to an invitation to prequalify or tender, the Co-operation Partner shall submit the complete draft set of prequalification or tender documents to Sida for its review;
- Use of Negotiated Procedure in accordance with 3.2.2;
- Prior to finalising a prequalification list or awarding a contract, a detailed prequalification or tender evaluation report setting forth the specific reasons on which the recommendation to prequalify or award the contract is based shall be submitted, to Sida for its review;
- The Co-operation Partner shall submit the draft final contract and any amendments to Sida for its review.

B. Consultant Services

- Prior an invitation to prequalify or tender, the Co-operation Partner shall submit the complete draft set of prequalification or tender documents to Sida for its review;
- Use of Negotiated Procedure in accordance with 3.2.2;
- Prior to finalising a prequalification list a detailed prequalification evaluation report setting forth the specific reasons on which the recommendation to prequalify is based shall be submitted, to Sida for its review;
- Prior to opening the financial proposal, a detailed technical evaluation report shall be submitted to Sida for its review;
- Prior to inviting a selected firm for negotiations, a complete tender evaluation report setting forth the specific reasons on which the recommendation to select the successful firm is based, shall be submitted to Sida for its review;
- The Co-operation Partner shall submit the final draft contract and any amendments to Sida for its review.

2) *In addition, Sida may require the following prior review actions regarding all types of contracts (goods, works and services):*

- Use of Single source procurement;
- Extension of period of tender validity;
- Rejection of all tenders;
- The modification or waiver of the terms and conditions of a contract or granting a material extension of the stipulated time for performance or issuing any change.