



**KENYA REVENUE
AUTHORITY**

ISO 9001:2000 CERTIFIED

REQUEST FOR PROPOSALS (RFP)

(SELECTION OF PROFESSIONAL CONSULTANTS)

**PROVISION OF CUSTOMER SATISFACTION,
STAFF SATISFACTION AND WORK
ENVIRONMENT SURVEY SERVICES**

RFP NO. KRA/HQS/NCB - 028/2009-2010

TIMES TOWER BUILDING

P.O. BOX 48240 – 00100

TEL: +254 02 310900

FAX: +254 02 215809

NAIROBI, KENYA.

MARCH 2010

TABLE OF CONTENTS

	Page
SECTION I. Letter of Invitation	3
SECTION II. Information to Consultants.....	5
Appendix to information to Consultants.....	18
SECTION III Technical Proposal	22
SECTION IV. Financial Proposal	35
SECTION V Terms of Reference	42
SECTION VI. Standard Forms	55
Confidential Business Questionnaire.....	55
Anti Corruption Affidavit Form.....	58
Assignment (Lump-Sum Payments).....	61

SECTION I- LETTER OF INVITATION

To : [*name and address of consultant*]

Date: 24th March, 2010

Dear Sir/Madam,

- 1.1 The Kenya Revenue Authority invites proposals for the following consultancy services – **PROVISION OF CUSTOMER SATISFACTION, STAFF SATISFACTION AND WORK ENVIRONMENT SURVEY SERVICES**

More details of the services are provided in the Terms of Reference herein.

- 1.2 The Request for Proposal (RFP) includes the following documents;

Section I	-	Letter of Invitation
Section II	-	Information to Consultants Appendix to Consultants Information
Section III	-	Terms of Reference
Section IV	-	Technical Proposal
Section V	-	Financial Proposal
Section VI	-	Standard Forms

- 1.3 A complete set of bidding documents can be obtained from The Kenya Revenue Authority Offices at the Times Tower.

- 1.4 Completed proposal documents are to be enclosed in plain sealed envelopes marked with tender reference number and be addressed to the Commissioner General Kenya Revenue Authority and either

1. be deposited in the Tender Box on Ground Floor, Times Tower Building, Haile Selassie Avenue, Nairobi Kenya ,

or

2. posted to Kenya Revenue Authority,
Procurement & Supplies Offices
Times Tower Building
Ground Floor
Haile Selassie Avenue
P.O Box 48240-00100
Nairobi Kenya,

so as to be received on or before **WEDNESDAY, 21ST APRIL 2010 AT 12:00 NOON.**

- 1.5 Prices quoted should be net inclusive of all taxes and delivery must be in Kenya Shillings and shall remain valid for 120 days from the closing date of the tender.

- 1.6 Technical proposals will be opened immediately thereafter in the presence of the Candidates or their representatives who choose to attend at the **Convention Centre on 5th Floor, Times Tower.**

Yours sincerely.

For: **Commissioner General**

SECTION II – INFORMATION TO CONSULTANTS (ITC)

Table of Contents

	Page
2.1 Introduction.....	6
2.2 Clarification and Amendment of RFP Document.....	7
2.3 Preparation of Technical Proposal.....	8
2.4 Financial Proposal.....	10
2.5 Submission, Receipt and Opening of Proposals.....	11
2.6 Proposal Evaluation General.....	12
2.7 Evaluation of Technical Proposal.....	12
2.8 Public Opening and Evaluation of Financial Proposal.....	13
2.9 Negotiations.....	14
2.10 Award of Contract.....	15
2.11 Confidentiality.....	16
2.12 2.12 Corrupt or Fraudulent Practices.....	17

SECTION II: - INFORMATION TO CONSULTANTS (ITC)

2.1 Introduction

- 2.1.1 The Client named in the Appendix to “ITC” will select a firm among those invited to submit a proposal, in accordance with the method of selection detailed in the appendix. The method of selection shall be as indicated by the procuring entity in the Appendix.
- 2.1.2 The consultants are invited to submit a Technical Proposal and a Financial Proposal, or a Technical Proposal only, as specified in the Appendix “ITC” for consulting services required for the assignment named in the said Appendix. ITC Technical Proposal only may be submitted in assignments where the Client intends to apply standard conditions of engagement and scales of fees for professional services which are regulated as is the case with Building and Civil Engineering Consulting services. In such a case the highest ranked firm of the technical proposal shall be invited to negotiate a contract on the basis of scale fees. The proposal will be the basis for Contract negotiations and ultimately for a signed Contract with the selected firm.
- 2.1.3 The consultants must familiarize themselves with local conditions and take them into account in preparing their proposals. To obtain first hand information on the assignment and on the local conditions, consultants are encouraged to liaise with the Client regarding any information that they may require before submitting a proposal and to attend a pre-proposal conference where applicable. Consultants should contact the officials named in the Appendix “ITC” to arrange for any visit or to obtain additional information on the pre-proposal conference. Consultants should ensure that these officials are advised of the visit in adequate time to allow them to make appropriate arrangements.
- 2.1.4 The Procuring entity will provide the inputs specified in the Appendix “ITC”, assist the firm in

obtaining licenses and permits needed to carry out the services and make available relevant project data and reports.

- 2.1.5 Please note that (i) the costs of preparing the proposal and of negotiating the Contract, including any visit to the Client are not reimbursable as a direct cost of the assignment; and (ii) the Client is not bound to accept any of the proposals submitted.
- 2.1.6 The procuring entity's employees, committee members, board members and their relative (spouse and children) are not eligible to participate.
- 2.1.7 The price to be charged for the tender document shall not exceed Kshs.5,000/=
- 2.1.8 The procuring entity shall allow the tenderer to review the tender document free of charge before purchase.

2.2 Clarification and Amendment of RFP Documents

- 2.2.1 Consultants may request a clarification of any of the RFP documents only up to seven [7] days before the proposal submission date. Any request for clarification must be sent in writing by paper mail, cable, telex, facsimile or electronic mail to the Client's address indicated in the Appendix "ITC". The Client will respond by cable, telex, facsimile or electronic mail to such requests and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all invited consultants who intend to submit proposals.
- 2.2.2 At any time before the submission of proposals, the Client may for any reason, whether at his own initiative or in response to a clarification requested by an invited firm, amend the RFP. Any amendment shall be issued in writing through addenda. Addenda shall be sent by mail, cable, telex or facsimile to all invited consultants and will be binding on them. The Client may at his discretion extend the deadline for the submission of proposals.

2.3 Preparation of Technical Proposal

2.3.1 The Consultant's proposal shall be written in the English Language

2.3.2 In preparing the Technical Proposal, consultants are expected to examine the documents constituting this RFP in detail. Material deficiencies in providing the information requested may result in rejection of a proposal.

2.3.3 While preparing the Technical Proposal, consultants must give particular attention to the following:

- (i) If a firm considers that it does not have all the expertise for the assignment, it may obtain a full range of expertise by associating with individual consultant(s) and/or other firms or entities in a joint venture or sub-consultancy as appropriate. Consultants shall not associate with the other consultants invited for this assignment. Any firms associating in contravention of this requirement shall automatically be disqualified.
- (ii) For assignments on a staff-time basis, the estimated number of professional staff-time is given in the Appendix. The proposal shall however be based on the number of professional staff-time estimated by the firm.
- (iii) It is desirable that the majority of the key professional staff proposed be permanent employees of the firm or have an extended and stable working relationship with it.
- (iv) Proposed professional staff must as a minimum, have the experience indicated in Appendix, preferably working under conditions similar to those prevailing in Kenya.
- (v) Alternative professional staff shall not be proposed and only one Curriculum Vitae (CV) may be submitted for each position.

2.3.4 The Technical Proposal shall provide the following information using the attached Standard Forms;

- (i) A brief description of the firm's organization and an outline of recent experience on assignments of a similar nature. For each assignment the outline should indicate *inter alia*, the profiles of the staff proposed, duration of the assignment, contract amount and firm's involvement.
- (ii) Any comments or suggestions on the Terms of Reference, a list of services and facilities to be provided by the Client.
- (iii) A description of the methodology and work plan for performing the assignment.
- (iv) The list of the proposed staff team by specialty, the tasks that would be assigned to each staff team member and their timing.
- (v) CVs recently signed by the proposed professional staff and the authorized representative submitting the proposal. 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.
- (vi) Estimates of the total staff input (professional and support staff staff-time) needed to carry out the assignment supported by bar chart diagrams showing the time proposed for each professional staff team member.
- (vii) A detailed description of the proposed methodology, staffing and monitoring of training, if Appendix "A" specifies training as a major component of the assignment.
- (viii) Any additional information requested in Appendix "A".

2.3.5 The Technical Proposal shall not include any financial information.

2.4 Preparation of Financial Proposal

2.4.1 In preparing the Financial Proposal, consultants are expected to take into account the requirements and conditions outlined in the RFP documents. The Financial Proposal should follow Standard Forms (Section IV). It lists all costs associated with the assignment including; (a) remuneration for staff (in the field and at headquarters), and; (b) reimbursable expenses such as subsistence (per diem, housing), transportation (international and local, for mobilization and demobilization), services and equipment (vehicles, office equipment, furniture, and supplies), office rent, insurance, printing of documents, surveys, and training, if it is a major component of the assignment. If appropriate, these costs should be broken down by activity.

2.4.2 The Financial Proposal should clearly identify as a separate amount, the local taxes, duties, fees, levies and other charges imposed under the law on the consultants, the sub-consultants and their personnel, unless Appendix ITC specifies otherwise.

2.4.3 Consultants shall express the price of their services in Kenya Shillings.

2.4.4 Commissions and gratuities, if any, paid or to be paid by consultants and related to the assignment will be listed in the Financial Proposal submission Form.

2.4.5 The Proposal must remain valid for 120 days after the submission date. During this period, the consultant is expected to keep available, at his own cost, the professional staff proposed for the assignment. The Client will make his best effort to complete negotiations within this period. If the Client wishes to extend the validity period of the proposals, the consultants shall agree to the extension

2.5 Submission, Receipt, and Opening of Proposals

2.5.1 The original proposal (Technical Proposal and, if required, Financial Proposal; see paragraph 1.2) shall

be prepared in indelible ink. It shall contain no interlineations or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be initialed by the persons or person authorized to sign the proposals.

- 2.5.2 For each proposal, the consultants shall prepare the number of copies indicated in Appendix ITC. Each Technical Proposal and Financial Proposal shall be marked **“ORIGINAL”** or **“COPY”** as appropriate. If there are any discrepancies between the original and the copies of the proposal, the original shall govern.
- 2.5.3 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 Appendix **“ITC”** and be clearly marked, **“DO NOT OPEN, EXCEPT IN PRESENCE OF THE OPENING COMMITTEE.”**
- 2.5.4 The completed Technical and Financial Proposals must be delivered at the submission address on or before the time and date stated in the Appendix **“ITC”**. Any proposal received after the closing time for submission of proposals shall be returned to the respective consultant unopened.
- 2.5.5 After the deadline for submission of proposals, the Technical Proposal shall be opened immediately by the opening committee. The Financial Proposal shall remain sealed and deposited with a responsible officer of the client department up to the time for public opening of financial proposals.

2.6 Proposal Evaluation General

- 2.6.1 From the time the bids are opened to the time the Contract is awarded, if any consultant wishes to contact the Client on any matter related to his proposal, he should do so in writing at the address

indicated in the Appendix “ITC”. Any effort by the firm to influence the Client in the proposal evaluation, proposal comparison or Contract award decisions may result in the rejection of the consultant’s proposal.

2.6.2 Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.

2.7 Evaluation of Technical Proposal

2.7.1 The evaluation committee appointed by the Client shall evaluate the proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria as follows:

	Criterion	Points
(i)	Specific Experience of the Consultants Relevant to the Assignment:	10
(ii)	Adequacy of the Proposed Methodology and Work Plan in responding to the Terms of Reference:	
a)	Technical Approach and Methodology	20
b)	Work Plan	12
c)	Organization and Staffing	8
d)	Finance (i.e. ability to fund for the survey)	6
(iii)	Key professional staff qualifications and competence for the assignment:	
a)	Team Leader	14
b)	Other Team members/Leaders to the various Regions	10
c)	Human Resources (number of staff available)	10
d)	Public Sector Experience	10
	<i>The number of points to be assigned to each of the above positions or disciplines shall be determined considering the following three sub criteria and relevant percentage weights:</i>	
	• <i>General qualifications</i>	<i>25%</i>
	• <i>Adequacy for the assignment</i>	<i>55%</i>
	• <i>Staff Experience in region and language</i>	<i>20%</i>

Each responsive proposal will be given a technical

score (S_t). A proposal 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 Appendix “ITC”.

2.8 Public Opening and Evaluation of Financial Proposal

- 2.8.1 After Technical Proposal evaluation, the Client shall notify those consultants whose proposals did not meet the minimum qualifying mark or were considered non-responsive to the RFP and Terms of Reference, indicating that their Financial Proposals will be returned after completing the selection process. The Client shall simultaneously notify the consultants who have secured the minimum qualifying mark, indicating the date and time set for opening the Financial Proposals and stating that the opening ceremony is open to those consultants who choose to attend. The opening date shall not be sooner than seven (7) days after the notification date. The notification may be sent by registered letter, cable, telex, facsimile or electronic mail.
- 2.8.2 The Financial Proposals shall be opened publicly in the presence of the consultants’ representatives who choose to attend. The name of the consultant, the technical scores and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened. The Client shall prepare minutes of the public opening.
- 2.8.3 The evaluation committee will determine whether the financial proposals are complete (i.e. Whether the consultant has costed all the items of the corresponding Technical Proposal and correct any computational errors. The cost of any unpriced items shall be assumed to be included in other costs in the proposal. In all cases, the total price of the Financial Proposal as submitted shall prevail.
- 2.8.4 While comparing proposal prices between local and foreign firms participating in a selection process in financial evaluation of Proposals, firms incorporated in Kenya where indigenous Kenyans own 51% or

more of the share capital shall be allowed a 10% preferential bias in proposal prices. However, there shall be no such preference in the technical evaluation of the tenders. Proof of local incorporation and citizenship shall be required before the provisions of this sub-clause are applied. Details of such proof shall be attached by the Consultant in the financial proposal.

2.8.5 The formulae for determining the Financial Score (Sf) shall, unless an alternative formulae is indicated in the Appendix “ITC”, be as follows:-

$S_f = 0.3 \times \frac{F_m}{F}$ where Sf is the financial score; Fm is the lowest priced financial proposal and F is the price of the proposal under consideration. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T=the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; T + p = 1) indicated in the Appendix. The combined technical and financial score, S, is calculated as follows:- $S = S_t \times T \% + S_f \times P \%$. The firm achieving the highest combined technical and financial score will be invited for negotiations.

2.8.6 The tender evaluation committee shall evaluate the tender within 30 days from the date of opening the tender.

2.8.7 Contract price variations shall not be allowed for contracts not exceeding one year (12 months).

2.8.8 Where contract price variation is allowed, the variation shall not exceed 10% of the original contract price.

2.8.9 Price variation requests shall be processed by the procuring entity within 30 days of receiving the request.

2.9 Negotiations

2.9.1 Negotiations will be held at the same address as “address to send information to the Client” indicated in the Appendix “ITC”. The aim is to reach agreement on all points and sign a contract.

- 2.9.2 Negotiations will include a discussion of the Technical Proposal, the proposed methodology (and work plan), staffing and any suggestions made by the firm to improve the Terms of Reference. The Client and firm will then work out final Terms of Reference, staffing and bar charts indicating activities, staff periods in the field and in the head office, staff-months, logistics and reporting. The agreed work plan and final Terms of Reference will then be incorporated in the “Description of Services” and form part of the Contract. Special attention will be paid to getting the most the firm can offer within the available budget and to clearly defining the inputs required from the Client to ensure satisfactory implementation of the assignment.
- 2.9.3 Unless there are exceptional reasons, the financial negotiations will not involve the remuneration rates for staff (no breakdown of fees).
- 2.9.4 Having selected the firm on the basis of, among other things, an evaluation of proposed key professional staff, the Client expects to negotiate a contract on the basis of the experts named in the proposal. Before contract negotiations, the Client will require assurances that the 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 assignment. If this is not the case and if it is established that key staff were offered in the proposal without confirming their availability, the firm may be disqualified.
- 2.9.5 The negotiations will conclude with a review of the draft form of the Contract. To complete negotiations the Client and the selected firm will initial the agreed Contract. If negotiations fail, the Client will invite the firm whose proposal received the second highest score to negotiate a contract.
- 2.9.6 The procuring entity shall appoint a team for the purpose of the negotiations.

2.10 Award of Contract

- 2.10.1 The Contract will be awarded following negotiations. After negotiations are completed, the Client will promptly notify other consultants on the shortlist that they were unsuccessful and return the Financial Proposals of those consultants who did not pass the technical evaluation.
- 2.10.2 The selected firm is expected to commence the assignment on the date and at the location specified in Appendix ITC.
- 2.10.3 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.
- 2.10.4 The procuring entity may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.
- 2.10.5 The procuring entity shall give prompt notice of the termination to the tenderers and on request give its reasons for termination within 14 days of receiving the request from any tenderer.
- 2.10.6 To qualify for contract awards, the tenderer shall have the following:
- (a) Necessary qualifications, capability experience, services, equipment and facilities to provide what is being procured.
 - (b) Legal capacity to enter into a contract for procurement
 - (c) Shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
 - (d) Shall not be debarred from participating in public procurement.

2.11 Confidentiality

2.11.1 Information relating to evaluation of proposals 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 winning firm has been notified that it has been awarded the Contract.

2.12 Corrupt or Fraudulent Practices

2.12.1 The procuring entity requires that the consultants observe the highest standards of ethics during the selection and award of the consultancy contract and also during the performance of the assignment. The tenderer shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.

2.12.2 The procuring entity will reject a proposal for award if it determines that the consultant recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.

2.12.3 Further a consultant who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

Appendix to Information to Consultants (ITC)

The following information for procurement of consultancy services and selection of consultants shall complement or amend the provisions of the information to consultants, wherever there is a conflict between the provisions of the information to consultants and the provisions of the appendix, the provisions of the appendix herein shall prevail over those of the information to consultants.

Clause Reference

2.1 The name of the Client is:

**KENYA REVENUE AUTHORITY
P.O. BOX 48240 – 00100
TEL: +254 20 310900
FAX: +254 20 215809
NAIROBI, KENYA.**

2.1.1 The method of selection is:

**COMPETITIVE BIDDING BASED ON
QUALIFICATIONS AND COST**

2.1.2 Separate Technical and Financial Proposals are requested:

YES √

The name, objectives, and description of the assignment are:

**PROVISION OF CUSTOMER SATISFACTION, STAFF
SATISFACTION AND WORK ENVIRONMENT SURVEY
SERVICES**

2.1.3 A pre-proposal conference will be held: Yes √

The name(s), address(es) and telephone numbers of the Client's official(s) are:

**G. N. MURICHU (MS)
DEPUTY COMMISSIONER
PROCUREMENT & SUPPLIES SERVICES
P.O. BOX 48240 – 00100
TEL: +254 20 281 7022
FAX: +254 20 215809**

E-MAIL: Grace.Murichu@kra.go.ke

**MUMO MATEMU
COMMISSINER OF SUPPORT SERVICES
P.O. BOX 48240 – 00100
TEL: +254 20 281 7179
FAX: +254 20 2215431
E-MAIL: Mumo.Matemu@kra.go.ke**

- 2.1.4 The Client will provide the following inputs:
- **All data statistics and information required for the assignment**
 - **Services and equipment (vehicles for local running, office equipment, furniture, and supplies)**
 - **Facilities, office space**
 - **Printing of documents**
- 2.1.5 These RFP documents are issued upon payment of Kenya Shillings Five Thousands Only (Kshs.5000.00) to any eligible consultant.
- 2.1.6
- (i) Consultants are **ALLOWED** to associate with **other consultants** whether invited for this assignment or not.
 - (ii) The estimated number of professional staff months required for the assignment is four (4) months.
 - (iv) The minimum required experience of proposed professional staff is: **FIVE YEARS**
 - (v) One alternate professional shall be allowed for each position. The CV of the alternate should be attached.
- 2.1.7
- (vii) Training is a specific component of this assignment:
Yes × NO √
 - (viii) Additional information in the Technical Proposal includes: **NONE**
- 2.1.8 Taxes: The Client will pay for all the local taxes, duties, fees, levies and other charges applicable in Kenya. The financial proposal should therefore exclude any taxes payable in Kenya.
- 2.1.9 Consultants shall express the price of their services in **KENYA SHILLINGS (KSHS)**.

- 2.24.5 The proposal validity period shall be 120 days from the date of opening of the tender (Up to and including 18th August 2010).
- 2.5.2 Consultants must submit an original and **ONE** additional copy of each proposal. A **SOFT COPY** of the proposal in a readily readable format and media must also be included.
- 2.5.3 The proposal submission address is:
**COMMISSIONER GENERAL
KENYA REVENUE AUTHORITY
TIMES TOWER BUILDING
HAILE SELASSIE AVENUE
P.O. BOX 48240 – 00100
TEL: +254 20 310900
FAX: +254 20 215809
NAIROBI, KENYA.**

Information on the outer envelope should also include:

**“KRA/HQS/NCB-028/2009-2010:
PROVISION OF CUSTOMER SATISFACTION, STAFF
SATISFACTION AND WORK ENVIRONMENT SURVEY
SERVICES**

- 2.5.4 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 duly marked “FINANCIAL PROPOSAL”. Both envelopes shall be placed in an outer envelope and sealed. This outer envelope shall bear the:

**“REQUEST FOR PROPOSAL FOR PROVISION OF
CONSULTANCY FOR PROVISION OF CUSTOMER
SATISFACTION, STAFF SATISFACTION AND WORK
ENVIRONMENT SURVEY SERVICES and clearly marked
“DO NOT OPEN BEFORE WEDNESDAY, 21ST APRIL
2010 AT 12:00 NOON.”**

- 2.6.1 The address to send information to the Client is:
**COMMISSIONER GENERAL
KENYA REVENUE AUTHORITY
TIMES TOWER BUILDING
HAILE SELASSIE AVENUE**

P.O. BOX 48240 – 00100

TEL: +254 20 310900
FAX: +254 20 215809
NAIROBI, KENYA.

2.7.1 The minimum technical score required to pass is: **60% IN EACH OF THE THREE (3) AREAS**

2.8.5 Alternative formulae for determining the financial scores is the following: **NONE**

The weights given to the Technical (T) and Financial (P) Proposals are:

T = 0.70

P = 0.30

2.10.2 The assignment is expected to commence on:
MID-MAY 2010
TIMES TOWER, BUILDING
NAIROBI KENYA.

SECTION III: - TECHNICAL PROPOSAL

Notes on the preparation of the Technical Proposals

- 3.1 In preparing the technical proposals the consultant is expected to examine all terms and information included in the RFP. Failure to provide all requested information shall be at the consultants own risk and may result in rejection of the consultant's proposal.
- 3.2 The technical proposal shall provide all required information and any necessary additional information and shall be prepared using the standard forms provided in this Section.
- 3.3 The Technical proposal shall not include any financial information unless it is allowed in the Appendix to information to the consultants or the Special Conditions of contract.
- 3.4 The technical proposal shall contain the following:-
 - i. Submission letter
 - ii. Particulars of the consultant firm or consultant including Curriculum vitae (CV)
 - iii. Description of the methodology and work plan for performing the assignment
 - iv. Any proposed staff to assist in the assignment
 - v. Consultancy services activities times' schedule.
 - vi. Valid Tax Compliance Certificate (Mandatory)
 - vii. Sworn Ant-corruption Affidavit (Mandatory)
 - viii. Duly Completed Confidential Business Questionnaire (Mandatory)

SECTION III - TECHNICAL PROPOSAL

Table of Contents

	Page
1 Technical Proposal Submission Form.....	24
2 Firms References.....	25
3 Comments and Suggestions of Consultants on the Terms of Reference and on Data, Services and Facilities to be provided by the procuring entity.....	27
4 Description of the Methodology and Work Plan for performing the Assignment.....	28
5 Team Composition and Task Assignments.....	29
6 Format of curriculum vitae (CV) for Proposed Professional Staff.....	30
7 Time Schedule for Professional Personnel.....	32
8 Activity (Work Schedule).....	33

1. TECHNICAL PROPOSAL SUBMISSION FORM

[_____ Date]

To: _____ [Name and address of Client)

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for

_____ [Title of consulting services] in
accordance with your Request for Proposal dated
_____ [Date] and our Proposal.

We are hereby submitting our Proposal, which includes this Technical Proposal
and a Financial Proposal sealed under a separate envelope.

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

We remain,

Yours sincerely,

_____ [Authorized Signature]:

_____ [Name and Title of Signatory]

:

_____ [Name of Firm]

:

_____ [Address:]

2. FIRM'S REFERENCES

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

Using the format below, provide information on each assignment for which your firm either individually, as a corporate entity or in association, was legally contracted.

Assignment Name:		Country:
Location within Country:		Professional Staff provided by Your Firm/Entity(profiles):
Name of Client:		Clients contact person for the assignment:
Address:		No of Staff-Months; Duration of Assignment:
Start Date (Month/Year)	Completion Date (Month/Year)	Approx. Value of Services (US\$)

Name of Associated Consultants. If any:	No of Months of Professional
	Staff provided by Associated Consultants:
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:	
Narrative Description of project:	
Description of Actual Services Provided by Your Staff:	

Firm's Name: _____

Name and Title of Signatory; _____

3. COMMENTS AND SUGGESTIONS OF CONSULTANTS ON THE TERMS OF REFERENCE ON DATA, SERVICES AND FACILITIES TO BE PROVIDED BY THE CLIENT (SECTION V).

Responses/Comments should be given in the same order as contained under Section V (Terms of Reference), using the same sub-headings and numbering:

- 5.1. Background Information
- 5.2. Key Objectives
- 5.3. Scope of the Services
 - 5.3.1 Required Services.
 - 5.3.2 Required Skills.
- 5.4. Service Requirements
 - 5.4.1 Proposed Methodology and Tools
 - 5.4.2 Reporting
 - 5.4.3 Duration of the Project
 - 5.4.4 Project Plan
 - 5.4.5 Potential Issues/Risks
 - 5.4.6 Terms of Payment

4 DESCRIPTION OF THE METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT

5. TEAM COMPOSITION AND TASK ASSIGNMENTS

1. Technical/Managerial Staff

Name	Position	Task

2. Support Staff

Name	Position	Task

6. FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

Proposed Position:

Name of Firm:

Name of Staff:

Profession:

Date of Birth:

Years with Firm: _____ Nationality:

Membership in Professional Societies:

Detailed Tasks Assigned:

Key Qualifications:

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

Education:

[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended and degree[s] obtained.]

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments.]

Certification:

I, the undersigned, certify that these data correctly describe me, my qualifications, and my experience.

_____ Date:

[Signature of staff member]

_____ Date; _____
[Signature of authorized representative of the firm]

Full name of staff member:

Full name of authorized representative:

7. TIME SCHEDULE FOR PROFESSIONAL PERSONNEL

Months (in the Form of a Bar Chart)

Name	Position	Reports Due/ Activities	1	2	3	4	5	6	Number of months

Reports Due: _____

Activities Duration: _____

Signature: _____
(Authorized representative)

Full Name: _____

Title: _____

Address: _____

8. ACTIVITY (WORK) SCHEDULE

(a). Field Investigation and Study Items

1st, 2nd, etc, are months from the start of assignment)

	1 st	2 nd	3 rd	4 th	5 th	6 th	
Activity (Work)							

(b). Completion and Submission of Reports

Reports	Date
1. Inception Report	
Interim Progress Report (a) First Status Report (b) Second Status Report	
3. Draft Report	
4. Final Report	

SECTION IV: - FINANCIAL PROPOSAL

Notes on preparation of Financial Proposal

The Financial proposal prepared by the consultant should list the costs associated with the assignment. These costs normally cover remuneration for staff, subsistence, transportation, services and equipment, printing of documents, surveys etc., as may be applicable. The costs should be broken down so as to be clearly understood by the procuring entity.

The financial proposal shall be in Kenya Shillings and shall take into account the tax liability and cost of insurances specified in the request for proposal.

The financial proposal should be prepared using the Standard forms provided in this part.

SECTION IV - FINANCIAL PROPOSAL STANDARD FORMS

Table of Contents

	Page
1. Financial Proposal Submission Form	36
2. Summary of Costs	37
3. Breakdown of Price per activity	38
4. Breakdown of Remuneration per Activity	39
5. Reimbursables per Activity	40
6. Miscellaneous Expenses	41

1. FINANCIAL PROPOSAL SUBMISSION FORM

_____ [Date]

To: _____

[Name and address of Client]

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for
(_____) *[Title of consulting services]* in accordance with your Request
for Proposal dated (_____) *[Date]* and our Proposal. Our
attached Financial Proposal is for the sum of
(_____
_) *[Amount in words and figures]* inclusive of the taxes.

We remain,

Yours sincerely,

_____ *[Authorized Signature]*

:

_____ *[Name and Title of Signatory]:*

_____ *[Name of Firm]*

_____ *[Address]*

2. SUMMARY OF COSTS

Costs	Currency(ies)	Amount(s)
Subtotal		
Taxes		
Total Amount of Financial Proposal		<hr/>

3. BREAKDOWN OF PRICE PER ACTIVITY

Activity NO.: _____	Description: _____
Price Component	Amount(s)
Remuneration	
Reimbursables	
Miscellaneous Expenses	
Subtotal	_____

4. BREAKDOWN OF REMUNERATION PER ACTIVITY

Activity No. _____ Name: _____				
Names	Position	Input (Staff months, days or hours as appropriate)	Remuneration Rate	Amount
Regular staff				
(i)				
(ii)				
Consultants				
(i)				
(ii)				
Grand Total				

5. REIMBURSABLES PER ACTIVITY

Activity No: _____

Name: _____

No.	Description	Unit	Quantity	Unit Price	Total Amount
1.	Air travel	Trip			
2	Road travel	Kms			
3.	Rail travel	Kms			
4.	Subsistence Allowance	Day			
	Grand Total				_____

6. MISCELLANEOUS EXPENSES

Activity No. _____ Activity Name: _____

No.	Description	Unit	Quantity	Unit Price	Total Amount
1.	Communication costs _____ <hr style="width: 50%; margin-left: 0;"/> (telephone, telegram, telex)				
2.	Drafting, reproduction of reports				
3.	Equipment: computers etc.				
4.	Software				
	Grand Total				_____

SECTION V: - TERMS OF REFERENCE FOR CUSTOMER SATISFACTION SURVEY

Terms of Reference are the initial statement to the Consultants of the services to be performed and contains the following sections:

5.1. Background Information

1.0 INTRODUCTION

The Kenya Revenue Authority was established by an Act of Parliament (Cap 469) on July 1st 1995 for the purpose of enhancing the mobilization of Government revenue, while providing effective tax administration and sustainability in revenue collection. Before 1995, the revenue collection functions of the Government were distributed among at least five different ministries and/or Departments. Lacking in co-ordination, their performance was characterized by inefficiency and low levels of accountability. The main objective of the establishment of KRA was to streamline the public revenue-generation function by bringing the relevant agencies under the umbrella of the central finance agency, the Ministry of Finance. This restructuring was to provide an effective administration for the enhanced mobilization of Government revenue in a sustainable manner.

In particular the functions of the Authority are

- To assess, collect and account for all revenues in accordance with specific laws set out in the first part of the First Schedule and the revenue provisions of the second part of the First Schedule.
- To advise on matters relating to the administration of, and collection of revenue under the written laws or the specified provisions of the written laws.
- To perform such other functions in relation to revenue as the Minister (for Finance) may direct.

The Organizational Governance and Management

The Board of Directors (BOD) is the governing body of KRA as set out in the KRA Act. It has two ex-officio members from the Government (*Permanent Secretary, Treasury and Attorney General*) and 6 other members from private sector. The BOD is responsible for the review and approval of policies and monitoring the functions of KRA. The Commissioner General is charged with day-to-day management of the organisation who is assisted by 6 Commissioners in charge of Customs Services, Domestic Taxes Large Taxpayers Office (LTO), Domestic Taxes Domestic Revenue (DR) Road Transport Department, Investigations and Enforcement and Support Services Department (SSD) respectively. In addition there are (six) headquarters departments, the Board Corporate Services and Administration Department (BCS&A), the Human Resources Department (HR), the Finance Department, the Internal Audit and Risk Management Department (IA&RM), the Information Communications Technology department (ICT), the Marketing and Communications Department (M&C) and five Regional Offices, namely Southern Region (headquarters in Mombasa), Central Region (headquarters in Nyeri), Rift Valley Region (headquarters in Eldoret), the Western Region (headquarters in Kisumu) and the Northern Region (headquarters in Embu).

The Authority has been restructured from a tax based organization to a functional form. Functional based structure removes duplication, provides for a single point of access for taxpayer enquiries, common registration function, unique identification numbers for each taxpayer, a single accounting framework, enforcement and audit across taxes, dedicated information processing operations, and common support functions. Hence, there are significant benefits of moving to a functional form.

Over the period of 1995 to 2009 KRA has been successful in meeting its mandate. Revenue collection rose from Kshs. 122 billion in 1995/96 to Kshs. 480 billion in 2008/09. Hence, revenues have grown by an annual average of 14.1 per cent over the period to 2008/09.

This strong revenue performance has been matched by improvements in customer service, primarily driven by initiatives in automation, integrity and enhancing professionalism in service delivery. During its evolvement KRA has delivered on its

mandate, transformed its public image, and is now widely regarded as a high performing Public Sector Parastatal.

Despite its considerable achievements in minimising customer compliance costs over the time, there is need for KRA to continue enhancing its service levels. Over the past three years, various surveys and reports have exposed the weaknesses in service delivery. KRA is cognisant of the fact that the first step to improving customer compliance is to facilitate them. During the Fourth Corporate Plan period, KRA will come up with a taxpayers' strategy which will be built around the following objectives and interventions:

- ***Improving service options for taxpaying public;*** KRA will continue to improve quality, efficiency and service delivery through a wide range of initiatives and improved business processes.
- ***Facilitate participation in the tax system by all Kenyans;*** KRA will identify less costly methods of service delivery, improve quality and utilize resources more efficiently.
- ***Simplify the tax process;*** Complex payment processes and returns impede the compliance levels of taxpayers.

5.2.1 Scope and Coverage of the Customer Satisfaction Survey

The survey will cover all the KRA regions including border stations encompassing all taxpayers both individuals and stakeholders of KRA such as Professional Associations; Kenya International Freight and Warehousing Association (KIFWA), Institute of Certified Public Accountant of Kenya (ICPAK), Kenya Association of Manufacturers (KAM), Kenya Association of Auto Bazaar (KABA), Matatu Welfare Association, Matatu Owners Association, large fleet owners, Law Society of Kenya (LSK), Association of Kenya Insurers (AKI), financial institutions, Government Ministries and Agencies, audit & Tax Consultancy firms (such as Deloitte & Touche, Ernst & Young, KPMG, PriceWaterhouseCoopers) among others.

5.2.2 Expected Output/Deliverable

The main objective of the survey is to assess the taxpayers' perception of the level and quality of service delivery and whether their service expectations are being met by KRA. Specifically, the survey should:

- 2.2.1 Determine the quality of service delivery as perceived by taxpayers;
- 2.2.2 Develop a composite measure of customer satisfaction and use it to determine the overall rating of the current level of satisfaction;
- 2.2.3 Establish the extent, to which KRA is adhering to the Taxpayer's Charter;
- 2.2.4 Identify gaps in service delivery;
- 2.2.5 Identify the sources and frequency of taxpayer complaints in regard to service delivery;
- 2.2.6 Determining the impact of KRA reforms on service delivery;
- 2.2.7 Establish the effectiveness of taxpayer education programme;
- 2.2.8 Establish the effectiveness of dispute resolution and the current mechanism of addressing taxpayers' complaints;
- 2.2.9 Determining the level of professionalism, integrity, and fairness being espoused by KRA staff in the course of their work;
- 2.2.10 Propose Service Improvement Measures; and
- 2.2.11 Prepare and deliver a comprehensive report detailing the methodology, findings & recommendations.

TERMS OF REFERENCE FOR STAFF SATISFACTION AND WORK ENVIRONMENT SURVEY

The Organizational Governance and Management

During the Fourth Corporate Plan period, KRA has put priority on staff/peoples' issues. The theme during the plan period is:

“Attaining international best practice in revenue administration by investing in a professional team, deepening reforms and quality service delivery” .This theme brings out the core elements of our strategy, focusing on meeting international standards by relying on our staff to implement customer focused reforms and deliver services of the highest quality.

The strategies will be built around the following objectives and interventions:

- To develop a professional team that is well remunerated and
- Creation of an enabling work environment.

The objectives to achieve these goals are;

- a) Develop a competitive and attractive remuneration package,
- b) Enhance KRA's corporate culture by espousing the organisation's core values,
- c) Enhance capacity for the KRA team,
- d) Implement human resource best practices,
- e) Implement the work environment policy,
- f) Institute initiatives to ensure compliance with the ISO standards.

2.0 STAFF INITIATIVES

The Authority has staff strength of 4,144 as at January 2010, spread across regions, departments and border stations. Some of the key initiatives that have been undertaken include;

2.1 Salary Review: KRA reviewed the remuneration package for staff in July 2009.

2.2 Staff integrity issues: An Internal Affairs Division was formed to investigate staff integrity issues.

2.3 Staff Motivation, Morale and Recognition: A number of team-building and change management activities were organized for staff. In addition, a Staff Recognition and Award Policy has been implemented.

2.4 Training: A number of employees have been trained.

2.5 Performance Management: The annual staff appraisal system was implemented.

2.6 Work Environment: Several initiatives were put in place including; training of first aid officers, fire marshals and provision of drinking water in all KRA offices. Procurement of office furniture and office renovations have also been done.

3.1 Scope and Coverage of the Survey:

The survey will cover staff in all grades, departments, regions and border stations.

3.2 Expected Output / Deliverables:

The main objective of the survey will be to assess the level of KRA staff satisfaction; perception of the organization; and their aspirations as articulated in the Fourth Corporate Plan of developing a highly motivated and professional team. More specifically, the survey will seek to:

3.2.1 Evaluate the level of staff satisfaction with remuneration, staff benefits and welfare;

3.2.2 Determine the level of staff motivation, morale and recognition by management

3.2.3 Determine the extent of training among staff;

3.2.4 Find out the perceived level of job satisfaction;

3.2.5 Determine the effectiveness of supervision, evaluation and appraisal of staff;

3.2.6 Evaluate the Impact of the Team Building Programme;

3.2.7 Find out staff intentions to turnover and what drives the intentions;

3.2.8 Evaluate the effectiveness of communication within KRA;

3.2.9 Develop a composite measure of staff satisfaction and use it to determine the overall rating of the current level of staff satisfaction;

3.2.10 Find out staff perception of the Working Environment;

3.2.11 Identify specific areas that require improvement;

3.2.12 Recommend measures to enhance staff satisfaction and productivity; and,

3.2.13 Prepare and submit a comprehensive report on the findings, methodology and recommendations from the survey.

4.0 EVALUATION

The evaluation of the proposals will be done as follows:

- Evaluation of the Technical Proposal based on a set out criteria.
- Evaluation of the Financial Proposal.

The weight for financial proposal is 30% while the weight for technical proposal is 70%.

5.6 Clarification

Should there be any clarification regarding this tender, Consultants may, in writing (by electronic mail), seek such clarification from the Deputy Commissioner, Procurement & Supplies, Kenya Revenue Authority, Times Tower Building, quoting the Reference Number of this tender.

SECTION VI: STANDARD FORMS

CONFIDENTIAL BUSINESS QUESTIONNAIRE FORM



You are requested to give the particulars indicated in Part 1; either Part 2(a), 2(b) or 2 (c) whichever applied to your type of business; and Part 3.

You are advised that it is a serious offence to give false information on this form.

Part 1 – General										
1.1	Business Name									
1.2	Location of Business Premises.									
1.3	Plot No..... Street/Road Postal Address Tel No. Fax E- mail									
1.4	Nature of Business ,.....									
1.5	Registration Certificate No.									
1.6	Maximum Value of Business which you can handle at any one time – USD.....									
1.7	Name of your Bankers Branch									
Part 2 (a) – Sole Proprietor										
2a.1	Your Name in Full Age									
2a.2	Nationality Country of Origin • Citizenship Details									
Part 2 (b) Partnership										
2b.1	Given details of Partners as follows:									
2b.2	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 15%;"><u>Name</u></th> <th style="text-align: left; width: 35%;"><u>Nationality</u></th> <th style="text-align: left; width: 50%;"><u>Citizenship Details</u></th> </tr> </thead> <tbody> <tr> <td>1.....</td> <td>.....</td> <td>.....</td> </tr> <tr> <td>2.....</td> <td>.....</td> <td>.....</td> </tr> </tbody> </table>	<u>Name</u>	<u>Nationality</u>	<u>Citizenship Details</u>	1.....	2.....
<u>Name</u>	<u>Nationality</u>	<u>Citizenship Details</u>								
1.....								
2.....								

.....
3.....
.....
4.....
.....

Part 2 (c) – Registered Company

2c.1 Private or Public
.....
.....

2c.2 State the Nominal and Issued Capital of Company-
Nominal USD
Issued USD

2c.3 Given details of all Directors as follows

<u>Name</u>	<u>Nationality</u>	<u>Citizenship Details</u>
<u>Shares</u>		
1.....		
.....		
2.		
.....		
3.		
.....		
4.		
.....		
5		
.....		
.....		

Part 3 – Eligibility Status

3.1 Are you related to an Employee, Committee Member or Board Member of Kenya Revenue Authority? Yes _____ No _____

3.2 If answer in '3.1' is **YES** give the relationship.
.....
.....
.....

3.3 Does an Employee, Committee Member, Board Member of Kenya Revenue Authority sit in the Board of Directors or Management of your Organization, Subsidiaries or Joint Ventures? Yes _____ No _____

3.4 If answer in '3.3' above is **YES** give details.
.....
.....
.....
.....

3.5 Has your Organization, Subsidiary Joint Venture or Sub-contractor been involved in the past directly or indirectly with a firm or any of its affiliates that have been engaged by Kenya Revenue Authority to provide consulting services for preparation of design, specifications and other documents to be used for procurement of the goods under this invitation? Yes _____

No _____

3.6 If answer in '3.5' above is **YES** give details.

.....
.....
.....
.....
.....

3.7 Are you under a declaration of ineligibility for corrupt and fraudulent practices? YES _____ No _____

3.8 If answer in '3.7' above is **YES** give details:

.....
.....
.....
.....
.....

3.9 Have you offered or given anything of value to influence the procurement process? Yes _____ No _____

3.10 If answer in '3.9' above is **YES** give details

.....
.....
.....
.....
.....

I DECLARE that the information given on this form is correct to the best of my knowledge and belief.

Date Signature of Candidate

- If a Kenya Citizen, indicate under "Citizenship Details" whether by Birth, Naturalization or registration.

ANTI-CORRUPTION AFFIDAVIT

REPUBLIC OF KENYA

IN THE MATTER OF OATHS AND STATUTORY DECLARATION ACT

CHAPTER 15 OF THE LAWS OF KENYA

AND

IN THE MATTER OF THE PUBLIC PROCUREMENT AND DISPOSAL

ACT, NO. 3 OF 2005.

I, of P. O. Box
being a resident of in the Republic of Kenya do
hereby make oath and state as follows: -

- 1. THAT** I am the Chief Executive/Managing Director/Principal Officer /Director of (name of the Candidate) which is a Candidate in respect of Tender Number to supply goods, render services and/or carry out works for Kenya Revenue Authority and duly authorized and competent to make this Affidavit.
- 2. THAT** the aforesaid Candidate has not been requested to pay any inducement to any member of the Board, Management, Staff and/or employees and/or agents of Kenya Revenue Authority, which is the procuring entity.
- 3. THAT** the aforesaid Candidate, its servants and/or agents have not offered any inducement to any member of the

Board, Management, Staff and/or employees and/or agents of Kenya Revenue Authority.

4. **THAT** what is deponed to hereinabove is true to the best of my knowledge information and belief.

SWORN at by the said }

..... }

Name of Chief Executive/Managing Director/ }

Principal Officer/Director }

on this day of 20... }

}

}

}

DEPONENT

Before me }

}

}

}

}

Commissioner for Oaths }

STANDARD FORM OF CONTRACT FOR LARGE ASSIGNMENTS (LUMP-SUM PAYMENTS)

REPUBLIC OF KENYA

STANDARD FORM OF CONTRACT

FOR

CONSULTING SERVICES

**Large Assignments
(Lump- Sum payment)**

CONTENTS

	Special Notes.....	iv
	Contract for Consultant’s Services.....	v
I	Form of Contract.....	viii
II	General Conditions of Contract.....	viii
1	General Provisions.....	viii
1.1	Definitions.....	viii
1.2	Law Governing the Contract.....	ix
1.3	Language.....	ix
1.4	Notices.....	ix
1.5	Location.....	ix
1.6	Authorized Representatives.....	x
1.7	Taxes and Duties.....	x
2	Commencement, Completion, Modification and Termination of Contract.....	x
2.1	Effectiveness of Contract.....	x
2.2	Commencement of Services.....	x
2.3	Expiration of Contract.....	x
2.4	Modification.....	x
2.5	Force Majeure.....	x
2.5.1	Definition.....	x
2.5.2	No Breach of Contract.....	x
2.5.3	Extension of Time.....	x
2.5.4	Payments.....	xi
2.6	Termination.....	xi
2.6.1	By the Client.....	xi
2.6.2	By the Consultant.....	xii
2.6.3	Payment upon Termination.....	xiii
3.	Obligations of the Consultant.....	xiii
3.1	General.....	xiii
3.2	Conflict of Interests.....	xiii
3.2.1	Consultant Not to Benefit from Commissions, Discounts, etc	xiii
3.2.2	Consultant and Affiliates Not to Be Otherwise Interested in Project.....	xiv
3.2.3	Prohibition of Conflicting Activities.....	xiv
3.3	Confidentiality.....	xv

3.4	Insurance to be Taken Out by the Consultant.....	xv
3.5	Consultant’s Actions Requiring Client’s Prior Approval.....	
3.6	Reporting Obligations.....	xv
3.7	Documents Prepared by the Consultant to Be the Property of the Client.....	xvi
4	Consultant’s Personnel.....	xvi
4.1	Description of Personnel.....	xvi
4.2	Removal and/or Replacement of Personnel.....	xvi
5	Obligations of the Client.....	xvii
5.1	Assistance and Exemptions.....	xvii
5.2	Change in the Applicable Law.....	xvii
5.3	Services and Facilities.....	xvii
6	Payments to the Consultant.....	xvii
6.1	Lump-Sum Remuneration.....	xvii
6.2	Contract Price.....	xviii
6.3	Payment for Additional Services.....	xviii
6.4	Terms and Conditions of Payment.....	xviii
6.5	Interest on Delayed Payments.....	xviii
7	Settlement of Disputes.....	xviii
7.1	Amicable Settlement.....	xviii
7.2	Dispute Settlement.....	xviii
III	Special Conditions of Contract.....	xx
IV	Appendices.....	xxiii
	Appendix A – Description of the Services.....	xxiii
	Appendix B – Reporting Requirements.....	xxiii
	Appendix C – Key Personnel and Sub consultants.....	xxiii
	Appendix D – Breakdown of Contract Price in Foreign Currency..	xxiii
	Appendix E – Breakdown of Contract Price in Local Currency...	xxiii
	Appendix F – Services and Facilities Provided by the Client.....	xxiv
	LETTER OF NOTIFICATION OF AWARD	xxv

Special Notes

- 1 The Lump-Sum price is arrived at on the basis of inputs – including rates – provided by the Consultant. The Client agrees to pay the Consultant according to a schedule of payments linked to the delivery of certain outputs, usually reports. Lump-sum contracts have the simplicity of administration, the Client having only to be satisfied with the outputs without monitoring the staff inputs and should be used for large Assignments in for example Design; Engineering; Supervision and Management Services; Master plans; Economic and Feasibility studies; and Surveys.

2. The Contract includes four parts: Form of Contract, the General Conditions of Contract, the Special Conditions of Contract and the Appendices. The Client using this standard contract should not alter the General Conditions. Any adjustment to meet any specific project features should be made only in the Special Conditions.

CONTRACT FOR CONSULTANT'S SERVICES

Large Assignments (Lump-Sum Payments)

between

[name of the Client]

AND

[name of the Consultant]

Dated: _____ *[date]*

FORM OF CONTRACT

Large Assignments (Lump-Sum Payments)

This Agreement (hereinafter called the "Contract") is made the _____) day of the month of _____[month], [year], between _____, [name of client] of [or whose registered office is situated at] _____[location of office] (hereinafter called the "Client") of the one part AND

_____ [name of consultant] of [or whose registered office is situated at] _____ [location of office] (hereinafter called the "Consultant") of the other part.

WHEREAS

- (a) the Client has requested the Consultant to provide certain consulting services as defined in the General Conditions of Contract attached to this Contract (hereinafter called the "Services");
- (b) the Consultant, having presented to the Client that he has the required professional skills and personnel and technical resources, have agreed to provide the Services on the terms and conditions set forth in this Contract;

NOW THEREFORE the Parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:
 - (a) The General Conditions of Contract;
 - (b) The Special Conditions of Contract;
 - (c) The following Appendices: [*Note: If any of these Appendices are not used, they should be deleted from the list*]
 - Appendix A: Description of the Services
 - Appendix B: Reporting Requirements
 - Appendix C: Key Personnel and Sub consultants
 - Appendix D: Breakdown of Contract Price in Foreign Currency
 - Appendix E: Breakdown of Contract Price in Local Currency
 - Appendix F: Services and Facilities Provided by the Client

2. The mutual rights and obligations of the Client and the Consultants shall be as set forth in the Contract; in particular:
- (a) The Consultant shall carry out the Services in accordance with the provisions of the Contract; and
 - (b) the Client shall make payments to the Consultant in accordance with the provisions of the Contract.

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

For and on behalf of _____ [*name of client*]

[*full name of Client's authorised representative* _____]

[*title*] _____

[*signature*] _____

[*date*] _____

For and on behalf of _____ [*name of consultant*]

[*full name of Consultant's authorized representative*] _____

[*title*] _____

[*signature*] _____

[*date*] _____

II. GENERAL CONDITIONS OF CONTRACT

1

GENERAL PROVISIONS

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

- (a) “Applicable Law” means the laws and any other instruments having the force of law in the Republic of Kenya as they may be issued and in force from time to time;
- (b) “Contract” means the Contract signed by the Parties, to which these General Conditions of Contract (GC) are attached together with all the documents listed in Clause 1 of such signed Contract;
- (c) “Contract Price” means the price to be paid for the performance of the Services in accordance with Clause 6 here below;
- (d) “Foreign Currency” means any currency other than the Kenya Shilling;
- (e) “GC” means these General Conditions of Contract;
- (f) “Government” means the Government of the Republic of Kenya;
- (g) “Local Currency” means the Kenya Shilling;
- (h) “Member”, in case the Consultant consists of a joint venture of more than one entity, means any of these entities; “Members” means all these entities, and “Member in Charge” means the entity specified in the SC to act on their behalf in exercising all the Consultant’s rights and obligations towards the Client under this Contract;
- (i) “Party” means the Client or the

Consultant, as the case may be and “Parties” means both of them;

- (j) “Personnel” means persons hired by the Consultant or by any Sub-consultant as employees and assigned to the performance of the Services or any part thereof;
- (k) “SC” means the Special Conditions of Contract by which the GC may be amended or supplemented;
- (l) “Services” means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A; and
- (m) “Sub consultant” means any entity to which the Consultant subcontracts any part of the Services in accordance with the provisions of Clauses 3 and 4.

1.2 Law Governing the Contract This Contract, its meaning and interpretation and the relationship between the Parties shall be governed by the Laws of Kenya.

1 GENERAL PROVISIONS

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

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

1.5 Location The Services shall be performed at such locations as are specified in Appendix A and, where the

location of a particular task is not so specified, at such locations, whether in the Republic of Kenya or elsewhere, as the Client may approve.

1.6 Authorized Representatives Any action required or permitted to be taken and any document required or permitted to be executed under this Contract by the Client or the Consultant may be taken or executed by the officials specified in the SC.

1.7 Taxes and Duties The Consultant, Sub consultant[s] and their personnel shall pay such taxes, duties, fees and other impositions as may be levied under the Laws of Kenya, the amount of which is deemed to have been included in the Contract Price.

2 COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT

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

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

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

2.4 Modification Modification of the terms and Conditions of this Contract, including any modification of the scope of the Services or the Contract Price, may only be made by written agreement between the Parties.

2.5 Force Majeure

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

considered impossible under the circumstances.

- 2.5.2 No Breach of Contract** The failure of a Party to fulfill any of its obligations under the Contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event.
- 2.5.3 Extension Of Time** Any period within which a Party shall, pursuant to this Contract complete any action or task shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.
- 2.5.4 Payments** During the period of his inability to perform the Services as a result of an event of Force Majeure, the Consultant shall be entitled to continue to be paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by him during such period for the purposes of the Services and in reactivating the Service after the end of such period.

2.6 Termination:

2.6.1 By the Client

The Client may terminate this Contract by not less than thirty (30) days' written notice of termination to the Consultant, to be given after the occurrence of any of the events specified in this Clause;

- (a) if the Consultant does not remedy a failure in the performance of his obligations under the Contract within thirty (30) days after being notified or within any further period as the Client may have subsequently approved in writing;
- (b) if the Consultant becomes insolvent or bankrupt;

- (c) if, as a result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days; or
- (d) if the Consultant, in the judgment of the Client, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purpose of this clause; “corrupt practice” means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the selection process or in Contract execution.

“fraudulent practice” means a misrepresentation of facts in order to influence a selection process or the execution of Contract to the detriment of the Client, and includes collusive practice among consultants (prior to or after submission of proposals) designed to establish prices at artificial non-competitive levels and to deprive the Client of the benefits of free and open competition.

- (e) if the Client in his sole discretion decides to terminate this Contract.

2.6.2 By the Consultant

The Consultant may terminate this Contract by not less than thirty (30) days’ written notice to the Client, such notice to be given after the occurrence of any of the following events;

- (a) if the Client fails to pay any monies due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause 7 within sixty (60) days after receiving written notice from the Consultant that such payment is overdue; or
- (b) if, as a result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.

- 2.6.3 Payment Upon Termination** Upon termination of this Contract pursuant to Clauses 2.6.1 or 2.6.2, the Client shall make the following payments to the Consultant:
- (a) remuneration pursuant to Clause 6 for Services satisfactorily performed prior to the effective date of termination;
 - (b) except in the case of termination pursuant to paragraphs (a) and (b) of Clause 2.6.1, reimbursement of any reasonable costs incident to the prompt and orderly termination of the Contract, including the cost of the return travel of the Personnel and their eligible dependents.

3 OBLIGATIONS OF THE CONSULTANT

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

Conflict of Interests

- 3.2.1 Consultant Not to Benefit from Commissions, Discounts, Etc.** (i) The remuneration of the Consultant pursuant to Clause 6 shall constitute the Consultant's sole remuneration in connection with this Contract or the Services and the Consultant shall not accept for his own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of his obligations under the Contract and the Consultant shall use his best efforts to ensure that his personnel, any sub

consultant[s] and agents of either of them similarly shall not receive any such additional remuneration.

- (ii) For a period of two years after the expiration of this Contract, the Consultant shall not engage and shall cause his personnel as well as his sub consultant[s] and his/their personnel not to engage in the activity of a purchaser (directly or indirectly) of the assets on which he advised the Client on this Contract nor shall he engage in the activity of an adviser (directly or indirectly) of potential purchasers of such assets.
- (iii) Where the Consultant as part of the Services has the responsibility of advising the Client on the procurement of goods, works or services, the Consultant will comply with any applicable procurement guidelines and shall at all times exercise such responsibility in the best interest of the Client. Any discounts or commissions obtained by the Consultant in the exercise of such procurement shall be for the account of the Client.

3.2.2 Consultant and Affiliates Not to be Otherwise Interested in Project The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and his affiliates, as well as any Sub-consultant and any of his affiliates, shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

3.2.3 Prohibition of Conflicting Activities Neither the Consultant nor his sub-consultant[s] nor their personnel shall engage, either directly or indirectly in any of the following activities:

- (a) during the term of this Contract, any business or professional activities in the Republic of Kenya which would conflict with the activities assigned to them under this Contract; or

(b) after the termination of this Contract, such other activities as may be specified in the SC.

3.2.3 Prohibition of Conflicting Activities Neither the Consultant nor his sub-consultant[s] nor their personnel shall engage, either directly or indirectly in any of the following activities:

(a) during the term of this Contract, any business or professional activities in the Republic of Kenya which would conflict with the activities assigned to them under this Contract; or

(b) after the termination of this Contract, such other activities as may be specified in the SC.

3.3 Confidentiality The Consultant, his sub-consultant[s] and the personnel of either of them shall not, either during the term of this Contract or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Project, the Services, this Contract or the Client's business or operations without the prior written consent of the Client.

3.4 Insurance to be Taken Out by the Consultant The Consultant (a) shall take out and maintain and shall cause any sub-consultant[s] to take out and maintain, at his (or the sub-consultants', as the case may be) own cost but on terms and conditions approved by the Client, insurance against the risks and for the coverage, as shall be specified in the SC; and (b) at the Client's request, shall provide evidence to the Client showing that such insurance has been taken out and maintained and that the current premiums have been paid.

3.5 Consultant's Actions Requiring Client's Prior Approval The Consultant shall obtain the Client's prior approval in writing before taking any of the following actions;

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

(b) appointing such members of the personnel

not listed by name in Appendix C (“Key Personnel and Sub-consultants”).

- 3.6 Reporting Obligations** The Consultants shall submit to the Client the reports and documents specified in Appendix A in the form, in the numbers, and within the periods set forth in the said Appendix.
- 3.7 Documents prepared by the Consultant to Be the Property of the Client** All plans, drawings, specifications, designs, reports and other documents and software submitted by the Consultant in accordance with Clause 3.6 shall become and remain the property of the Client and the Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents and software to the Client together with a detailed inventory thereof. The Consultant may retain a copy of such documents and software. Neither Party shall use these documents for purposes unrelated to this Contract without the prior approval of the other Party.

4

CONSULTANT’S PERSONNEL

- 4.1 Description of Personnel** The titles, agreed job descriptions, minimum qualifications and estimated periods of engagement in the carrying out of the Services of the Consultant’s Key Personnel are described in Appendix C. The Key Personnel and Sub consultants listed by title as well as by name in Appendix C are hereby approved by the Client.
- 4.2 Removal and/or Replacement Of Personnel**
- (a) Except as the Client may otherwise agree, no changes shall be made in the Key Personnel. If for any reason beyond the reasonable control of the Consultant, it becomes necessary to replace any of the Key **Personnel**, the Consultant shall provide as a replacement a person of equivalent or better qualifications.
 - (b) If the Client finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a

criminal action, or (ii) the Client 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 thereof, provide as a replacement a person with qualifications and experience acceptable to the Client.

- (c) The Consultant shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.

5 OBLIGATIONS OF THE CLIENT

- 5.1 Assistance and Exemptions** The Client shall use his best efforts to ensure that he provides the Consultant such assistance and exemptions as may be necessary for due performance of this Contract.
- 5.2 Change in the Applicable Law** If after the date of this Contract, there is any change in the Laws of Kenya with respect to taxes and duties which increases or decreases the cost of the Services rendered by the Consultant, then the remuneration and reimbursable expenses otherwise payable to the Consultant under this Contract shall be increased or decreased accordingly by agreement between the Parties and corresponding adjustments shall be made to the amounts referred to in Clause 6.2 (a) or (b), as the case may be.
- 5.3 Services and Facilities** The Client shall make available to the Consultant the Services and Facilities listed under Appendix F.

6 PAYMENTS TO THE CONSULTANT

- 6.1 Lump-Sum Remuneration** The Consultant's total remuneration shall not exceed the Contract Price and shall be a fixed lump-sum including all staff costs, Sub consultants' costs, printing, communications, travel, accommodation and the like and all other

costs incurred by the Consultant in carrying out the Services described in Appendix A. Except as provided in Clause 5.2, the Contract Price may only be increased above the amounts stated in Clause 6.2 if the Parties have agreed to additional payments in accordance with Clause 2.4.

6.2 Contract Price

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

(b) The price payable in local currency is set forth in the SC.

6.3 Payment for Additional Services

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

6.4 Terms and Conditions of Payment

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

6.5 Interest on Delayed Payment

Payment shall be made within thirty (30) days of receipt of invoice and the relevant documents specified in Clause 6.4. If the Client has delayed payments beyond thirty (30) days after the due date hereof, simple interest shall be paid to the Consultant for each day of delay at a rate three percentage points above the prevailing Central Bank of Kenya's average rate for base lending .

7 SETTLEMENT OF DISPUTES

7.1 Amicable Settlement

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

7.2 Dispute Settlement

Any dispute between the Parties as to matters arising pursuant to this Contract that cannot be settled amicably within thirty (30) days after

receipt by one Party of the other Party's request for such amicable settlement may be referred by either Party to the arbitration and final decision of a person to be agreed between the Parties. Failing agreement to concur in the appointment of an Arbitrator, the Arbitrator shall be appointed by the Chairman of the Chartered Institute of Arbitrators, Kenya Branch, on the request of the applying party.

III. SPECIAL CONDITIONS OF CONTRACT

Number of GC Clause	Amendments of and Supplements to Clauses in the General Conditions of Contract
---------------------	--

1.1(i) The Member in Charge is _____
[name of Member]

1.4 The addresses are:

Client:

Attention:

Telephone:

Telex;

Facsimile:

Consultant:

Attention:

Telephone;

Telex:

Facsimile:

1.6 The Authorized Representatives are:

For the Client:

For the

Consultant: _____

2.1 The date on which this Contract shall come into effect is (_____) [date].

Note: The date may be specified by reference to conditions of effectiveness of the Contract, such as receipt by Consultants of advance payment and by Client of bank guarantee

2.2 The date for the commencement of Services is _____ [date]

2.3 The period shall be _____ [length of time].

Note: Fill in the period, eg, twenty-four (24) months or such other period as the Parties may agree in writing.

3.4 The risks and coverage shall be:

(i) Professional Liability

(ii) Loss of or damage to equipment and property

6.2(a) The amount in foreign currency or currencies is _____ [Insert amount].

6.2(b) The amount in local Currency is _____ [Insert amount]

6.4 Payments shall be made according to the following schedule:

6.2(a)	The amount in foreign currency or currencies is _____ [Insert amount].
6.2(b)	The amount in local Currency is _____ [Insert amount]
6.4	Payments shall be made according to the following schedule:

	<p><i>Note: (a) This sample Clause should be specifically drafted for each Contract and the following installments are indicative only; (b) if the payment of foreign currency and of local currency does not follow the same schedule, add a separate schedule for payment in local currency; and (c) if applicable, detail further the nature of the report evidencing performance, as may be required, e.g., submission of study or specific phase of study, survey, drawings, draft bidding documents, etc., as listed in Appendix B, Reporting Requirements. In the example provided, the bank guarantee for the repayment is released when the payments have reached 50 percent of the lump-sum price, because it is assumed that at that point, the advance has been entirely set off against the performance of services.</i></p>
•	• Twenty (20) percent of the Contract Price shall be paid on the commencement date against the submission of a bank guarantee for the same.
•	• Ten (10) percent of the lump-sum amount shall be paid upon submission of the inception report.
•	• Twenty-five (25) percent of the lump-sum amount shall be paid upon submission of the interim report.
•	• Twenty-five (25) percent of the lump-sum amount shall be paid upon submission of the draft final report.
•	• Twenty (20) percent of the lump-sum amount shall be paid upon approval of the final report.
•	• The bank guarantee shall be released when the total payments reach fifty (50) percent of the lump-sum amount.

IV. Appendices

APPENDIX A – DESCRIPTION OF THE SERVICES

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

APPENDIX B – REPORTING REQUIREMENTS

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

APPENDIX C– KEY PERSONNEL AND SUBCONSULTANTS

List under: C-1 Titles [and names, if already available], detailed job descriptions and minimum qualifications of Personnel and staff-months for each.

C-2 List of approved Sub consultants (if already available); same information with respect to their Personnel as in C-1.

APPENDIX D – BREAKDOWN OF CONTRACT PRICE IN FOREIGN CURRENCY

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

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

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

APPENDIX E – BREAKDOWN OF CONTRACT PRICE IN LOCAL CURRENCY

List here the elements of cost used to arrive at the breakdown of the lump-sum price – local currency portion.

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

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

APPENDIX F – SERVICES AND FACILITIES PROVIDED BY THE CLIENT

LETTER OF NOTIFICATION OF AWARD

Address of Procuring Entity

To: _____

RE: Tender No. _____

Tender Name _____

This is to notify that the contract/s stated below under the above mentioned tender have been awarded to you.

Please acknowledge receipt of this letter of notification signifying your acceptance.

The contract/contracts shall be signed by the parties within 30 days of the date of this letter but not earlier than 14 days from the date of the letter.

You may contact the officer(s) whose particulars appear below on the subject matter of this letter of notification of award.

(FULL PARTICULARS) _____

SIGNED FOR ACCOUNTING OFFICER