

REQUEST FOR PROPOSALS

Project Name: Consultancy Services for “Conducting Training and Research in the Anti-Corruption and Good Governance Areas”



Procuring Agency:
Anti-Corruption Commission of Bhutan

Section 1: Letter of Invitation

ACC/PPS-07/1747

Dated 28th November 2014

Dear Mr/Ms,

The Anti-Corruption Commission, Bhutan, invites proposals to provide the following consulting services: **“Conduct Training and Research in the Anti-Corruption and Good Governance Areas”** which involves hands-on-training to the local researchers and production of research papers for the systemic intervention in the public agencies of Bhutan, tentatively from last week of January 2015 to May 2015. More details on the services are provided in the Terms of Reference.

The consultants may purchase RFP documents from office of the Anti-Corruption Commission or download the same from www.acc.org.bt.

A Consultant will be selected under Quality and Cost Based methods and procedures described in this RFP, in accordance with the latest Procurement Rules and Regulations in force of the Royal Government of Bhutan.

The Proposals are to be submitted latest by 12:00 Noon on 29/12/2014 and the Technical Proposals will be opened on same day at 3:00pm.

The procedural requirements for responding to this invitation are provided in the complete RFP document, which includes the following:

- Section 1 - Letter of Invitation
- Section 2 - Instructions to Consultants (including Data Sheet)
- Section 3 - Technical Proposal - Standard Forms
- Section 4 - Financial Proposal - Standard Forms
- Section 5 - Terms of Reference
- Section 6 - Standard Forms of Contract

Please inform us in writing at the following address:

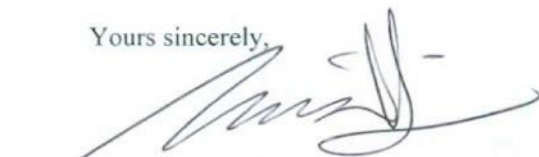
- (a) that you received this Letter of Invitation and RFP; and
- (b) whether you will submit a proposal alone or in association.

Address for responses:

Mr. A Karma Rinzin, Head, Corporate Services, Anti-Corruption Commission, Thimphu, Bhutan.

Tel. No. +975 2 334866 ext – 108,
Fax. No. +975 2 334865

Yours sincerely,



(A Karma Rinzin)

Section 2: Instructions to Consultants

Definitions:

- (a) **Consultant:** An individual or a legal entity entering into a Contract to provide the required Consulting Services.
- (b) **Consulting Services:** Expert services of a professional and/or intellectual nature, provided by the Consultant based on specialized expertise and skills, in areas including, but not limited to, preparing and implementing projects, conducting training, providing technical assistance, conducting research and analysis, preparing designs, supervising the execution of construction and other works, undertaking studies, advising Procuring Agencies, building capacity, preparing tender documents, supervising procurement, and others.
- (c) **Contract:** The formal agreement in writing, including the General Conditions (GC), the Special Conditions (SC), and the Appendices, entered into between the Procuring Agency and the Consultant, on acceptable terms and conditions and which are in compliance with all the relevant provisions of the laws of the Kingdom of Bhutan, for the provision of the required Consulting Services.
- (d) **Data Sheet:** Such part of the Instructions to Consultants used to reflect specific assignment conditions.
- (e) **Day:** A calendar day.
- (f) **Government:** Royal Government of Bhutan (RGoB).
- (g) **Instructions to Consultants (Section 2 of the RFP):** The document which provides the shortlisted Consultants with all the information needed to prepare their Proposals.
- (h) **In Writing:** Communicated in written form (eg by mail, electronic mail, fax, telex) with proof of receipt.
- (i) **LOI (Section 1 of the RFP):** The Letter of Invitation being sent by the Procuring Agency to the shortlisted Consultants.
- (j) **Personnel:** Professional and support staff provided by the Consultant or by any Sub-Consultant and assigned to perform the Services or any part thereof; “Foreign Personnel” means such professional and support staff who at the time of being so provided have their domicile outside Bhutan; “Local Personnel” means such professional and support staff who at the time of being so provided have their domicile inside Bhutan.
- (k) **Procuring Agency:** RGoB agency with which the selected Consultant signs the Contract for the Services.
- (l) **Proposal:** The Technical Proposal and the Financial Proposal.
- (m) **RFP:** The Request for Proposal to be prepared by the Procuring Agency for the selection of Consultants, based on the SRFP.
- (n) **SRFP:** The Standard Request for Proposals, which must be used by the Procuring Agency as a guide for the preparation of the RFP.
- (o) **Services:** The work to be performed by the Consultant pursuant to the

Contract.

(p) Sub-Consultant: Any person or entity to whom/which the Consultant subcontracts any part of the Services.

(q) Terms of Reference (TOR): The document included in the RFP as Section 5 which defines the objectives, goals, scope of work, activities, tasks, responsibilities of the Procuring Agency and the Consultant, required outputs and results of the assignment, as well as background information (including a list of existing relevant studies and basic data) to facilitate the Consultants' preparation of their proposals.

1 Introduction

- 1.1 The Procuring Agency named in the Data Sheet will select a consulting firm/organisation (the Consultant) from those listed in the Letter of Invitation¹ in accordance with the method of selection specified in the Data Sheet.
- 1.2 The shortlisted Consultants are invited to submit a Technical Proposal and a Financial Proposal, or a Technical Proposal only, as specified in the Data Sheet, for Consulting Services required for the assignment named in the Data Sheet. The Proposal will be the basis for contract negotiations and ultimately for a signed Contract with the selected Consultant.
- 1.3 Consultants should familiarize themselves with local conditions and take these into account in preparing their Proposals. To obtain first-hand information on the assignment and local conditions, Consultants are encouraged to attend a pre-proposal meeting if one is specified in the Data Sheet. Attending the pre-proposal meeting is optional. Consultants should contact the Procuring Agency's representative named in the Data Sheet to obtain additional information on the pre-proposal meeting. Consultants should ensure that this official is advised of the proposed attendance at the meeting in adequate time to allow them to make appropriate arrangements.
- 1.4 The Procuring Agency will provide in timely fashion and at no cost to the Consultant the inputs and facilities specified in the Data Sheet, assist the Consultant in obtaining licenses and permits needed to carry out the Services, and make available relevant project data and reports.
- 1.5 Consultants shall bear all costs associated with the preparation and submission of their proposals and contract negotiation. The Procuring Agency is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultants.

¹ Only if Expression of Interest has taken place.

**2 Conflict
of
Interest**

2.1 The Procuring Agency and the RGoB requires that Consultants provide professional, objective and impartial advice, and at all times hold the Procuring Agency's interests paramount, strictly avoid conflicts with other assignments or their own corporate interests, and act without any consideration for future work. Without limitation on the generality of the foregoing Consultants, and any of their affiliates, shall be considered to have a conflict of interest, and shall not be recruited, under any of the circumstances set forth below:

a) **Conflicting Activities:**

A firm that has been engaged by the Procuring Agency to provide goods, works or services other than Consulting Services for a project, and any of its affiliates, shall be disqualified from providing Consulting Services related to those goods, works or services. A firm hired to provide Consulting Services for the preparation or implementation of a project, and any of its affiliates, shall be disqualified from subsequently providing goods or works or services resulting from or directly related to the firm's Consulting Services for such preparation or implementation. For the purposes of this paragraph, services other than Consulting Services are defined as those leading to a measurable physical output, for example surveys, exploratory drilling, aerial photography, and satellite imagery.

(b) **Conflicting Assignments:**

A Consultant, including its Sub-Consultants, affiliates and the Personnel of any of the foregoing, shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant to be executed for the same or for another Procuring Agency. For example, a Consultant hired to prepare engineering design for an infrastructure project shall not be engaged to prepare an independent environmental assessment for the same project, and a Consultant assisting a Procuring Agency in the privatization of public assets shall not purchase, nor advise purchasers of, such assets. Similarly, a Consultant hired to prepare Terms of Reference for an assignment, or otherwise to provide any other services during the preparatory stages of the assignment or of the project of which the assignment forms a part, shall not be hired for the assignment in question

(c) **Conflicting Relationships:**

- (aa) A Consultant, including its Sub-Consultants, affiliates and the Personnel of any of the foregoing, that has a business relationship with a member of the Procuring Agency's staff who is directly or indirectly involved in any part of (i) the preparation of the Terms of Reference of the assignment, (ii) the selection process for such assignment, or (iii) supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Procuring Agency throughout the selection process and the execution of the Contract.
- (bb) A Consultant, including its Sub-Consultants, affiliates and the Personnel of any of the foregoing, that employs or otherwise engages a spouse, dependent or close relative of a public

servant of the RGoB who either is employed by the Procuring Agency or has an authority over it also shall not be eligible to be awarded a Contract. For the purposes of this sub-paragraph, a close relative is defined as immediate family which includes father, mother, brother, sister, spouse and own children.

2.2 Consultants have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interests of the Procuring Agency, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of its Contract.

2.3 When the Consultant nominates any present or previous government employee as Personnel in its Technical Proposal, such Personnel must have written certification from the Royal Civil Service Commission of Bhutan or their employer confirming that:

- (a) they are not current employees of the Procuring Agency, and
- (b) they are on leave without pay from their official position, and
- (c) they are allowed to work full-time outside of their previous official position.

Such certification(s) shall be provided to the Procuring Agency by the Consultant as part of its Technical Proposal.

2.4 When the Consultant nominates any former employee of the Procuring Agency as Personnel in its Technical Proposal it must ensure, and so certify in its Technical Proposal, that no conflict of interest exists in the scope of the former employee's inclusion within the Consultant's Personnel being proposed to provide the Services.

3 Unfair Advantage

3.1 If a Consultant could derive a competitive advantage from having provided Consulting Services related to the assignment in question, the Procuring Agency shall make available to all Consultants together with this RFP all information that would in that respect give such Consultant any competitive advantage over competing Consultants.

4 Fraud and Corruption

4.1 It is RGoB policy to require that Consultants, their Sub-Consultants and the Personnel of them both observe the highest standards of ethics during the procurement and execution of contracts.² In pursuance of this policy, the RGoB:

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

² In this context, any action taken by a Consultant, Sub-Consultant or the Personnel of either of them to influence the procurement process or contract execution for undue advantage is improper.

- (i) “corrupt practice”³ means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value⁴ to influence improperly the actions of another party;
 - (ii) “fraudulent practice”⁵ means any intentional act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
 - (iii) “collusive practice”⁶ means an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
 - (iv) “coercive practice”⁷ means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
 - (v) "obstructive practice" means:
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order materially to impede any investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
 - (bb) acts intended materially to impede the exercise of the inspection and audit rights of the Procuring Agency or any organization or person appointed by the Procuring Agency and/or any relevant RGoB agency provided for under sub-paragraph (d) below of this paragraph 4.1.
- (b) will reject a proposal for award if it determines that the Consultant recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question;
- (c) will sanction a Consultant or individual, including declaring

³ “another party” refers to a public official acting in relation to the procurement process or contract execution. In this context, “public official” includes staff and employees of any organizations (including any institutions providing finance for the Services) taking or reviewing procurement decisions.

⁴ “anything of value” includes, but is not limited to, any gift, loan, fee, commission, valuable security or other asset or interest in an asset; any office, employment or contract; any payment, discharge or liquidation of any loan, obligation or other liability whatsoever, whether in whole or in part; any other services, favour or advantage, including protection from any penalty or disability incurred or apprehended or from any action or proceeding of a disciplinary or penal nature, whether or not already instituted and including the exercise or the forbearance from the exercise of any right or any official power or duty.

⁵ a “party” refers to a public official; the terms “benefit” and “obligation” relate to the procurement process or contract execution; and the “act or omission” is intended to influence the procurement process or contract execution.

⁶ “parties” refers to participants in the procurement process (including public officials) and an “improper purpose” includes attempting to establish proposal prices at artificial, non competitive levels.

⁷ a “party” refers to a participant in the procurement process or contract execution.

them ineligible, either indefinitely or for a stated period of time, to be awarded an RGoB-financed contract if at any time it determines that they have, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for, or in executing, an RGoB-financed contract;

(d) will have the right to require that a provision be included in Requests for Proposals and in contracts financed by the RGoB, requiring Consultants and their Sub-Consultants to permit the Procuring Agency, any organisation or person appointed by the Procuring Agency and/or any relevant RGoB agency to inspect their accounts and records and other documents relating to their submission of proposals and contract performance, and to have them audited by auditors appointed by the Procuring Agency;

(e) requires that Consultants, as a condition of admission to eligibility, execute and attach to their Proposals an Integrity Pact Statement in the form provided in Form TECH-10 of Section 3 as specified in ITC. Failure to provide a duly executed Integrity Pact Statement may result in disqualification of the Proposal; and

(f) will report any case of corrupt, fraudulent, collusive, coercive or obstructive practice to the relevant RGoB agencies, including but not limited to the Anticorruption Commission (ACC) of Bhutan, for necessary action as per the statutes and provisions of the relevant agency.

4.2 Consultants, their Sub-Consultants, and their affiliates shall not be under a declaration of ineligibility for corrupt, fraudulent, collusive, coercive or obstructive practices issued by the Procuring Agency in accordance with the above sub-paragraph (c) of this paragraph 4.1. Furthermore, Consultants shall be aware of the provisions on fraud and corruption stated in the specific clauses in the General Conditions of Contract.

4.3 Consultants shall furnish information on commissions and gratuities, if any, paid or to be paid to agents relating to this proposal and during execution of the assignment if the Consultant is awarded the Contract, as requested in the Financial Proposal Submission Form (Section 4).

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| 5 | Origin of Goods and Consulting Services | <p>5.1 Goods supplied and Consulting Services provided under the Contract may originate from any country except if:</p> <p>(a) as a matter of law or official regulation, RGoB prohibits commercial relations with that country; or</p> <p>(b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, Bhutan prohibits any imports of goods or services from that country or any payments to persons or entities in that country.</p> |
| 6 | Only one Proposal per Consultant | <p>6.2 A Consultant may only submit one proposal. If a Consultant submits or participates in more than one proposal, such proposals shall be disqualified. However, this does not limit the participation of the same Sub-Consultant, including individual experts, in more</p> |

- than one proposal.
- 7 Proposal Validity** 7.2 The Data Sheet indicates how long Consultants' Proposals must remain valid after the submission date. During this period, Consultants shall maintain the availability of Professional staff nominated in the Proposal. The Procuring Agency will make its best efforts to complete negotiations within this period. Should the need arise, however, the Procuring Agency may request Consultants in writing to extend the validity period of their proposals. Consultants who agree to such extension shall confirm in writing that they maintain the availability of the Professional staff nominated in the Proposal or, in their confirmation of extension of validity of the Proposal, Consultants could submit new staff in replacement who would be considered in the final evaluation for Contract award. Consultants who do not agree have the right to refuse to extend the validity of their Proposals.
- 8 Eligibility of Sub-Consultants** 8.2 In case a shortlisted Consultant intends to associate with other Consultants who have not been shortlisted and/or individual expert(s), such other Consultants and/or individual expert(s) shall be subject to the same eligibility criteria as are stipulated for the Consultant.
- 9 Exclusion of Consultant or Sub-Consultants** 9.2 A Consultant and any Sub-consultant shall not be permitted to submit a proposal or to be awarded a Contract under any of the following circumstances:
- (a) it is insolvent or is in receivership or is a bankrupt or is in the process of being wound up, or has entered into an arrangement with creditors; or
 - (b) its affairs are being administered by a court, judicial officer or by an appointed liquidator; or
 - (c) it has suspended business, or is in any analogous situation arising from similar procedures under the laws and regulations of its country of establishment; or
 - (d) it has been found guilty of professional misconduct by a recognized tribunal or professional body; or
 - (e) it has not fulfilled its obligations with regard to the payment of taxes, social security or other payments due in accordance with the laws of the country in which it is established or of the Kingdom of Bhutan; or
 - (f) it is or has been guilty of serious misrepresentation in supplying information in its tender or in the prior process leading to it being classified as a shortlisted Consultant; or
 - (g) it has been convicted for fraud and/or corruption by a competent authority; or
 - (h) it has not fulfilled any of its contractual obligations with the Procuring Agency in the past; or
 - (i) he has been debarred from participation in public procurement by any competent authority as per law.

- 10 Contents, Clarification and Amendment of the RFP Document**
- 10.2 The RFP document comprises:
- Section 1 - Letter of Invitation
 - Section 2 - Instructions to Consultants (including Data Sheet)
 - Section 3 - Technical Proposal - Standard Forms
 - Section 4 - Financial Proposal - Standard Forms
 - Section 5 - Terms of Reference
 - Section 6 - Standard Forms of Contract
- 10.3 Consultants may request a clarification of any part of the RFP document up to the number of days indicated in the Data Sheet before the proposal submission date. Any request for clarification must be sent in writing to the Procuring Agency's address indicated in the Data Sheet. The Procuring Agency will respond in writing, and will send written copies of the response (including an explanation of the query but without identifying the source of the inquiry) to all Consultants. Should the Procuring Agency deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure under paragraph 10.4 below;
- 10.4 A pre-proposal meeting will be conducted only if strictly necessary to clarify doubts and concerns of the shortlisted Consultants prior to submission of proposals. Minutes of the pre-proposal meeting shall be circulated to all shortlisted Consultants.
- 10.4 At any time before the submission of Proposals the Procuring Agency may amend the RFP by issuing an addendum in writing. The addendum shall be sent to all shortlisted Consultants and will be binding on them. Consultants shall acknowledge receipt of all addenda before the final date and time established for the submission of Proposals. To give Consultants reasonable time in which to take an addendum into account in their Proposals the Procuring Agency may, if the addendum is substantial, extend the deadline for the submission of Proposals.
- 11 Preparation of Proposals**
- 11.2 The Proposal, as well as all related correspondence exchanged by the Consultant and the Procuring Agency, shall be written in the language specified in the Data Sheet.
- 11.3 In preparing their Proposals, Consultants are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.
- 11.4 While preparing the Technical Proposal, Consultants must pay particular attention to the following:
- (a) If a shortlisted Consultant considers that it may enhance its expertise for the assignment by associating with other Consultants in a joint venture/consortium/association or sub-consultancy it may associate with either (a) non-shortlisted Consultant(s), or (b) shortlisted Consultants, if so indicated in the Data Sheet. A shortlisted Consultant must first obtain the approval of the Procuring Agency if it wishes to enter into a joint venture/consortium/association with non-shortlisted or shortlisted Consultant(s). In the case of a joint venture/consortium/association with non-shortlisted Consultant(s), the shortlisted Consultant shall

act as joint venture/consortium/association leader. In the case of a joint venture/consortium/association, all partners shall be jointly and severally liable and shall indicate who will act as the leader of the joint venture/consortium/association.

(b) The estimated number of Professional staff-months or the budget for executing the assignment shall be shown in the Data Sheet, but not both. However, the Proposal shall be based on the number of Professional staff-months or the budget estimated by the Consultant.

(c) For fixed-budget-based assignments, the available budget is given in the Data Sheet, and the Financial Proposal shall not exceed this budget, while the estimated number of Professional staff-months shall not be disclosed.

(d) Alternative professional staff shall not be proposed, and only one curriculum vita (CV) may be submitted for each position.

12 Language 12.2 Documents to be issued by the Consultant as part of this assignment must be in the language specified in the Data Sheet.

13 Technical Proposal Format and Content 13.1 Depending on the nature of the assignment, Consultants are required to submit a Full Technical Proposal (FTP), or a Simplified Technical Proposal (STP). The Data Sheet indicates the format of the Technical Proposal to be submitted. Submission of the wrong type of Technical Proposal will result in the Proposal being deemed non-responsive. The Technical Proposal shall provide the information indicated in the following paragraphs from (a) to (i) using the attached Standard Forms (Section 3). Paragraph (c) (ii) indicates the recommended number of pages for the description of the approach, methodology and work plan of the STP. A page is considered to be one printed side of A4 or letter size paper.

(a) (i) For the FTP only, a brief description of the Consultant's organization and an outline of the recent experience of the Consultant on assignments of a similar nature is required in Form TECH-2 of Section 3. In the case of a joint venture/consortium/association, this information should be provided for each partner. For each assignment, the outline should indicate the names of Sub-Consultants/Professional staff who participated, the duration of the assignment, the Contract amount, and the Consultant's involvement. Information should be provided only for those assignments for which the Consultant was legally contracted by the Procuring Agency as a corporation or as one of the major firms within a joint venture/consortium/association. Assignments completed by individual Professional staff working privately or through other consulting firms cannot be claimed as the experience of the Consultant, or that of the Consultant's associates, but can be claimed by the Professional staff themselves in their CVs. Consultants should be prepared to substantiate the claimed experience if so requested by the Procuring Agency .

(ii) For the STP, the above information is not required and Form TECH-2 of Section 3 shall not be used.

(b) (i) For the FTP only, comments and suggestions on the Terms of Reference including workable suggestions that could improve the

quality/effectiveness of the assignment; and on requirements for counterpart staff and facilities including: administrative support, office space, local transportation, equipment, data, etc. to be provided by the Procuring Agency (Form TECH-3 of Section 3).

(ii) For the STP, Form TECH-3 of Section 3 shall not be used; the above comments and suggestions, if any, should be incorporated into the description of the approach and methodology (refer to following sub-paragraph 12.1 (c) (ii)).

(c) (i) For the FTP and STP, a description of the approach, methodology and work plan for performing the assignment and covering the following subjects: technical approach and methodology, work plan, and organization and staffing schedule. Guidance on the content of this section of the Technical Proposals is provided under Form TECH-4 of Section 3. The work plan should be consistent with the Work Schedule (Form TECH-8 of Section 3), which shall also be provided and which will show in the form of a bar chart the timing proposed for each activity.

(ii) For the STP only, the description of the approach, methodology and work plan should normally consist of 10 pages, including charts, diagrams, comments and suggestions, if any, on the Terms of Reference, counterpart staff and facilities.

(d) The list of the proposed Professional staff team by area of expertise, the position that would be assigned to each staff team member, and their tasks (Form TECH-5 of Section 3).

(e) Estimates of the staff input (staff-months of foreign and local professionals) needed to carry out the assignment (Form TECH-7 of Section 3). The staff-months input should be indicated separately for home office and field activities, and for foreign and local Professional staff.

(f) CVs of the Professional staff signed by the staff themselves or by the authorized representative of the Professional Staff (Form TECH-6 of Section 3). CVs shall be supported by at least two references from past client.

(g) For the FTP only, a detailed description of the proposed methodology and staffing for training, if the Data Sheet specifies training as a specific component of the assignment.

(h) Any drawings and/or specifications that form part of the Technical Proposal (FORM TECH-9 of Section 3).

(i) Duly executed Integrity Pact Statement (FORM TECH-10 of Section 3).

13.2 The Technical Proposal shall not include any financial information. A Technical Proposal containing financial information may be declared non-responsive.

14 Financial Proposals

14.2 The Financial Proposal shall be prepared using the attached Standard Forms (Section 4). It shall list all costs associated with the assignment, including (a) remuneration for staff (foreign and local, in the field and at the Consultant's home office), and (b)

reimbursable expenses indicated in the Data Sheet. If appropriate, these costs should be broken down by activity and, if also appropriate, into foreign and local expenditures. All activities and items described in the Technical Proposal must be priced separately; activities and items described in the Technical Proposal but not priced shall be assumed to be included in the prices of other activities or items.

- 14.3 In case of Foreign Consultants (as individual or as a firm), the consultant may express the price of their services in a maximum of three freely convertible foreign currencies, singly or in combination. The Procuring Agency may require Consultants to state the portion of their price representing local costs in Ngultrum (BTN) if so indicated in the Data Sheet.
- 14.4 Commissions and gratuities, if any, paid or to be paid by Consultants and related to the assignment will be listed in the Financial Proposal Form FIN-1 of Section 4.
- 15 Taxes**
- 15.2 The Consultant may be subject to local taxes (such as value added or sales tax, social charges or income taxes on non-resident Foreign Personnel, duties, fees, levies, etc) on amounts payable by the Procuring Agency under the Contract. The Procuring Agency will state in the Data Sheet if the Consultant is subject to payment of any local taxes. Any such amounts shall not be included in the Financial Proposal as they will not be evaluated, but they will be discussed at contract negotiations, and applicable amounts will be included in the Contract.
- 16 Sealing & Submission of Proposals**
- 16.1 The original proposal (Technical Proposal and, if required, Financial Proposal) shall contain no interlineations or overwriting, except as necessary to correct errors made by the Consultant itself. The person who signed the Proposal must initial such corrections. Submission letters for the Technical and Financial Proposals shall respectively be in the format of TECH-1 of Section 3, and FIN-1 of Section 4.
- 16.2 An authorized representative of the Consultant shall initial all pages of the original Technical and Financial Proposals. The authorization shall be in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been duly authorized to sign. The signed Technical and Financial Proposals shall be marked "ORIGINAL".
- 16.3 The Technical Proposal shall be marked "ORIGINAL" or "COPY" as appropriate. The Technical Proposals shall be sent to the addresses referred to in paragraph 16.8 and in the number of copies indicated in the Data Sheet. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original shall govern.
- 16.4 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL" Similarly, the original Financial Proposal (if required under the selection method indicated in the Data Sheet) shall be placed in a sealed envelope clearly marked "FINANCIAL PROPOSAL" followed by the reference number and name of the assignment, and with a warning "**DO NOT OPEN WITH THE**

TECHNICAL PROPOSAL.” The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title of the assignment, and be clearly marked “**CONFIDENTIAL – DO NOT OPEN, EXCEPT IN THE PRESENCE OF THE APPOINTED OPENING OFFICIAL(S), BEFORE** [*insert the time and date of the submission deadline indicated in the Data Sheet*]”. The Procuring Agency shall not be responsible for misplacement, loss or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be cause for Proposal rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.

16.5 All inner envelopes shall:

- (a) be signed across their seals by the person authorized to sign the Proposal on behalf of the Consultant; and
- (b) be marked “ORIGINAL” or “COPIES”; and
- (c) indicate the name and address of the Consultant to enable the Proposal to be returned unopened in case it is declared late pursuant to paragraph 16.8 hereunder.

16.6 All inner and outer envelopes shall be sealed with adhesive or other sealant which will prevent re-opening.

16.7 The Proposals shall be delivered by hand or by registered post in sealed envelopes to the address/addresses indicated in the Data Sheet and received by the Procuring Agency no later than the time and the date indicated in the Data Sheet, or any extension to this date in accordance with paragraph 10.4. Any proposal received by the Procuring Agency after the deadline for submission shall be returned unopened.

17 Withdrawal and Substitution of Proposals

17.1 A Consultant may withdraw or substitute its Proposal after it has been submitted by sending a written notice in accordance with paragraph 16, duly signed by an authorized representative, and shall include a copy of the authorization (the power of attorney) in accordance with paragraph 16.2. Any substitution of a Proposal must accompany the respective written substitution notice. All notices must be:

- (a) submitted in accordance with paragraph 16 above (except that withdrawal notices do not require copies), and in addition, the respective envelopes shall be clearly marked “WITHDRAWAL” or “SUBSTITUTION” and
- (b) received by the Procuring Agency prior to the deadline prescribed for submission of Proposals, in accordance with paragraph 16.7.

17.2 Proposals requested to be withdrawn in accordance with paragraph 17.1 shall be returned unopened to the Consultants.

17.3 No Proposal may be withdrawn or substituted in the interval between the deadline for submission of Proposals and the expiry of the period of Proposal validity specified by the Consultant in its Proposal or any

extension thereof. Any such withdrawal shall result in the debarment by competent authority as per law.

- 18 Opening of Proposals**
- 18.2 Immediately after the closing date and time for submission of Proposals any envelopes marked “Withdrawal” and accompanied by a properly authorized withdrawal notice shall be put aside, and stored safely and securely ready for return to the Consultant.
- 18.3 The Procuring Agency then shall open all remaining Technical Proposals, including any substitutions accompanied by a properly authorized substitution notice. The Financial Proposals shall remain sealed and securely stored.
- 19 Evaluation to be Confidential**
- 19.2 From the time the Proposals are opened to the time the Contract is awarded, the Consultant shall not contact the Procuring Agency on any matter related to its Technical and/or Financial Proposal. Any effort by any Consultant to influence the Procuring Agency in the examination, evaluation, ranking of Proposals, and recommendation for Award of Contract may result in the rejection of the Consultant’s Proposal.
- 19.3 After the opening of Proposals, information concerning the Proposal documents or any part of the contents thereof shall not be released to any person or party that is not a member of the Proposal Evaluation Committee.
- 19.4 The evaluation proceedings shall be kept confidential at all times until the award of Contract is announced.
- 19.5 Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.
- 20 Evaluation of Technical Proposals**
- 20.1 The Evaluation Committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria and points system specified in the Data Sheet. Each responsive Proposal will be given a technical score (St). A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, particularly the Terms of Reference, or if it fails to achieve the minimum technical score indicated in the Data Sheet.
- 20.2 Following the ranking of Technical Proposals, when selection is based on quality only (QBS), the first ranked Consultant shall be invited to negotiate its proposal and the Contract in accordance with the instructions given under paragraphs 23 to 26 of these Instructions.
- 21 Public Opening and Evaluation of Financial Proposals (only for QCBS, FBS, and LCS)**
- 21.2 After the technical evaluation is completed, the Procuring Agency shall inform the Consultants who have submitted proposals the technical scores obtained by their Technical Proposals, and shall notify those Consultants whose Proposals did not meet the minimum qualifying mark, or were considered non responsive to the RFP and TOR, that their Financial Proposals will be returned unopened after completing the selection process. The Procuring Agency shall simultaneously notify in writing those Consultants that have secured the minimum qualifying mark, the date, time and location for opening the Financial Proposals. The opening date shall allow Consultants sufficient time to make arrangements for

attending the opening. Consultants' attendance at the opening of Financial Proposals is optional.

21.3 Financial Proposals shall be opened publicly in the presence of the Consultants' representatives who choose to attend. The names of the Consultants and their technical scores shall be read aloud. The Financial Proposals of the Consultants who met the minimum qualifying mark will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened, and the following information read out and recorded:

- (a) name of the Consultant;
- (b) points awarded to the Technical Proposal; and
- (c) total price of the Financial Proposal.

The prices also shall be written on a notice board for the public to copy.

21.3 The Procuring Agency shall prepare a record of the opening of the Financial Proposals, which shall include the information disclosed to those present in accordance with paragraph 21.2 above. The minutes shall include, as a minimum:

- (a) the assignment title and reference number;
- (b) the date, time and place of opening of the Financial Proposals;
- (c) the prices offered by the Consultants;
- (d) the name and nationality of each Consultant;
- (e) the names of attendees at the opening of the Financial Proposals, and of the Consultants they represent;
- (f) details of any complaints or other comments made by Consultants' representatives attending the opening of the Financial Proposals, including the names and signatures of the representatives making the complaint(s) and/or comment(s); and
- (g) the names, designations and signatures of the members of the Proposal Opening Committee.

The Consultants' representatives who are present shall be requested to sign the record. The omission of a representative's signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Consultants who submitted Proposals.

21.4 The Evaluation Committee will correct any computational errors. When correcting computational errors, in case of any discrepancy between a partial amount and the total amount, or between words and figures, the formers shall prevail. In addition to the above corrections, as indicated under paragraph 14.1, activities and items described in the Technical Proposal but not priced shall be assumed to be included in the prices of other activities or items. In case an activity or line item is quantified in the

Financial Proposal differently from the Technical Proposal:

(a) if the Time-Based form of Contract has been included in the RFP, the Evaluation Committee shall correct the quantification indicated in the Financial Proposal so as to make it consistent with that indicated in the Technical Proposal, apply the relevant unit price included in the Financial Proposal to the corrected quantity and correct the total Proposal cost, and

(b) if the Lump-Sum form of Contract has been included in the RFP, no corrections are applied to the Financial Proposal in this respect.

Prices shall be converted to a single currency using the selling rates of exchange, source and date indicated in the Data Sheet.

21.5 In the case of QCBS, the lowest evaluated Financial Proposal (F_m) will be given the maximum financial score (S_f) of 100 points. The financial scores (S_f) of the other Financial Proposals will be computed as indicated in the Data Sheet. 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 Data Sheet: $S = S_t \times T\% + S_f \times P\%$. The firm achieving the highest combined technical and financial score will be invited for negotiations.

21.6 In the case of Fixed-Budget Selection, the Procuring Agency will select the firm that submitted the highest ranked Technical Proposal within the budget. Proposals that exceed the indicated budget will be rejected. In the case of Least-Cost Selection, the Procuring Agency will select the lowest proposal among those that passed the minimum technical score. In both cases the evaluated proposal price according to paragraph 21.5 shall be considered, and the selected firm invited for negotiations.

22 Negotiations

22.1 Negotiations will be held at the date and address indicated in the Data Sheet. The invited Consultant will, as a pre-requisite for attendance at the negotiations, confirm availability of all Professional staff. Failure to satisfy this requirement may result in the Procuring Agency proceeding to negotiate with the next-ranked Consultant. Representatives conducting negotiations on behalf of the Consultant must have written authority to negotiate and conclude a Contract.

23 Technical Negotiations

23.1 Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan, organization and staffing, any suggestions made by the Consultant to improve the Terms of Reference, and the Special Conditions of Contract. The Procuring Agency and the Consultant will finalize the Terms of Reference, staffing schedule, work schedule, logistics and reporting. These documents will then be incorporated into the Contract as "Description of Services". Special attention will be paid to defining clearly the inputs and facilities required from the Procuring Agency in order to ensure satisfactory implementation of the assignment. The Procuring Agency shall prepare minutes of the negotiations, which shall be signed by the Procuring Agency and the Consultant. The negotiations shall not substantially alter the original Terms of Reference or the terms of the Contract.

24 Financial

24.1 If applicable, it is the responsibility of the Consultant, before starting

- Negotiations** financial negotiations, to contact the local tax authorities to determine the local tax amount to be paid by the Consultant under the Contract. The financial negotiations will include a clarification (if any) of the Consultant's tax liability in Bhutan, and the manner in which it will be reflected in the Contract; and will reflect the agreed technical modifications in the cost of the services.
- 24.2 In the cases of QCBS, Fixed-Budget Selection and the Least-Cost Selection methods involving time based Contracts, unless there are exceptional reasons the financial negotiations will involve neither the remuneration rates for staff nor other proposed unit rates. For other methods, Consultants will provide the Procuring Agency with the information on remuneration rates described in the Appendix attached to Section 4 - Financial Proposal - Standard Forms of this RFP.
- 24.3 In the case of a Lump Sum Contract where price is a factor of selection, the price shall not be negotiated.
- 24.4 Reimbursable costs are payable on an actual expenses incurred basis, and thus shall not be subject to financial negotiation.
- 25 Availability of Professional Staff/Experts** 25.1 Having selected the Consultant on the basis of, among other things, an evaluation of proposed Professional staff, the Procuring Agency expects to negotiate a Contract on the basis of the Professional staff named in the Proposal. Before contract negotiations, the Procuring Agency will require assurances that the Professional staff will actually be available. The Procuring Agency will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or for reasons such as death or medical incapacity. If this is not the case and if it is established that Professional staff were offered in the proposal without confirming their availability, the Consultant may be disqualified. Any proposed substitute shall have equivalent or better qualifications and experience than the original candidate and be submitted by the Consultant within the period of time specified in the letter of invitation to negotiate.
- 26 Conclusion of the Negotiations** 26.1 Negotiations will conclude with a review of the draft Contract. To complete negotiations the Procuring Agency and the Consultant will initial the agreed Contract. If negotiations fail, the Procuring Agency shall inform the Consultant in writing of the reasons for termination of the negotiations and then shall invite the Consultant whose Proposal received the second highest combined technical and financial score to negotiate a Contract. Once negotiations commence with the second ranked Consultant the Procuring Agency shall not reopen the earlier negotiations.
- 27 Procuring Agency's Right to Accept Any Proposal and to Reject Any or All Proposals** 27.1 The Procuring Agency reserves the right to accept or reject any Proposal, and to annul the Request for Proposals process and reject all Proposals at any time prior to Contract award, without thereby incurring any liability to Consultants.
- 28 Award of Contract** 28.1 After completing negotiations the Procuring Agency shall award the Contract to the selected Consultant, and:
- (a) as soon as possible notify unsuccessful Consultants, and

(b) publish a notification of award on the Procuring Agency's website.

28.2 The notifications to all unsuccessful Consultants, and the notification on the Procuring Agency's website, shall include the following information:

- (a) the assignment reference number;
- (b) the name of the winning Consultant and the Financial Proposal total price it offered; and
- (c) the date of the award decision.

28.3 The time taken to notify unsuccessful Consultants and publish the notification of award on the Procuring Agency's website may in no circumstances exceed 15 days from the date of the decision to award the Contract to the successful Consultant.

28.4 Following the decision to award the Contract to the selected Consultant, the parties shall enter into a written Contract binding on both parties. The Contract shall be compatible with the Applicable Laws of Bhutan. The Contract shall be signed by the duly authorized representatives of the parties and shall bear the date of signature.

28.5 Where both the parties do not sign the Contract simultaneously,

- (a) The Procuring Agency shall send to the selected Consultant two original copies of (1) the full agreed Contract and (2) the letter of acceptance (notification of award), each signed by the its duly authorized representative together with the date of signature;
- (b) The letter of acceptance shall indicate the deadline by which it must be accepted, which shall normally be not more than 15 days from the date of its receipt by the Consultant;
- (c) The Consultant, if he agrees to conclude the Contract, shall sign and date all original copies of the Contract and the letter of acceptance and return one copy of each to the Procuring Agency before the expiry of the deadline indicated in the letter of acceptance;
- (d) In case the selected Consultant fails to sign the Contract agreement within the deadline specified in the letter of acceptance the Contract shall be awarded to the next lowest evaluated Consultant. Such a failure shall be considered as withdrawal and the provisions of Clause 17.3 shall apply.

28.6 The Consultant is expected to commence the assignment on the date and at the location specified in the Data Sheet.

29 Confidentiality

29.1 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 publication of the award of Contract. The undue use by any Consultant of confidential information related to the process may result in the rejection of its Proposal and may be subject to the provisions of the RGoB's antifraud and corruption policy.

Instructions to Consultants

DATA SHEET

ITC Paragraph Reference	Details
1.1	Name of the Procuring Agency : <i>Anti-Corruption Commission of Bhutan</i> Method of selection: <i>Quality and Cost Based Selection</i>
1.2	The Expert should submit two proposals in any of the two areas from the five identified areas. (Refer ToR point no. 12 (b)) Financial Proposal to be submitted together with Technical Proposal: <i>YES</i> The name of the assignment is: <i>Conduct Training and Research in the Anti-Corruption and Good Governance Areas.</i> The scope of the assignment and expected time of its completion are: <i>Refer ToR (point no.2 & 3)</i>
1.3	A pre-proposal conference will be held: <i>NO</i> The Procuring Agency 's representative is: Mr. A Karma Rinzin, Head, Corporate Services Address: Corporate Services, Anti-Corruption Commission Telephone: +975 2 334866 Ext - 108 Facsimile: +975 2 334865 E-mail: rinzin_ak@acc.org.bt
1.4	The Procuring Agency will provide the following inputs and facilities: <i>Refer ToR (point no.11)</i>
2.1 (a)	The Procuring Agency envisages the need for continuity for downstream work: <i>NO</i>
4.1 (e)	The bidders shall submit a signed Integrity Pact: <i>YES</i>
7.1	Proposals must remain valid for 60 days i.e until 28th January 2015 .
10.2	Clarifications may be requested not later than 10 days before the submission date. The address for requesting clarifications is: Mr. Karma Thinlay, Chief Planning Officer Address: Planning and Policy Services, Anti-Corruption Commission Telephone: +975 2 334866 Ext - 121 Facsimile: +975 2 334865 E-mail: kamathinly@yahoo.com
10.3	A pre-proposal meeting will NOT be conducted.

11.3 (a)	Shortlisted Consultants may associate with other shortlisted Consultants: NO																				
11.3 (b)	The professional Expert-months required for the assignment is: 2 months continuous																				
12.1	Proposals shall be submitted in the following language: English																				
13.1	The format of the Technical Proposal to be submitted is: Simplified Technical Proposal (STP)																				
13.1 (g)	Training is a specific component of this assignment: YES. Refer ToR (point no. 3)																				
15.1	Amounts payable by the Procuring Agency to the Consultant under the Contract to be subject to local taxation: YES The consultant will pay local taxes without reimbursement by the Procuring agency as per the applicable laws of the Kingdom of Bhutan.																				
16.3	The consultant must submit the original and need one copy of the Technical Proposal, and the original of the Financial Proposal.																				
16.8	The Proposal submission address is: Head, Corporate Services, Anti-Corruption Commission Thimphu, Bhutan. Proposals must be submitted no later than the following date and time: 29th December 2014 at 12:00 Noon																				
20.1	Criteria, sub-criteria and the points system for the evaluation of Simplified Technical Proposals are: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right; width: 20%;"><u>Points</u></th> </tr> </thead> <tbody> <tr> <td>(i) Adequacy of the proposed technical approach, methodology and work plan in responding to the Terms of Reference⁸:</td> <td style="text-align: right;">[40]</td> </tr> <tr> <td>(ii) Key professional staff qualifications and competence for the assignment:</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">a) Expert</td> <td style="text-align: right;">[60]</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Total points for criterion (i) & (ii):</td> <td style="text-align: right;">[100]</td> </tr> <tr> <td colspan="2"> 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:</td> </tr> <tr> <td style="padding-left: 20px;">1) General qualifications</td> <td style="text-align: right;">[20]</td> </tr> <tr> <td style="padding-left: 20px;">2) Adequacy for the assignment</td> <td style="text-align: right;">[50]</td> </tr> <tr> <td style="padding-left: 20px;">3) Experience in region and language</td> <td style="text-align: right;">[30]</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Total weight:</td> <td style="text-align: right;">100%</td> </tr> </tbody> </table>		<u>Points</u>	(i) Adequacy of the proposed technical approach, methodology and work plan in responding to the Terms of Reference ⁸ :	[40]	(ii) Key professional staff qualifications and competence for the assignment:		a) Expert	[60]	Total points for criterion (i) & (ii):	[100]	 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:		1) General qualifications	[20]	2) Adequacy for the assignment	[50]	3) Experience in region and language	[30]	Total weight:	100%
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2) Adequacy for the assignment	[50]																				
3) Experience in region and language	[30]																				
Total weight:	100%																				

⁸ Consideration may also be given during evaluation to the number of pages submitted as compared to the number recommended under paragraph 3.4 (c) (ii) of the Instructions to Consultants.

	<p style="text-align: right;">Total points for the two criteria: 100</p> <p>The minimum technical score S_t required to pass is: 65 points</p>
21.4	<p>The single currency for price conversions is Bhutanese Ngultrum (BTN).</p> <p>The source of official selling rates is the Royal Monetary Authority of Bhutan.</p> <p>The date of exchange rates is: 29th December 2014 (opening of the technical proposal)</p>
21.6	<p>The formula for determining the financial scores is the following:</p> <p>$S_f = 100 \times F_m/F$, in which S_f is the financial score, F_m is the lowest price and F the price of the proposal under consideration.</p> <p>The weights given to the Technical and Financial Proposals are:</p> <p>$T = 70\%$ <i>weightage</i> and;</p> <p>$P = 30\%$ <i>weightage</i></p>
28.6	<p>Expected date for commencement of consulting services: Last week of January 2015, Thimphu, Bhutan</p>

Section 3. Technical Proposal - Standard Forms

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

Refer to Reference paragraph 13.1 of the Data Sheet for format of Technical Proposal to be submitted, and paragraph 13.1 of Section 2 of the RFP for Standard Forms required and number of pages recommended.

- TECH-1 Technical Proposal Submission Form
- TECH-4 Description of the Approach, Methodology and Work Plan for Performing the Assignment
- TECH-5 Team Composition and Task Assignments
- TECH-6 Curriculum Vitae (CV) for Proposed Professional Staff
- TECH-7 Staffing Schedule
- TECH-8 Work Schedule
- TECH-9 Drawings/Specifications (if applicable)
- TECH-10 Integrity Pact Statement

FORM TECH-1 TECHNICAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: [Name and address of Procuring Agency]

Dear Sirs:

We, the undersigned, offer to provide the Consulting Services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed in a separate envelope⁸.

We are submitting our Proposal in association with: [Insert a list with full name and address of each associated Consultant]⁹

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification. In this regard you may contact any of our previous Employers or the previous Employers of any of our sub-consultants or any of the employees thereof for further information.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in ITC Reference 7.1 of the Data Sheet, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the Consulting Services related to the assignment not later than the date indicated in ITC Reference 28.6 of the Data Sheet and to comply with all the provisions of the Contract.

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

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

⁸ [In case paragraph Reference 13.1 of the Data Sheet requires submission of a Technical Proposal only, replace this sentence with: “We are hereby submitting our Proposal, which includes this Technical Proposal only.”]

⁹ [Delete in case no association is foreseen.]

FORM TECH-4 DESCRIPTION OF THE APPROACH, METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT

(For small or very simple assignments the Procuring Agency should omit the following text in *Italic*)

[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal (40 pages, inclusive of charts and diagrams) divided into the following three chapters:

- a) Technical Approach and Methodology,*
- b) Work Plan, and*
- c) Organization and Staffing,*

*a) **Technical Approach and Methodology.** In this chapter you should explain your understanding of the objectives of the assignment, approach to the research, methodology for carrying out the research and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.*

*b) **Work Plan.** In this chapter you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Procuring Agency), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings and tables to be delivered as final output, should be included here. The work plan should be consistent with the Work Schedule of Form TECH-8.*

*c) **Organization and Staffing.** Refer ToR (point no.4)*

FORM TECH-6 CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

1. **Proposed Position** [*only one candidate shall be nominated for each position*]: _____

2. **Name of Firm** [*Insert name of firm proposing the staff*]: _____

3. **Name of Staff** [*Insert full name*]: _____

4. **Date of Birth:** _____ **Nationality:** _____

5. **Education** [*Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment*]: _____

6. **Membership of Professional Associations:** _____

7. **Other Training** [*Indicate significant training since degrees under 5 - Education were obtained*]: _____

8. **Countries of Work Experience:** [*List countries where staff has worked in the last ten years*]: _____

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

10. **Employment Record** [*Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format herebelow): dates of employment, name of employing organization, positions held.*]:

From [Year]: _____ To [Year]: _____

Employer: _____

Positions held: _____

11. Detailed Tasks Assigned

[*List all tasks to be performed under this assignment*]

12. Work Undertaken that Best Illustrates Capability to Handle the Tasks Assigned

[*Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under point 11.*]

Name of assignment or project: _____

Year: _____

	Location: _____ Procuring Agency or Client: _____ Main project features: _____ Positions held: _____ Activities performed: _____
--	--

13. Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes me, my qualifications and my experience. I understand that any willful misstatement herein may lead to my disqualification or dismissal, if engaged.

[Signature of staff member or authorized representative of the staff] Date: _____
Day/Month/Year

Full name of authorized representative: _____

FORM TECH-7 STAFFING SCHEDULE¹

N°	Name of Staff	Staff input (in the form of a bar chart) ²													Total staff-month input			
		1	2	3	4	5	6	7	8	9	10	11	12	n	Home	Field ³	Total	
Foreign																		
1		[Home]																
		[Field]																
2																		
N																		
													Subtotal					
Local																		
1		[Home]																
		[Field]																
2																		
N																		
													Subtotal					
													Total					

- 1 For Professional Staff the input should be indicated individually; for Support Staff it should be indicated by category (e.g.: draftsmen, clerical staff, etc.).
- 2 Months are counted from the start of the assignment. For each staff indicate separately staff input for home and field work.
- 3 Field work means work carried out at a place other than the Consultant's home office.

Full time input
 Part time input

FORM TECH-8 WORK SCHEDULE

N°	Activity ¹	Months ²												
		1	2	3	4	5	6	7	8	9	10	11	12	n
1														
2														
3														
4														
5														
n														

- 1 Indicate all main activities of the assignment, including delivery of reports (e.g.: inception, interim, and final reports), and other benchmarks such as Procuring Agency approvals. For phased assignments indicate activities, delivery of reports, and benchmarks separately for each phase.
- 2 Duration of activities shall be indicated in the form of a bar chart.

FORM TECH-9 DRAWINGS/SPECIFICATIONS (IF APPLICABLE)

[Provide here a list of drawings and specifications (if any) contained within the Technical Proposal, and annex these hereto.]

FORM TCH-10 INTEGRITY PACT**INTEGRITY PACT****1 General:**

Whereas (*Name of head of the procuring agency or his/her authorized representative, with power of attorney*) representing the (*Anti-Corruption Commission*), Royal Government of Bhutan, hereinafter referred to as the “**Employer**” on one part, and (*Name of bidder or his/her authorized representative, with power of attorney*) representing M/s. (*Name of firm*), hereinafter referred to as the “**Bidder**” on the other part hereby execute this agreement as follows:

This agreement shall be a part of the standard bidding document, which shall be signed by both the parties at the time of purchase of bidding documents and submitted along with the tender document. This IP is applicable only to “**large**” scale works, goods and services, the threshold of which will be announced by the government from time to time. The signing of the IP shall not apply to framework contracting such as annual office supplies etc.

2 Objectives:

Whereas, the Employer and the Bidder agree to enter into this agreement, hereinafter referred to as IP, to avoid all forms of corruption or deceptive practice by following a system that is fair, transparent and free from any influence/unprejudiced dealings in the **bidding process**⁹ and **contract administration**¹⁰, with a view to:

- 2.1 Enabling the Employer to obtain the desired contract at a reasonable and competitive price in conformity to the defined specifications of the works or goods or services; and
- 2.2 Enabling bidders to abstain from bribing or any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also refrain from bribing and other corrupt practices.

3. Scope:

The validity of this IP shall cover the bidding process and contract administration period.

4. Commitments of the Employer:

The Employer Commits itself to the following:-

- 4.1 The Employer hereby undertakes that no officials of the Employer, connected directly or indirectly with the contract, will demand, take a promise for or accept,

⁹ Bidding process, for the purpose of this IP, shall mean the procedures covering tendering process starting from bid preparation, bid submission, bid processing, and bid evaluation.

¹⁰ Contract administration, for the purpose of this IP, shall mean contract award, contract implementation, unauthorized sub-contracting and contract handing/taking over.

directly or through intermediaries, any bribe, consideration, gift, reward, favor or any material or immaterial benefit or any other advantage from the Bidder, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process and contract administration.

4.2 The Employer further confirms that its officials shall not favor any prospective bidder in any form that could afford an undue advantage to that particular bidder in the bidding process and contract administration and will treat all Bidders alike.

4.3 Officials of the Employer, who may have observed or noticed or have reasonable suspicion shall report to the head of the employing agency or an appropriate government office any violation or attempted violation of clauses 4.1 and 4.2.

4.4 Following report on violation of clauses 4.1 and 4.2 by official (s), through any source, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings shall be initiated by the Employer and such a person shall be debarred from further dealings related to the bidding process and contract administration.

5. Commitments of Bidders

The Bidder commits himself/herself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of the bidding process and contract administration in order to secure the contract or in furtherance to secure it and in particular commits himself/herself to the following :-

5.1 The Bidder shall not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favor, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Employer, connected directly or indirectly with the bidding process and contract administration, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding process and contract administration.

5.2 The Bidder shall not collude with other parties interested in the contract to manipulate in whatsoever form or manner, the bidding process and contract administration.

5.3 If the bidder(s) have observed or noticed or have reasonable suspicion that the provisions of the IP have been violated by the procuring agency or other bidders, the bidder shall report such violations to the head of the procuring agency.

6. Sanctions for Violation:

The breach of any of the aforesaid provisions shall result in administrative charges or penal actions as per the relevant rules and laws.

6.1 The breach of the IP or commission of any offence (forgery, providing false information, mis-representation, providing false/fake documents, bid rigging, bid

steering or coercion) by the Bidder, or any one employed by him, or acting on his/her behalf (whether with or without the knowledge of the Bidder), shall be dealt with as per the terms and conditions of the contract and other provisions of the relevant laws, including Debarment Rules.

6.2 The breach of the IP or commission of any offence by the officials of the procuring agency shall be dealt with as per the rules and laws of the land in vogue.

7. Monitoring and Administration:

7.1 The respective procuring agency shall be responsible for administration and monitoring of the IP as per the relevant laws.

7.2 The bidder shall have the right to appeal as per the arbitration mechanism contained in the relevant rules.

We, hereby declare that we have read and understood the clauses of this agreement and shall abide by it.

The parties hereby sign this Integrity Pact at (*place*) _____ on (*date*) _____

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Legal
Stamp

Affix
Legal
Stamp

EMPLOYER

BIDDER/REPRESENTATIVE

CID¹¹/
Passp
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CID/
Passpo
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Witness: _____

Witness: _____

Name:

Name:

CID/
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¹¹ CID – Citizenship Identity Card Number

Section 4. Financial Proposal - Standard Forms

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

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal according to the instructions provided under paragraph 14 of Section 2. Such Forms are to be used whichever is the selection method indicated in the fourth paragraph of the Letter of Invitation.

[The Appendix "Financial Negotiations - Breakdown of Remuneration Rates" is only to be used for financial negotiations when Quality-Based Selection, Selection Based on Qualifications, or the Single-Source Selection method is adopted, according to the indications provided under paragraph 24 of Section 2.]

FIN-1	Financial Proposal Submission Form
FIN-2	Summary of Costs
FIN-3	Breakdown of Costs by Activity
FIN-4	Breakdown of Remuneration
FIN-5	Breakdown of Reimbursable Expenses
Appendix:	Financial Negotiations - Breakdown of Remuneration Rates

FORM FIN-1 FINANCIAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: [Name and address of Procuring Agency]

Dear Sirs:

We, the undersigned, offer to provide the Consulting Services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures¹¹]. This amount is exclusive of local taxes, which shall be identified during negotiations and added to the above amount.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in paragraph Reference 7.1 of the Data Sheet.

Commissions and gratuities paid or to be paid by us to agents relating to this Proposal and Contract execution, if we are awarded the Contract, are listed below¹²:

Name and Address of Agent	Amount and Currency	Purpose of Commission or Gratuity
_____	_____	_____
_____	_____	_____
_____	_____	_____

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

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

¹¹ Amounts must coincide with the ones indicated under Total Cost of Financial Proposal in Form FIN-2.

¹² If applicable, replace this paragraph with: "No commissions or gratuities have been or are to be paid by us to agents relating to this Proposal and Contract execution."

FORM FIN-2 SUMMARY OF COSTS

Item	Costs			
	[Indicate Foreign Currency # 1] ¹³	[Indicate Foreign Currency # 2] ¹⁴	[Indicate Foreign Currency # 3] ¹⁵	<i>Ngultrum</i>
Total Costs of Financial Proposal ¹⁶				

¹³ Indicate between brackets the name of the foreign currency. A maximum of three foreign currencies may be used. Use as many columns as needed, and delete any that are not used.
¹⁴ Indicate between brackets the name of the foreign currency. A maximum of three foreign currencies may be used. Use as many columns as needed, and delete any that are not used.
¹⁵ Indicate between brackets the name of the foreign currency. A maximum of three foreign currencies may be used. Use as many columns as needed, and delete any that are not used.
¹⁶ Indicate the total costs, net or inclusive of local taxes (as maybe the case), to be paid by the Procuring Agency in each currency. Such total costs must coincide with the sum of the relevant Subtotals indicated in all Forms FIN-3 provided with the Proposal.

FORM FIN-3 BREAKDOWN OF COSTS BY ACTIVITY¹

Group of Activities (Phase)¹⁷ _____ _____	Description¹⁸ _____ _____			
Cost Component	Costs			
	<i>[Indicate Foreign Currency # 1]¹⁹</i>	<i>[Indicate Foreign Currency # 2]²⁰</i>	<i>[Indicate Foreign Currency # 3]²¹</i>	<i>[Indicate Local Currency]</i>
Remuneration				
Reimbursable Expenses				
Subtotals				

¹⁷ Form FIN-3 shall be filled in at least for the whole assignment. In case some of the activities require different modes of billing and payment (e.g.: the assignment is phased, and each phase has a different payment schedule), the Consultant shall fill in a separate Form FIN-3 for each group of activities. For each currency, the sum of the relevant Subtotals of all Forms FIN-3 provided must coincide with the Total Costs of Financial Proposal indicated in Form FIN-2.

¹⁸ Names of activities (phase) should be the same as, or correspond to, the ones indicated in the second column of Form TECH-8.

¹⁹ Short description of the activities whose cost breakdown is provided in this Form..

²⁰ Indicate between brackets the name of the foreign currency. Use the same columns and currencies as Form FIN-2.

²¹ For each currency, Remuneration and Reimbursable Expenses must respectively coincide with the relevant Total Costs indicated in Forms FIN-4 and FIN-5.

2 FORM FIN-4 BREAKDOWN of Remuneration

(This Form FIN-4 shall only be used when the Lump-Sum Form of Contract has been included in the RFP. Information to be provided in this Form shall only be used to establish payments to the Consultant for possible additional services requested by the Procuring Agency)

Name ³²	Position ³³	Staff-month Rate ³⁴
Foreign Staff		
		[Home]
		[Field]
Local Staff		
		[Home]
		[Field]

³² Professional Staff should be indicated individually; Support Staff should be indicated per category (e.g.: draftsmen, clerical staff).

³³ Positions of the Professional Staff shall coincide with the ones indicated in Form TECH-5.

³⁴ Indicate separately staff-month rate and currency for home and field work.

FORM FIN-5 BREAKDOWN OF REIMBURSABLE EXPENSES

(This Form FIN-5 shall only be used when the Lump-Sum Form of Contract has been included in the RFP. Information to be provided in this Form shall only be used to establish payments to the Consultant for possible additional services requested by the Procuring Agency)

N°	Description ¹	Unit	Unit Cost ²
	Per diem allowances	Day	
	International flights ³	Trip	
	Miscellaneous travel expenses	Trip	
	Communication costs between [Insert place] and [Insert place]		
	Drafting, reproduction of reports		
	Equipment, instruments, materials, supplies, etc.		
	Shipment of personal effects	Trip	
	Use of computers, software		
	Laboratory tests		
	Subcontracts		
	Local transportation costs		
	Office rent, clerical assistance		
	Training of the Procuring Agency 's personnel ⁴		

- 1 Delete items that are not applicable or add other items according to paragraph Reference 14.1 of the Data Sheet.
- 2 Indicate unit cost and currency.
- 3 Indicate route of each flight, and if the trip is one- or two-way.
- 4 Only if the training is a major component of the assignment, defined as such in the TOR.

Appendix

Financial Negotiations - Breakdown of Remuneration Rates (Not to be used when cost is a factor in the evaluation of Proposals)

1. Review of Remuneration Rates

- 1.1 The remuneration rates for staff are made up of salary, social costs, overheads, fee (ie profit), and any premium or allowance paid for assignments away from headquarters. To assist the Consultant in preparing financial negotiations, a Sample Form giving a breakdown of rates is attached (no financial information should be included in the Technical Proposal). Agreed breakdown sheets shall form part of the negotiated Contract.
- 1.2 The Procuring Agency is charged with the custody of government funds and is expected to exercise prudence in the expenditure of these funds. The Procuring Agency is, therefore, concerned with the reasonableness of the Consultant's Financial Proposal, and during negotiations it expects to be able to review audited financial statements backing up the Consultant's remuneration rates, certified by an independent auditor. The Consultant shall be prepared to disclose such audited financial statements up to the last three years, to substantiate its rates, and to accept that its proposed rates and other financial matters are subject to scrutiny. Rate details are discussed below.
- (i) **Salary**
This is the gross regular cash salary paid to the individual in the Consultant's home office. It shall not contain any premium for work away from headquarters or bonus (except where these are included by law or Royal Government of Bhutan regulations).
 - (ii) **Bonus**
Bonuses are normally paid out of profits. Because the Procuring Agency does not wish to make double payments for the same item, staff bonuses shall not normally be included in the rates. Where the Consultant's accounting system is such that the percentages of social costs and overheads are based on total revenue, including bonuses, those percentages shall be adjusted downward accordingly. Where national policy requires that 13 months' pay be given for 12 months' work, the profit element need not be adjusted downward. Any discussions on bonuses shall be supported by audited documentation, which shall be treated as confidential.
 - (iii) **Social Costs**
Social costs are the costs to the Consultant of staff's non-monetary benefits. These items include, *inter alia*, social security including pension, medical and life insurance costs, and the cost of a staff member being sick or on vacation. In this regard, the cost of leave for public holidays is not an acceptable social cost nor is the cost of leave taken during an assignment if no additional staff replacement has been provided. Additional leave taken at the end of an assignment in accordance with the Consultant's leave policy is acceptable as a social cost.
 - (iv) **Cost of Leave**
The principles of calculating the cost of total days leave per annum as a percentage of basic salary shall normally be as follows:

$$\text{Leave cost as percentage of salary}^{40} = \frac{\text{total days leave} \times 100}{[365 - w - ph - v - s]}$$

It is important to note that leave can be considered a social cost only if the Procuring Agency is not charged for the leave taken.

- (v) **Overheads**
Overhead expenses are the Consultant's business costs that are not directly related to the execution of the assignment and shall not be reimbursed as separate items under the Contract. Typical items are home office costs (partner's time, non-billable time, time of senior staff monitoring the project, rent, support staff, research, staff training, marketing, etc.), the cost of staff not currently employed on revenue-earning projects, taxes on business activities and business promotion costs. During negotiations, audited financial statements, certified as correct by an independent auditor and supporting the last three years' overheads, shall be available for discussion, together with detailed lists of items making up the overheads and the percentage by which each relates to basic salary. The Procuring Agency does not accept an add-on margin for social charges, overhead expenses, etc., for staff who are not permanent employees of the Consultant. In such case, the Consultant shall be entitled only to administrative costs and fee on the monthly payments charged for subcontracted staff.
- (vi) **Fee or Profit**
The fee or profit shall be based on the sum of the salary, social costs, and overhead. If any bonuses paid on a regular basis are listed, a corresponding reduction in the profit element shall be expected. Fee or profit shall not be allowed on travel or other reimbursable expenses, unless in the latter case an unusually large amount of procurement of equipment is required. The Consultant shall note that payments shall be made against an agreed estimated payment schedule as described in the draft form of the Contract.
- (vii) **Away from Headquarters Allowance or Premium**
Some Consultants pay allowances to staff working away from headquarters. Such allowances are calculated as a percentage of salary and shall not draw overheads or profit. Sometimes, by law, such allowances may draw social costs. In this case, the amount of this social cost shall still be shown under social costs, with the net allowance shown separately. For concerned staff, this allowance, where paid, shall cover home education, etc.; these and similar items shall not be considered as reimbursable costs.
- (viii) **Subsistence Allowances**
Subsistence allowances are not included in the rates, but are paid separately and in local currency. No additional subsistence is payable for dependents—the subsistence rate shall be the same for married and single team members.

UNDP standard rates for Bhutan may be used as reference to determine subsistence allowances.

⁴⁰ Where w = weekends, ph = public holidays, v = vacation and s = sick leave.

2. Reimbursable expenses

- 2.1 The financial negotiations shall further focus on such items as out-of-pocket expenses and other reimbursable expenses. These costs may include, but are not restricted to, cost of surveys, equipment, office rent, supplies, international and local travel, computer rental, mobilization and demobilization, insurance and printing. These costs may be either unit rates or reimbursable on the presentation of invoices, in foreign or local currency.

3. Bank Guarantee

- 3.1 Payments to the Consultant, including payment of any advance based on cash flow projections covered by a bank guarantee, shall be made according to an agreed estimated schedule ensuring the Consultant regular payments in local and foreign currency, as long as the Services proceed as planned.

Sample Form

Consulting Firm:
Assignment:

Date:

Consultant’s Representations Regarding Costs and Charges

We hereby confirm that:

- (a) the basic salaries indicated in the attached table are taken from the firm’s payroll records and reflect the current salaries of the staff members listed which have not been raised other than within the normal annual salary increase policy as applied to all the firm’s staff;
- (b) attached are true copies of the latest salary slips of the staff members listed;
- (c) the away from headquarters allowances indicated below are those that the Consultant has agreed to pay for this assignment to the staff members listed;
- (d) the factors listed in the attached table for social charges and overhead are based on the firm’s average cost experiences for the latest three years as represented by the firm’s financial statements; and
- (e) said factors for overhead and social charges do not include any bonuses or other means of profit-sharing.

[Name of Consulting Firm]

Signature of Authorized Representative

Date

Name: _____

Title: _____

Consultant's Representations Regarding Costs and Charges

(Expressed in *[insert name of currency]*)

Personnel		1	2	3	4	5	6	7	8
Name	Position	Basic Salary per Working Month/Day/Year	Social Charges ¹	Overhead ¹	Subtotal	Fee ²	Away from HQ Allowance	Proposed Fixed Rate per Working Month/Day/Hour	Proposed Fixed Rate per Working Month/Day/Hour ¹
Home Office									
Field									

1. Expressed as percentage of 1
2. Expressed as percentage of 4

Section 5: Terms of Reference (TOR)**Anti-Corruption Research Programme Bhutan
Terms of Reference
(28/11/14)****Background**

Governments throughout the world are concerned about promoting systems of governance covering the public, private and non-governmental sectors. In many developing countries, despite good governance and anti-corruption measures over the years, there are still unacceptably high levels of corruption which adversely impact on citizens' welfare and human rights. Bhutan has a remarkably good record of keeping corruption at low levels and is currently ranked 31st on Transparency International's 2013 Corruption Perceptions Index, well above its South Asian neighbours. However, this is no reason for complacency. Bhutan's current success needs to be maintained and built upon to ensure that it remains a country in which there is a low level of corruption. One contribution to this is through research on the subject enabling the Anti-Corruption Commission (ACC), the government and citizens to understand the causes and effects of corruption.

Research is one of the important tools to study and recommend systemic interventions to promote good governance. The findings of the systemic recommendation of the ACC in the public agencies are only limited to findings of the investigation and complaints which is mostly based on reactive and lack facts and figures. Due to lack of research competency and capacity of an employee's ACC couldn't focus more on the empirical research – a quantitative research which can help the government agencies to improve its system. Therefore, to have effective systemic and policy intervention research is a must and capacity of the ACC employees and its stakeholders need to be built.

Corruption in Bhutan is more featured in the areas of land, procurement/construction, natural resources, human resource management and election. And it adversely affects the socio – economic development and undermines the peace and order in the country. There is a need to recommend for system and policy recommendation in those areas. Therefore, a concrete empirical research is required to provide system and policy intervention in these areas.

To fill this need for research the ACC has proposed a research programme to provide a solid analysis and guidance for forward-looking interventions in key areas of its operations (those for which most cases and complaints have been received) that can be used to promote evidence-based decision making and policy recommendations. The direct end product of the main research programme is 4 to 5 research papers in relevant areas of anti-corruption by the end of June 2015 and the capacity of Bhutanese officials in research built.

The ACC and RIM has also fielded the scoping mission to examine the extent, range, and nature of research activity, determine the value of undertaking a full systematic review and identify gaps in the existing system and literature. The scoping team has developed research proposal in five critical areas namely Land, Procurement and Construction, Natural Resources, Human Resource Management and Election which are related to anti-corruption issues.

Therefore, ACC wishes to hire two Experts to conduct research training in building research capacity of the Bhutanese officials and conduct research in the above five specific areas. Based on the individual specialisation, each Expert will carry two research projects.

The approved Experts will be hired for a period of continuous two months to provide hands-on-training as mentioned in Table 1 and achieve the output. This research undertaking is a joint programme of the Royal Institute of Management (RIM) and ACC based on the Memorandum of Understanding (MoU).

1. Objectives

The ACC has engaged in some research since its inception in 2005 but perceives a need to produce an extended database to assist in its work by providing a source of information that will enhance its decision-making. The database will contribute to greater understanding of anti-corruption issues and measures and will be a ready reference for ACC officials and personnel from other government agencies.

The ACC also recognises that there are inadequate numbers of Bhutanese with the appropriate type, level and mix of skills that can undertake empirical research into matters relating to anti-corruption and good governance. Thus, the ACC visualises an anti-corruption research project with the following objectives:

- To build up a research database on key areas relating to anti-corruption issues.
- To build research capacity in anti-corruption in a group of Bhutanese personnel drawn from a range of government organisations as involved for this research programme.
- Establish and maintain both national and international professional network.

2. Scope of work

The Experts should focus on identifying the nature of corruption, types of corruption, costs of corruption and measures to address them. Based on the findings of the investigation and complaints received and also in consistent with the recommendations from the research scoping mission conducted by ACC and RIM, points out the relevant issues as follows:

2.1 Topic -Land Management

2.1.1 Title

Making Land Management Processes Corruption Free

2.1.2 Background

Land is an item of the highest significance in Bhutan. In a largely rural country land is synonymous with livelihood and respect. It is associated with security and people have a strong emotional attachment to land. It is also a means to obtain investment capital. In the modernising economy of Bhutan, urbanisation has caused the value of urban land,

especially in the capital, to skyrocket. It has become one of the most valuable commodities, an appreciating asset. Furthermore, there is a strongly held belief backed by government that every household should have land, at least 5 acres, the amount that should provide for a family's subsistence needs.

In Bhutan there are two types of land government and private. The right to transfer government land to private hands is vested entirely in the King. Only he can award *kidu* (welfare) in the form of land to those in need and other citizens. The focal points for land management are the various subnational governments under the overarching authority of the National Land Commission (NLC) and its Secretariat. The NLC derives its authority from the Land Act of 2007 which superseded that of 1997 while currently a bill has been prepared for a new Land Act and was discussed in the previous session of the parliament. The bill will be deliberated again in the next session thus emphasising the importance placed on land by the Bhutanese people.

But because land is such an important commodity and the value of urban land has soared, problems have emerged in its management. ACC cases, Auditor General reports, media articles and public sentiment all agree that land has become prone to corrupt practices in which private individuals have colluded with government officials for personal benefit. This has adverse consequences for development especially for growing social inequality as it often alleged that the rich and powerful are the ones who have most manipulated the country's system of land management. Recent cases tend to confirm these widely held opinions and that the management of land in Bhutan requires review and revision to eliminate the corruption. This research aims to investigate the various manifestations of corruption in land management with a view to identifying ways of addressing them for the public benefit.

2.1.3 Description of research project

This research project will review key processes in land management in Bhutan which have been identified as being prone to corruption. For each of the processes, the research should investigate several aspects. First, it is necessary to confirm whether the list set out below is complete, what is the known and suspected incidence of such practices and which can be regarded as the most serious and damaging for the country's society and economy. Second, the causes of the land malpractices should be elucidated. Why are people motivated to engage in land management corruption and what aspects of the law and social values and behaviour allow the corruption to happen. What opportunities are evident? Third, the research should clearly map the manner in which land management corruption occurs. For example, how land is illegally acquired and records tampered with. Fourth, what are the effects of land management corruption on economy and society? It is desirable if some quantification can be made in determining the effects: for example, in costs incurred in court cases, ACC complaints investigations and cases, and Auditor General reports; the costs to the economy. Finally, the research should make suggestions as to what steps should be taken to effectively address land management corruption.

Land management processes that may be prone to corruption have been identified to the Scoping Mission by officials from various agencies and in various media and government reports. The following issues are thus recommended for investigation by the research project although if other suspect processes are unearthed during the research they can also be followed up.

Land allotment in urban areas, especially commercial plots, appears to be one of the most serious and widespread issues to emerge in recent years due to rapid urbanisation and steeply rising land values. Public concerns are related to the criteria used for allotment of commercial plots as there has been manipulation of these criteria to favour certain influential people while depriving others, less well placed, of opportunities.

Land pooling for public purposes can result in shifting land locations and hence value of private land and in possible dubious boundary readjustments. There is concern over the system of adjusting and demarcating new plots after the land is pooled for public purposes.

Surveying can be a time when boundaries are illegally extended. It is important to assess whether the application of new and highly accurate surveying technology will address the problems of land management that have been in part created by less accurate methods of the past.

Collusion of local and central government officials with private persons for illegal land transactions.

Abuse of privileged information to make land purchases and other transactions advantageous to the recipient of privileged information. This would include such things as advanced knowledge of a government project that would drive up land values in a particular area before the project's announcement.

Exceeding the legally defined limits of family property holding: This matter requires attention to what should be the definition of 'family' and how such land accumulation affects socioeconomic inequality.

Land tax underestimation: Attention should be directed to how prevalent this practice is or whether the application of superior surveying technology has made the underestimation of land tax increasingly unlikely.

Tampering with land records should be investigated with a view to how this is undertaken, by whom and for what purpose. Also, attention should be paid to how records tampering is undertaken and how it can be stopped. Has the digitalization of these records eliminated these risks?

In all of the above processes it is desirable to provide quantification of the problem such as cost to the economy and individuals.

2.1.4 Aims

The research project aims to

- Estimate the extent of corruption in land management and its cost to economy and society
- Identify and analyse the causes of land management corruption and poor practices
- Delineate and quantify as far as possible the effects of land management corruption and poor practices for economy and society
- Recommend actions that may be undertaken to address policy and poor practices in land management

2.2 Topic - Procurement and Construction

2.2.1 Title

Getting Value for Money in Procurement Processes for Construction

2.2.2 Background

The National Budget Report shows that the procurement of goods and services is the single largest item of government expenditure accounting for between 40-45 percent of government spending each year. A considerable proportion of this spending is for procurement for construction. This should bring benefits to economy and society. Procurement relieves government of having to provide certain specialized services and encourages private sector development. However, procurement for construction has been identified as a major area of corrupt practice where government appears not to be getting value for money.

There is no public procurement act for Bhutan. The Public Finance Act 2007 gives the authority for procurement to the Ministry of Finance (MoF) to issue rules and regulations governing procurement practices. These are set out in the Procurement Rules and Regulations of 2014. The implementation of these rules and regulations focuses on a cadre of civil service specialists in procurement spread across government agencies at the centre and in *dzongkhags (districts)* across the country. However, it has been observed by the Auditor General that there is ‘no strong policy framework for public procurement’, a matter which contributes to government not obtaining value for money in procurement for construction. This research project is concerned with identifying how value for money can be obtained in procurement for construction; that is, how government and citizens can be assured that the processes of procurement are efficient, effective and honest, aligned to the production of outputs and outcomes that address the needs of the people.

2.2.3 Description of research project

In order to explore the nature, incidence and effects of corruption on procurement for construction, it is necessary to undertake a range of research tasks. The first task is for the researchers to identify and familiarise themselves with the sequence of processes involved in procurement for construction and the content of each process before marking the points in the overall process at which corruption is most likely to occur. The second task will then be to estimate the incidence of corruption and its cost to government. After that, the effects of procurement for construction corruption can be explored. For example, what are the consequences (including costs) of supplying substandard materials for school construction?

The results of the research tasks set out in the previous paragraph will enable enquiry into the causes of corruption in procurement for construction. One important related area for research is how far illegalities in procurement for construction are related to inadequate capacity in government rather than government officials colluding with contractors for personal gain. Does the government have the skilled personnel in the right numbers and with the required experience to undertake the allotted tasks efficiently and effectively? This enquiry into capacity should also look at whether ICT provision is appropriate and how far Bhutan’s rules match up to international good practice in the field. This does not

mean that the research should not examine opportunities for and actual collusion by procurement officials with private sector persons to extract personal benefits from the process that they manage.

There are several specific elements of the procurement process that should be researched but the list is not exhaustive. They include

- Examining how well procurement rules are known by private contractors and what efforts are made to ensure the rules are communicated to them.
- How can bidding be rigged by collusion among suppliers. What are the conditions that allow this to take place? And how can it be identified?
- The use of forged bank guarantees, securities and other documentation.
- The adequacy of checks on supplier firms.
- The adequacy of checks on materials to assure that goods are of the requisite amount and quality.
- The level of experience and training of procurement officers issuing tender documents for procurement.
- Is privileged information given in the tender process and with what result?
- Are corrupt or inept practices more likely in remote areas where capacity problems are usually most severe?
- How can an adequate number of tenderers be assured for proper competition?

For all of these matters, consideration should be given to whether changing the rules can make such practices much more difficult or whether enhanced monitoring and capacity improvement are key elements to procurement for construction providing value for money for the government and citizens of Bhutan.

2.2.4 Aims

The research project aims to

- Estimate the incidence of corruption and illegal activity in procurement for construction and estimate the costs of such activities to the government
- Delineate the causes and effects of corruption and illegal activities in procurement for construction
- Make recommendations on ways to ensure that procurement for construction gives value for money

2.3 Topic - Human Resource Management

2.3.1 Title

Transparency and Accountability in Human Resource Management for Enhanced Public Sector Performance

2.3.2 Background

It has been increasingly recognised that the management and quality of an organisation's personnel is a major key to its effective performance. Human resource management

(HRM) has thus assumed increasing importance for organisations in the public sector that are ever more concerned with the improved efficiency, effectiveness and responsiveness. In developing countries, HRM reform has often been promised and plans made but actions have frequently not lived up to the rhetoric. Public servants have been able to resist the pressures for change and have continued to work in highly bureaucratic organisations in which adherence to processes and rules has taken preference to achieving desirable outputs and outcomes. However, increasing demands for better services by stakeholders including politicians, citizens, the private sector, non-governmental organisations (NGOs) and foreign donors have placed HRM reform at the forefront of policy agendas in many developing countries. HRM is viewed as a strategic tool that can and should play a major role in enhancing organisational performance.

The global trends of HRM have reached Bhutan and led to wide-ranging consideration of the people management practices that characterise government operations. In recent years the government has initiated several reform programs that are either directly concerned with reforming HRM practices or indirectly have implications for the ways in which personnel are managed. These initiatives include Organisational Development (OD) for the entire civil service, a pilot performance management system (PMS) for individuals and a government performance management system for overall agency performance, social accountability mechanisms and a proposed Executive Management Division in the civil service. There is strong reform momentum.

This research project complements these Royal Civil Service Commission (RCSC) reforms by examining significant civil service HRM processes in terms of their transparency and accountability. Contemporary thinking on HRM and its strategic importance sees transparency and accountability as key requirements for an HRM system that works efficiently, effectively, equitably and responsively. Not only does such a HRM system place the right people in the right place it also enhances individual and group motivation, all leading to better service delivery.

2.3.3 Description of research project

This project examines selected HRM processes to determine whether they are equitable and transparent and whether accountabilities for decision-making are clearly identified.

The processes under scrutiny are recruitment, promotion, transfer, selection for training, performance management, and leadership selection and development. For each of these, transparency and accountability are highly desirable. It will be the task of the research team to analyse the transparency and accountability features of current practices, assess their appropriateness and suggest any modifications that might be made to enhance equity and promote improvements in individual and organisational performance. Some issues relating to each of the HRM items for research are set out below. It is not an exhaustive list of questions and issues but provides research teams with a good indication of what needs to be investigated.

Recruitment: How are vacancies identified and merit selection assured? What is the process of identifying competency requirements and applying them to the recruitment process?

Promotion: Is promotion merit based as it is supposed to be? What type of people get promoted and why? Is there 'pushing papers' for promotion in government agencies?

Transfer: How is transfer decisions made? Are transfer decisions adhered to? How can they be ignored or changed? How widespread is the practice of changing transfers?

Selection for training: How are decisions about who gets what training determined? What level of transparency is evident? Is training demand based or supply based? Is favouritism evident in training selection or are objective criteria rigorously applied?

Performance management: Are criteria for performance appraisal clearly understood and applied? Are there cultural factors that make appraisal difficult and potentially of limited validity? Does the new system of ranking employees improve performance management or undermine individual motivation and work against teamwork? What is the implication and results of performance agreements on organisations and individuals? What is the process of developing performance agreements and how are they monitored and evaluated? Are these performance agreement processes effective?

Executive selection and development: How do current processes ensure the best people are selected for leadership positions? What is the process for succession planning and how can its success be measured? How are leadership development activities identified and implemented?

Many of these decisions are made by the Human Resource Committee of a government organisation. These committees are mandatory for all government agencies. The research should examine the composition and operations of these committees to evaluate whether they are currently providing the desired level of service and achieving their intended objectives.

As far as is possible, there will need to be evaluation of which processes are most affected by undesirable or even corrupt practices stemming from lack of transparency and accountability and some indication of why this occurs. Recommendations should be made as to what reforms would be desirable to improve the efficiency, effectiveness, equity and responsiveness of the HRM processes leading to improved service delivery.

2.3.4 Aims

The research project aims to

- Delineate the effects of corrupt and poor practices in HRM on public service efficiency, effectiveness and equity
- Estimate as far as possible the cost to the government of poor or corrupt practice in HRM and/or the savings to be made by reforming the processes
- Make recommendations on improvements to HRM processes, especially in terms of transparency and accountability, that will lead to greater efficiency, effectiveness and equity in public service operations

2.4 Topic - Natural Resources

2.4.1 Title

Effective and Accountable Regulation in the Mining Industry for Gross National Happiness (GNH)

2.4.2 Background

In 2013, the mining industry in Bhutan accounted for a relatively small 2.75 percent of Gross Domestic Product (GDP). It is, however, both a growing industry in terms of GDP and contribution to government income and one that has generated problems of a magnitude beyond its size. There is undoubtedly a potential future of growth and increased contribution to national development but the industry has been dogged by controversy and dispute since the Mines and Minerals Act of 1995, an act that still prevails today. There have been 73 quarry licenses and 52 mining licenses issued since 1995 but only 17 mines and 21 quarries are currently licensed for business.

The Mineral Development Policy has passed through a series of high-level policy discussions and has even satisfied the GNH Policy Screening Tools. Currently it is back with the ministry following acceptance by the Gross National Happiness Commission (GNHC). Next, the 1995 Act will be reviewed with a view to making the miners more responsible corporate citizens and avoiding the many problems which mining's critics allege the industry creates. These include air, water, noise and soil pollution, damage to the landscape, adverse effects on flora and fauna, and being too near to communities, schools and other social infrastructure. The proponents of mining see a more rosy future in which employment and wealth are generated and where environmental damage is minimised and community concerns accommodated.

ACC investigations, Auditor General reports and media stories reveal a pattern of illegal actions and activities perpetrated by some of the mining companies operating in Bhutan. There have been allegations and cases of leasing malpractice, collusion between mine owners and state officials, illegal mining operations and other wrongdoings. There is a long list, and it is this list which this research project is intended to examine.

2.4.3 Description of research project

This research project aims to examine the official procedures associated with mining over the entire process from the lodging of a mining application to the granting of a lease and the operation of a mine or quarry. The research will first identify the key procedures in the granting of a mining lease. Then each procedure will be scrutinised to determine how it should work and whether there are any discrepancies between this and the actual process works in practice. Documentary evidence from ACC cases, Auditor General reports and media stories can be utilised to complement evidence gathered from interviews with officials in Thimphu and mine personnel and citizens in areas where mines operate. The research will look for areas of the rules which either have been flouted or for which there appear to be loopholes and ambiguities which have led to illegal or dubious mining practices.

The research will identify the effects of mining on the economy, society and environment. Such a holistic macro-contextualisation of mining will involve assessing the benefits that mining does bring to Bhutan and the potential for a future of socially and environmentally

sound mining practice. Also, the adverse consequences of mining will be examined to identify the costs to the economy, society and environment. The general cost-benefit evaluation should be supplemented with examples from actual cases from Bhutan – both positive and negative.

From case data and interviews conducted by the Scoping Mission it appears that all processes in the granting and operation of a mining lease are potentially prone to corruption. Thus, the research should pay attention to the following. First, evaluation should be made of the application process including the utility, equity and transparency of the practice that it is a ‘first come first served’ basis. Do Bhutan and local communities get the best outcomes from this mode of application for mining leases? Of additional concern is whether there is collusion between officials and potential lessees and between the latter and foreign interests. Second, there are concerns that the way pre-feasibility studies are undertaken is not working well. It is important to identify the ways in which they may not be working and why.

Third, the issue of licenses is a critical process which must be examined in detail to identify what could go wrong and what does go wrong. Are the processes followed to the letter or is there evidence of collusion between officials and potential lessees or are there systemic faults in the design and operation of the issuance of leases? Fourth, there have been concerns about the operations of mines such as being too near communities and community infrastructure, mining outside of the lease area, digging for subsurface on surface collection only licenses, mining outside the lease areas, ‘fronting’ for other persons both domestic or foreign, irregularities in the payment of royalties, and lack of compliance with environmental and other regulations. For all of these the research must examine the monitoring system for mines and how it actually operates? It should make government aware of breaches of the law and lead to appropriate action.

Fifth, looking from the miners’ point of view there have been concerns that communities are pressuring mines into increasing the amounts paid to communities by threatening to stop mining and actually taking action to do just that. Such instances of community pressure on mining ventures requires examination to see if citizens have valid claims or are they, in certain instances, simply leveraging the miners. In connection with all of the processes, the research should also review the quality of data on mines and the mines leasing process held by the DGM and any other relevant agency and the efficiency of the operating system for the use of that data.

The research should also follow the proposed Mineral Development Policy, which, at the time of the Scoping Mission, was being discussed by GNHC Minerals Act 1995 which, at the time of the Scoping Mission, had been discussed by GNHC and was back ‘with the Minister’ for further review and assessment of its potential impact the revision of the Mines and Minerals Act 1995. What changes are being proposed and what difference will they make to the process of issuing mining leases and the operation of mines?

2.4.4 Aims

The research project aims to

- Estimate and quantify as far as possible the effects of corruption in mining on the economy, environment and local communities

- Clearly delineate the causes of corruption and illegal practices in mining paying special attention to inadequate rules, collusion between officials and private individuals, and systemic problems such as inadequate human resources
- Estimate the benefits to economy and society of an efficient, effective and corruption free mining industry
- Make recommendations about changes to mine leasing and operating processes that will address corrupt and bad practices in the mining industry

2.5 Topic - Elections

2.5.1 Title

Promoting Clean Campaigning and Voting for Free and Fair Elections

2.5.2 Background

The majority of developing countries have democratic or semi-democratic political regimes that utilise elections to choose their political leaders at national and local levels. In many of these countries, there have been criticisms of the conduct of elections with a range of manipulative and corrupt practices identified. These include vote buying, candidate spending over the legal limit, the perpetuation of political dynasties, ghost voters, altered ballots, and restrictions on parties that are out of office, use of government resources for electioneering by parties in power, counting irregularities, coercion of voters and other breaches of electoral rules. The result is that many elections cannot be classified as truly democratic. They are not free and fair yet these are the qualities that should characterise democratic elections.

Bhutan's first national elections in 2008 were generally considered to have been conducted in a proper manner with limited instances of illegal practices. The Election Commission of Bhutan (ECB) was considered to have been efficient, vigilant and effective in enforcing the rules set out in the electoral law. However, in the second elections concerns began to be expressed that undesirable and corrupt practices were creeping in to the electoral process. If this is the case, then it is important to take concerted action to ensure that such practices are eliminated and the trend of increasing illegal election activities is reversed for the 2018 elections. Media reports, citizen perceptions, complaints to the ACC and ECB observations indicate that illegal election practices have occurred although their extent is unknown.

Many of the alleged illegal practices are concerned with campaigning and aspects of the voting process. For example, there have been reports of breaking the rules attached to door-to-door campaigning, endorsing excessive numbers of party workers, spending undeclared finance, ferrying voters to polling stations or places of residence, 'namedropping' and problems with postal voting. While these items suggest that it is a one-way process with candidates and parties influencing voters through questionable or illegal actions, there is also the possibility that voters are becoming more opportunistic and making material demands on parties and candidates.

This research is concerned with identification and analysis of such practices and relationships with the objective of cleaning up the electoral processes in 2018.

2.5.3 Description of research project

This research project seeks to identify and analyse electoral processes that do not conform to the law and which may be considered corrupt. The research will clearly delineate the processes and practices concerned, attempt to estimate their incidence and importance for free and fair elections, elucidate their causes and make recommendations for actions that will promote free and fair elections in Bhutan in 2018 and beyond.

There are several pre-election areas of concern. Of prime importance are door-to-door campaigning and party workers. They have been consistently identified to the scoping mission as involving undesirable activities. Door-to-door campaigning problems focus on whether candidates and their supporters are abiding by the electoral rules or whether they are engaging in such practices as offering material incentives, exerting undue pressure, entering homes and operating out of hours. This concern is expressed because door-to-door campaigns are too numerous to monitor and the election observers cannot possibly witness all the door-to-door visits that are made. The concerns about party workers overlap with those of door-to-door campaigning as it is party workers who are involved in this election activity. But there are also claims that the numbers of party workers recruited by candidates and parties are excessive and as such represents a way of dispensing illegal incentives to vote for particular candidates. The research on electoral campaigning should regard door-to-door campaigning and the recruitment and activities of party workers as core issues but the researchers should also identify and analyse other issues that may arise during the course of enquiries.

A second area of concern for the research is postal voting. There are concerns that the process may need tightening up because illiterate voters, dependents and public officials might be manipulated or coerced into voting for particular candidates, votes may go missing, and laxness in the gathering of votes. Exclusion of persons from postal votes may also be a concern. Such accusations and suspicions need to be properly investigated and analysed to determine if there are systemic problems and modifications to current practices recommended.

A third area for research links to postal voting – the need to be physically present in your place of registration if unable or ineligible to avail of a postal vote. It has been suggested that polling stations could be established in major population centres to enable citizens living away from their places of registration to vote. The research should investigate whether such an innovation would promote free and fair elections. There would be a need to investigate how many persons living away from their place of registration are unable to vote because of this. Furthermore, the related process of ‘ferrying’ persons to their place of registration by political parties and candidates requires examination as to its incidence and effect. ‘Ferrying’ within constituencies should also be examined.

A final area for research on elections is not directly concerned with infractions of the electoral rules but does have bearing on promoting an informed electorate, a healthy political culture and free and fair elections. The focus of investigation is political parties and whether the current rules serve the best interests of democratic development in Bhutan. Several issues have been raised by stakeholders: the question of nominating tentative candidates in all constituencies in the Primary Election; whether rules of qualification are vigorously applied; whether candidates nominated for a losing party in the Primary Election should be allowed to switch to a party that qualifies for the General Election; and

whether nomination rules could include certain levels of experience as substitute for educational qualifications.

2.5.4 Aims

The research project aims to

- Estimate the incidence of illegal practices in the electoral process
- Elucidate the causes of the illegal practices paying special attention to any weaknesses in the rules, the arrangements for monitoring campaigning and societal forces providing motivation to break the rules
- Delineate the effects of illegal practices in the electoral process including the costs to the society and community
- Evaluate suggestions coming from citizens, officials and experts on improvements to the electoral system that are claimed to promote more free and fair elections
- Make recommendations on improvements that can be made to produce a more free and fair electoral system.

3. Methodology

The overall approach of carrying out the research is as given in the Table 1 below. The research programme intends to start by last week of January 2015.

Activity	Out put	Payment	Timeline
1. Design Strategy <ul style="list-style-type: none"> - Philosophical underpinning - Concept, theory and hypothesis - Methodology and its issues. 2. Measurement <ul style="list-style-type: none"> - Data, variable and relationships - Sampling 	1) Training in design strategy and measurement and 2) Proposals on research in the areas identified	N/A	2 weeks (14 working days)
3. Data Collection and Analysis <ul style="list-style-type: none"> - Quantitative data, strengths and weaknesses and ethical issues. - Quantitative data, strengths and weaknesses and ethical issues - Strengths and weaknesses of Cases and comparative studies. 	Preliminary report on the research area	N/A	3 weeks (21 working days)
4. Communication (Report writing and Advocacy) <ul style="list-style-type: none"> - Format and tone - Ethics and politics of Research - Relevance to policies and practices - Checklist for good report writing - Publication standards and practices 	Draft research Reports	30%	2 week (14 working days)
5. Concretization and facilitation of national conference on 2-3 research papers	Final research report and Facilitated conference	10%	1 week (7 working days)

4. Team composition

Each research project has a team leader who is responsible for directing the research, organising the research team and allocating tasks, undertaking research, reporting progress (milestones), and submitting the final report but team members will be from the local which will be arranged by the ACC and RIM.

As ACC is keen to develop research skills across public sector organisations, it is proposed that each project's research team should have four members:

- one members from ACC
- one member from RIM,
- one member from a government organisation relevant for the project (eg ECB for elections, RCSC for HRM, Department of Geology and Mines (DGM) for Mining, NLCS for Land and Public Policy Procurement Division (PPPD) for Procurement and Construction),
- one member from one of the following research institutions: Royal University of Bhutan (RUB), Centre for Bhutan Studies (CBS) and Gross National Happiness Commission (GNHC)

5. Degree of Expertise and Qualification

The research programme should comprise of two Experts to conduct research in any four (each expert will take two areas) from the above five specific areas identified. Each Expert should lead the team and handle relevant research project based on their specialisation. The Research Experts should have plethora of experience in supervision and mentoring, conducting research, analysis and report writing. The expertise and skills of the Experts in respective field of research projects should be as follows;

Land

- PhD or equivalent (eg publication record, track record of producing research reports) in a relevant discipline (ESSENTIAL)
- at least 5 years experience in applied social science research projects (ESSENTIAL)
- experience of research in developing countries (ESSENTIAL)
- experience of leading research teams (DESIRABLE)
- experience in research on one or more of the following areas: land management, rural and urban development, corruption, and governance (DESIRABLE)
- experience of work or research in Bhutan(DESIRABLE)

Procurement and Construction

- PhD or equivalent (eg publication record, track record of producing research reports) in a relevant discipline (ESSENTIAL)
- at least 5 years experience in applied social science research projects (ESSENTIAL)
- experience of research in developing countries(ESSENTIAL)
- experience of leading research teams (DESIRABLE)

- experience in research on one or more of the following areas: procurement, construction management, management, public administration, corruption (DESIRABLE)
- experience of work or research in Bhutan (DESIRABLE)

Mining

- PhD or equivalent (eg publication record, track record of producing research reports) in a relevant discipline (ESSENTIAL)
- at least 5 years experience in applied social science research projects (ESSENTIAL)
- experience of research in developing countries(ESSENTIAL)
- experience of leading research teams (DESIRABLE)
- experience in research on one or more of the following areas: mining, natural resource economics, economic development, management, public administration and corruption (DESIRABLE)
- experience of work or research in Bhutan (DESIRABLE)

HRM

- PhD or equivalent (eg publication record, track record of producing research reports) in a relevant discipline (ESSENTIAL)
- at least 5 years experience in applied social science research projects (ESSENTIAL)
- experience of research in developing countries(ESSENTIAL)
- experience of leading research teams (DESIRABLE)
- experience in research on one or more of the following areas: HRM and public administration (DESIRABLE)
- experience of work or research in Bhutan (DESIRABLE)

Elections

- PhD or equivalent (eg publication record, track record of producing research reports) in a relevant discipline (ESSENTIAL)
- at least 5 years experience in applied social science research projects (ESSENTIAL)
- experience of research in developing countries(ESSENTIAL)
- experience of leading research teams (DESIRABLE)
- experience in research on one or more of the following areas: elections, democratisation, governance and public administration (DESIRABLE)
- experience of work or research in Bhutan (DESIRABLE)

6. Reporting and Management

The organizational structure particularly for this research program is given below:

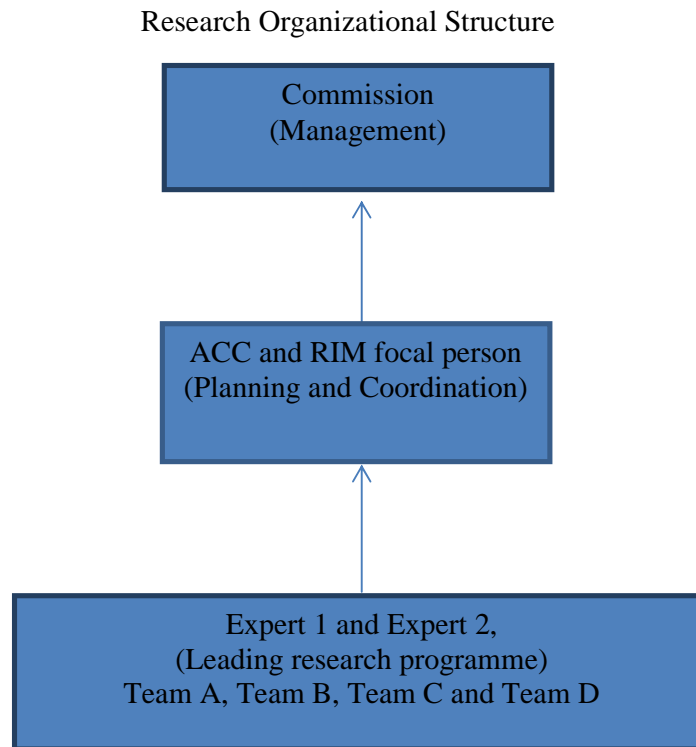


Figure 1: Research organizational structure

The reporting mechanism shall be as follows:

- 1) The Expert shall carry out the assignment in close consultation with the ACC and RIM and must closely interact with their team members.
- 2) The Expert shall directly report to the Chief, Planning and Policy Services, ACC and the research program will be managed by the ACC.

7. Quality Control

Recognizing the necessity of having a quality control system to ensure that each project team produces a research report that is of the appropriate quality to use in giving policy advice to the cabinet and other senior policy-makers; ACC shall be overall responsible for the quality of the research, data analysis and report content and shall involve in periodical monitoring and evaluation of the research programme.

‘**Appropriate quality**’ means that the report contains relevant policy-related research in the particular field, is organised in a coherent and clear manner and has evidence-based recommendations for action.

8. Payment Terms

The Payment will be made as stipulated below:

- 1) 60 % of the payment shall made upon the signing of contract between the ACC and the Expert;
- 2) 30% of the payment shall be released upon the submission of draft research reports (refer Table 1, Row 4)
- 3) The remaining 10% of the payment shall be released upon the subsequent endorsement of the final Research Report and facilitation of the conduct of conference (refer Table 1, Row 5)

The payment shall be made in Bhutanese Ngultrum (BTN) to Bhutanese expert and in USD to international expert

9. Duration of Assignment

The duration for the research assignment is as follows:

- 1) The Expert shall be hired for 60 working days with effect from last week of January, 2015 and shall visit various sectors/agencies for the data collection and consultative meetings.
- 2) The Expert shall be hired fulltime and shall be based at the office of the Anti-Corruption Commission, Bhutan.

10. Roles of the Expert

The Expert upon selection should ensure the following:

- a. Articulate various set of beliefs and actions that guide research approaches and debates;
- b. Guide various research design methods like qualitative, quantitative and mixed research methods and elucidate strengths and weakness;
- c. Ensure clear causal relationship among concepts, theories, hypotheses, variables and measurements in a particular research area;
- d. Advise skilful collection, analysis and interpretation of data;
- e. Apply sound analytical and comprehension skills in descriptive and inferential statistics;
- f. Guide how to do comparative analysis and case studies and highlight strengths and weakness;
- g. Exhibit sound ethical standard in situations of concerns, dilemmas and conflicts;
- h. Facilitate communication of results on its usefulness and relevance with limitations;
- i. Validate credibility of references, its sources and maintain continuous access to reputed journals and publications;
- j. Impart necessary statistical skills for data analysis and interpretation;
- k. Ensure completion of 2 to 3 research paper within the timeframe; and
- l. Guide how to catalogue research related information and inventories database.

11. Institutional support

The ACC may facilitate and assist the Experts in obtaining visa, providing office space, furnishing relevant document and arranging logistics but the cost has to be borne by the Experts. This collaborative research will also need to talk to a wide variety of officials and other relevant persons in order to gather data for the report. The ACC and RIM will facilitate contacts and appointment, ACC will also coordinate the forums and activities that are beyond RIM's reach. An each from ACC and RIM will be identified as the point of contact for the collaborative research programme. The areas of cooperation will remain same as reflected in the MOU.

12. Criteria for the selection of Expert

- a) The Expert shall be judged on their professional background and experience in the required field (*refer point no. 5 Degree of Expertise and Qualification*); and
- b) The Expert should submit two proposals in any of the two areas from the five identified areas.

13. Termination of the Contract

The contract will be terminated if the consultant fails to implement the research programme and deliver the output as desired.

14. Reference for the Expert

Budget allocation in different sectors in Bhutan. Eleventh Five Year Plan Volume I I (<http://www.gnhc.gov.bt/wp-content/uploads/2011/04/11th-Plan-Vol-2.pdf>)

Mandates, CSO role, public service delivery and use of public resources. Society Organizations Act of Bhutan. (<http://www.judiciary.gov.bt/html/act/Civil%20Society%20Org%20Act.pdf>)

Audit observations and irregularities of government, corporate and autonomous agencies in Bhutan as highlighted in the Annual Audit Report, 2012. (<http://www.bhutanaudit.gov.bt/AAR/Annual%20Audit%20Report%202012.pdf>)

Study corruption prone areas highlighted in the National Integrity and Anti-corruption Strategy (NIACS 2014-2018). Anti-corruption Commission of Bhutan. <http://www.acc.org.bt/?q=node/285>

Status of the public service delivery by the government, corporate and autonomous agencies in Bhutan as indicated by integrity scores - National Integrity Assessment report 2009 and 2012. Anti-corruption Commission of Bhutan. <http://www.acc.org.bt/?q=node/285>

know about ACC and types and areas of complain received by ACC. Annual Report, 2012. Anti-corruption Commission.

http://www.acc.org.bt/sites/default/files/ACC%20Annual%20Report%20final_4_0.pdf

Procurement Rules and Regulation 2009, Minsitry of Finance.<http://www.mof.gov.bt/publication/files/pub8yg742up.pdf>

Election campaign, public campaign financing and Election code of conduct. Election Act of the Kingdom of Bhutan, 2008,<http://www.election-bhutan.org.bt/wp-content/uploads/2013/04/ElectionActEnglish.pdf>

Why public election fund? And use of public election fund. Public Election Fund Act of the Kingdom of Bhutan, 2008.<http://www.election-bhutan.org.bt/wp-content/uploads/2013/04/PublicElectionFundActEnglish.pdf>

Recruitment, selection, promotion, transfers system and trainings and civil servant ethical code of conduct. Bhutan Civil Service Rules and Regulations 2012.<http://www.rcsc.gov.bt/BCSR2012.pdf>

Use of public resources and financial management. Public Finance Act, 2007.<http://www.mof.gov.bt/publication/files/pub3un3519iz.pdf>

Use of natural environment and conservation and preservation. The National Environment Protection Act, 2007.<http://faolex.fao.org/docs/pdf/bhu78334E.pdf>

Section 6: Standard Forms of Contract

Annex II: Standard Form of Contract: Consulting Services (Lump-Sum)

The attached Form of Contract shall be used.

S T A N D A R D F O R M O F C O N T R A C T

Consulting Services
Lump-Sum

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Preface

1. This standard Contract for Consulting Services has been prepared in line with the RGoB 2009 Procurement Rules and Regulations and is to be used by implementing agencies (referred to hereafter as Procuring Agencies) when they hire a consulting firm (referred to hereinafter as the Consultant) to provide services paid for on a lump-sum basis.
2. The Contract includes four parts:
 - Form of Contract
 - General Conditions of Contract
 - Special Conditions of Contract
 - Appendices
3. The Procuring Agency using this standard Contract should not alter the General Conditions. Any adjustment to meet project features should be made only in the Special Conditions.
4. Lump-sum Contracts are normally used when definition of the tasks to be performed is clear and unambiguous, when the commercial risks taken by the Consultant are relatively low, and when therefore such Consultant is prepared to perform the assignment for an agreed predetermined lump-sum price. Such price is arrived at on the basis of inputs - including rates - provided by the Consultant. The Procuring Agency agrees to pay the Consultant according to a schedule of payments linked to the delivery of certain outputs, for example reports. A major advantage of the lump-sum Contract is the simplicity of its administration, the Procuring Agency having only to be satisfied with the outputs without monitoring the staff inputs. Studies are usually carried out on a lump-sum basis; for example, surveys, master plans, economic, sector, simple feasibility and engineering studies.

CONTRACT FOR CONSULTING SERVICES

Lump-Sum

between

[Anti-Corruption Commission]

and

[Consultant]

Dated:

I. Form of Contract
LUMP-SUM

(Text in brackets [] is optional; all notes should be deleted in final text)

This CONTRACT (hereinafter called the “Contract”) is made the [day] day of the month of [month], [year], between, on the one hand, [Anti-Corruption Commission] (hereinafter called the “Procuring Agency”) and, on the other hand, [name of Consultant...] (hereinafter called the “Consultant”).

[Note: If the Consultant consist of more than one entity, the above should be partially amended to read as follows: “...(hereinafter called the “Procuring Agency”) and, on the other hand, a joint venture/consortium/association consisting of the following entities, each of which will be jointly and severally liable to the Procuring Agency for all the Consultant’s obligations under this Contract, namely, [name of Consultant] and [name of Consultant] (hereinafter called the “Consultant”).]

WHEREAS

- (a) the Procuring Agency has requested the Consultant to provide certain consulting services as defined in this Contract (hereinafter called the “Services”);
- (b) the Consultant, having represented to the Procuring Agency that it has the required professional skills, personnel and technical resources, has 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:

II. The General Conditions of Contract;

III. The Special Conditions of Contract;

IV. The following Appendices: *[Note: If any of these Appendices are not used, the words “Not Used” should be inserted below next to the title of the Appendix]*

Appendix A: Description of Services	___ Not used
Appendix B: Reporting Requirements	___ Not used
Appendix C: Key Personnel and Sub-Consultants	___ Not used
Appendix D: Breakdown of Contract Price in Foreign Currency	___ Not used
Appendix E: Breakdown of Contract Price in Local Currency	___ Not used
Appendix F: Services and Facilities Provided by the Procuring Agency	___ Not used
Appendix G: Form of Advance Payment Guarantee	___ Not used

2. The mutual rights and obligations of the Procuring Agency and the Consultant 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 Procuring Agency 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 *[Anti-Corruption Commission]*

[A Karma Rinzin]

For and on behalf of *[name of Consultant]*

[Authorized Representative]

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

For and on behalf of each of the Members of the Consultant

[name of member]

[Authorized Representative]

[name of member]

[Authorized Representative]

etc

II. General Conditions of Contract

1. GENERAL PROVISIONS

1.1 Definitions

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

(a) Applicable Laws of Bhutan: The laws and any other instruments having the force of law in Bhutan

(b) Consultant: An individual or a legal entity entering into a Contract to provide the Services to the Procuring Agency under the Contract.

(c) Consulting Services: Expert services of a professional and/or intellectual nature, provided by the Consultant based on specialized expertise and skills, in areas including, but not limited to, preparing and implementing projects, conducting training, providing technical assistance, conducting research and analysis, preparing designs, supervising the execution of construction and other works, undertaking studies, advising Procuring Agencies, building capacity, preparing tender documents, supervising procurement, and others.

(d) Contract: The formal agreement in writing, including the General Conditions (GC), the Special Conditions (SC), and the Appendices, entered into between the Procuring Agency and the Consultant, on acceptable terms and conditions and which are in compliance with all the relevant provisions of the laws of the Kingdom of Bhutan, for the provision of the required Consulting Services.

(e) Contract Price: The price to be paid for the performance of the Services, in accordance with Clause 6;

(f) Day: A calendar day.

(g) Effective Date: The date on which this Contract comes into force and effect pursuant to Clause GC 2.1.

(h) Foreign Currency: Any currency other than Bhutanese Ngultrum (BTN).

(i) GC: These General Conditions of Contract.

(j) Government: The Royal Government of Bhutan (RGoB).

(k) In writing: Communicated in written form (eg. by mail, electronic mail, fax, telex) with proof of receipt.

(l) Local Currency: Bhutanese Ngultrum (BTN).

(m) Member: Any of the entities that make up the joint venture/consortium/association; and “Members” means all these entities.

(n) Party: The Procuring Agency or the Consultant, as the case may be, and “Parties” means both of them.

(o) Personnel: Professional and support staff provided by the

Consultant or by any Sub-Consultant and assigned to perform the Services or any part thereof; “Foreign Personnel” means such professional and support staff who at the time of being so provided have their domicile outside Bhutan; “Local Personnel” means such professional and support staff who at the time of being so provided have their domicile in Bhutan; and “Key Personnel” means the Personnel referred to in Clause GC 4.2(a).

(p) Procuring Agency: RGoB agency with which the selected Consultant signs the Contract for Services.

(q) Reimbursable Expenses: All assignment-related costs other than Consultant’s remuneration.

(r) SC: The Special Conditions of Contract by which the GC may be amended or supplemented.

(s) Services: The work to be performed by the Consultant pursuant to this Contract, as described in Appendix A hereto.

(t) Sub-Consultant: Any person or entity to whom/which the Consultant subcontracts any part of the Services.

(u) Third Party: Any person or entity other than the Government, the Procuring Agency, the Consultant or a Sub-Consultant.

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

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

1.4 Notices

1.4.1

Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the SC.

1.4.2

A Party may change its address for notice hereunder by giving the other Party notice in writing of such change to the address specified in the SC.

1.5 Location

The Services shall be performed at such locations as are specified in Appendix A hereto and, where the location of a particular task is not so

specified, at such locations, whether in Bhutan or elsewhere, as the Procuring Agency may approve.

- 1.6 Authority of Member Charge** In case the Consultant consists of a joint venture/consortium/ association of more than one entity, the Members hereby authorize the entity specified in the SC to act on their behalf in exercising all the Consultant's rights and obligations towards the Procuring Agency under this Contract, including without limitation the receiving of instructions and payments from the Procuring Agency.
- 1.7 Authorized Representatives** Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Procuring Agency or the Consultant may be taken or executed by the officials specified in the SC.

1.8 Taxes and Duties and The Consultant, Sub-Consultants, and the Personnel of both of them shall pay such indirect taxes, duties, fees and other impositions levied under the Applicable Laws of Bhutan as are specified in the SC, the amount of which is deemed to have been included in the Contract Price.

1.9 Fraud and Corruption

1.9.1 Definitions

It is RGoB policy to require that Consultants, their Sub-Consultants and the Personnel of both of them observe the highest standards of ethics during the execution of the Contract.⁵⁰ In pursuance of this policy, the RGoB:

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

- (i) “corrupt practice”⁵¹ means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value⁵² to influence improperly the actions of another party;
- (ii) “fraudulent practice”⁵³ means any intentional act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (iii) “collusive practice”⁵⁴ means an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- (iv) “coercive practice”⁵⁵ means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- (v) "obstructive practice" means:
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order materially to impede any investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the

⁵⁰ In this context, any action taken by a Consultant, Sub-Consultant or the Personnel of either of them to influence the process of contract execution for undue advantage is improper.

⁵¹ “another party” refers to a public official acting in relation to the procurement process or contract execution. In this context, “public official” includes staff and employees of any organizations (including any institutions providing finance for the Services) taking or reviewing procurement decisions.

⁵² “anything of value” includes, but is not limited to, any gift, loan, fee, commission, valuable security or other asset or interest in an asset; any office, employment or contract; any payment, discharge or liquidation of any loan, obligation or other liability whatsoever, whether in whole or in part; any other services, favour or advantage, including protection from any penalty or disability incurred or apprehended or from any action or proceeding of a disciplinary or penal nature, whether or not already instituted and including the exercise or the forbearance from the exercise of any right or any official power or duty.

⁵³ a “party” refers to a public official; the terms “benefit” and “obligation” relate to the procurement process or contract execution; and the “act or omission” is intended to influence the procurement process or contract execution.

⁵⁴ “parties” refers to participants in the procurement process (including public officials) and an “improper purpose” includes attempting to establish proposal prices at artificial, non competitive levels.

⁵⁵ a “party” refers to a participant in the procurement process or contract execution.

investigation; or

(bb) acts intended materially to impede the exercise of the inspection and audit rights of the Procuring Agency or any organization or person appointed by the Procuring Agency and/or any relevant RGoB agency provided for under Clause GC 3.8 (b).

1.9.2 Measures to be Taken (b) will cancel the Contract if it at any time determines that representatives of the Consultant, any Sub-Consultant, the personnel of either of them, or any other participant in the procurement and Contract execution process, were engaged in corrupt, fraudulent, collusive, coercive or obstructive practices during the procurement and selection process or the execution of the Contract;

(c) will sanction a Consultant, Sub-Consultant or the personnel of either of them, including declaring them ineligible, either indefinitely or for a stated period of time, to be awarded an RGoB-financed contract if at any time it determines that they have, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for, or in executing, an RGoB-financed contract;

(d) will report the case of corrupt, fraudulent, collusive, coercive or obstructive practice to the relevant RGoB agencies, including but not limited to the Anticorruption Commission (ACC) of Bhutan, for necessary action in accordance with the statutes and provisions of the relevant agency.

1.9.3 Commissions and Fees (e) will require the successful Consultant to disclose any commissions or fees that may have been paid or are to be paid to agents, representatives or commission agents with respect to the selection process or execution of the Contract. The information disclosed must include at least the name and address of the agent, representative or commission agent, the amount and currency, and the purpose of the commission or fee.

2. COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT

2.1 Effectiveness of Contract This Contract shall come into force and effect on the date (the “Effective Date”) of the Procuring Agency’s notice to the Consultant instructing the Consultant to begin carrying out the Services. This notice shall confirm that the effectiveness conditions, if any, listed in the SC have been met.

2.2 Commencement of Services The Consultant shall begin carrying out the Services not later than the number of days after the Effective Date specified in the SC.

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

2.4 Modifications or Variations Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any proposals for

modification or variation made by the other Party.

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 its 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 it 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 Procuring Agency** The Procuring Agency may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause GC 2.6.1. In such an occurrence the Procuring Agency shall give not less than thirty (30) days written notice of termination to the Consultant, or sixty (60) days in the case of the event referred to in paragraph (e) of this Clause GC 2.6.1.
- (a) If the Consultant does not remedy a failure in the performance of its obligations under the Contract within thirty (30) days after being notified or within any further period as the Procuring Agency may have subsequently approved in writing.
 - (b) If the Consultant becomes insolvent or bankrupt.
 - (c) If the Consultant, in the judgment of the Procuring Agency has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.
 - (d) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.
 - (e) If the Procuring Agency, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.

- (f) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GC 8 hereof.

- 2.6.2 By the Consultant** The Consultant may terminate this Contract, by not less than thirty (30) days written notice to the Procuring Agency, such notice to be given after the occurrence of any of the events specified in paragraphs (a) through (c) of this Clause GC 2.6.2:
- (a) If the Procuring Agency fails to pay any money due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause GC 8 hereof within forty-five (45) days after receiving written notice from the Consultant that such payment is overdue.
 - (b) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.
 - (c) If the Procuring Agency fails to comply with any final decision reached as a result of arbitration pursuant to Clause GC 8 hereof.
- 2.6.3 Payment upon Termination** Upon termination of this Contract pursuant to Clauses GC 2.6.1 or GC 2.6.2, the Procuring Agency shall make the following payments to the Consultant:
- (a) payment pursuant to Clause GC 6 for Services satisfactorily performed prior to the effective date of termination;
 - (b) except in the case of termination pursuant to paragraphs (a) through (c) and (f) of Clause GC 2.6.1, reimbursement of any reasonable cost incident to the prompt and orderly termination of the Contract, including the cost of the return travel of the Personnel and their eligible dependents.

3. OBLIGATIONS OF THE CONSULTANT

3.1 General

- 3.1.1 Standard of Performance** of 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 standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as faithful adviser to the Procuring Agency, and shall at all times support and safeguard the Procuring Agency's legitimate interests in any dealings with Sub-Consultants or third Parties.

- 3.2 Conflict of Interests** of The Consultant shall hold the Procuring Agency's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or its own corporate interests.
- 3.2.1 Consultant Not to Benefit from Commissions, Discounts, etc.** The payment of the Consultant pursuant to Clause GC 6 shall constitute the Consultant's only payment in connection with this Contract or the Services, and the Consultant shall not accept for its 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 its obligations under the Contract, and the Consultant shall use its best efforts to ensure that the Personnel, any Sub-Consultants, and agents of either of them similarly shall not receive any such additional payment.
- 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 any entity affiliated with the Consultant, as well as any Sub-Consultants and any entity affiliated with such Sub-Consultants, shall be disqualified from providing goods, works or services (other than consulting services) resulting from or directly related to the Consultant's Services for the preparation or implementation of the project.
- 3.2.3 Prohibition of Conflicting Activities** The Consultant shall not engage, and shall cause its Personnel as well as its Sub-Consultants and their Personnel not to engage, either directly or indirectly, in any business or professional activities which would conflict with the activities assigned to them under this Contract.
- 3.3 Confidentiality** Except with the prior written consent of the Procuring Agency, the Consultant and the Personnel shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Consultant and the Personnel make public the recommendations formulated in the course of, or as a result of, the Services.
- 3.4 Insurance to be Taken Out by the Consultant** The Consultant (a) shall take out and maintain, and shall cause any Sub-Consultants to take out and maintain, at their (or the Sub-Consultants', as the case may be) own cost but on terms and conditions approved by the Procuring Agency, insurance against the risks, and for the coverage, as shall be specified in the SC; and (b) at the Procuring Agency's request, shall provide evidence to the Procuring Agency showing that such insurance has been taken out and maintained and that the current premiums have been paid.

- 3.5 Consultant's Actions Requiring Procuring Agency's Prior Approval** The Consultant shall obtain the Procuring Agency'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, and
 - (c) any other action that may be specified in the SC.
- 3.6 Reporting Obligations**
- (a) The Consultant shall submit to the Procuring Agency the reports and documents specified in Appendix B hereto, in the form, in the numbers and within the time periods set forth in the said Appendix.
 - (b) Final reports shall be delivered on CD ROM in addition to the hard copies specified in the said Appendix.
- 3.7 Documents Prepared by the Consultant to be the Property of the Procuring Agency**
- (a) All plans, drawings, specifications, designs, reports, other documents and software submitted by the Consultant under this Contract shall become and remain the property of the Procuring Agency, and the Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Procuring Agency, together with a detailed inventory thereof.
 - (b) The Consultant may retain a copy of such documents and software. Restrictions about the future use of these documents, if any, shall be specified in the SC.
- 3.8 Accounting, Inspection and Auditing** The Consultant:
- (a) shall keep accurate and systematic accounts and records in respect of the Services hereunder, in accordance with internationally accepted accounting principles and in such form and detail as will clearly identify all relevant time charges and costs, and the bases thereof, and
 - (b) shall periodically permit the Procuring Agency or its designated representative, for a period of up to five years from the expiration or termination of this Contract, to inspect the same and make copies thereof as well as to have them audited by auditors, if so required by the Procuring Agency.

4. CONSULTANT'S PERSONNEL

- 4.1 Description of Personnel** The Consultant shall employ and provide such qualified and experienced Personnel and Sub-Consultants as are required to carry out the Services. 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 Procuring Agency.
- 4.2 Removal and/or**
- (a) Except as the Procuring Agency may otherwise agree, no

Replacement of Personnel changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Consultant, such as retirement, death, medical incapacity, among others, 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 Procuring Agency (i) finds that any of the Personnel have committed serious misconduct or have been charged with having committed a criminal action, or (ii) has reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultant shall, at the Procuring Agency's written request specifying the grounds thereof, provide as a replacement a person with qualifications and experience acceptable to the Procuring Agency.

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

4.3 Resident Project Manager If required by the SC, the Consultant shall ensure that at all times during the Consultant's performance of the Services in Bhutan a resident project manager, acceptable to the Procuring Agency, shall take charge of the performance of the Services.

5. OBLIGATIONS OF THE PROCURING AGENCY

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

5.2 Change in the Applicable Laws of Bhutan Related to Taxes and Duties If, after the date of this Contract, there is any change in the Applicable Laws of Bhutan with respect to taxes and duties which increases or decreases the cost incurred by the Consultant in performing the Services, 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 Clauses GC 6.2 (a) or (b), as the case may be.

5.3 Services, Facilities and Property (a) The Procuring Agency shall make available free of charge to the Consultant the services, facilities and property listed in Appendix F at the times and in the manner specified in the said Appendix F.

(b) In case such services, facilities and property are not made available to the Consultant as and when specified in Appendix F, the Parties shall agree on (i) any time extension that it may be appropriate to grant to the Consultant for the performance of the Services, (ii) the manner in which the Consultant shall procure any such services, facilities and property from other sources, and (iii) the additional payments, if any, to be made to the Consultant as a result thereof pursuant to Clause GC 6.1 hereinafter.

6. PAYMENTS TO THE CONSULTANT

- 6.1 Lump-Sum Payment** The total payment due to the Consultant shall not exceed the Contract Price which is an all inclusive fixed lump-sum covering all costs required to carry out the Services described in Appendix A. Except as provided in Clauses 5.2 and 5.3 (b), 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/currencies is set forth in the SC.
(b) The price payable in local currency is set forth in the SC.
- 6.3 Payment for Additional Services** For the purpose of determining the remuneration due for additional services as may be agreed under Clause 2.4, a breakdown of the lump-sum price is provided in Appendices D and E.
- 6.4 Terms and Conditions of Payment** Payments will be made to the account(s) of the Consultant and according to the payment schedule stated in the SC. Unless otherwise stated in the SC, the first payment shall be made against the provision by the Consultant of an advance payment guarantee for the same amount, and shall be valid for the period stated in the SC. Such guarantee shall be in the form set forth in Appendix G hereto, or in such other form as the Procuring Agency shall have approved in writing. 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 Procuring Agency specifying the amount due.
- 6.5 Interest on Delayed Payments** If the Procuring Agency has delayed payments beyond fifteen (15) days after the due date stated in the Clause SC 6.4, interest shall be paid to the Consultant for each day of delay at the rate stated in the SC.

7. GOOD FAITH

- 7.1 Good Faith** The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

8. SETTLEMENT OF DISPUTES

- 8.1 Amicable Settlement** The Parties agree that the avoidance or early resolution of disputes is crucial for a smooth execution of the Contract and the success of the assignment. The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.
- 8.2 Dispute Resolution** Any dispute between the Parties as to matters arising pursuant to this Contract that cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions specified in the SC.

III. Special Conditions of Contract

(Clauses in brackets { } are optional; all notes should be deleted in final text)

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.3	The language is <i>[English]</i> .
1.4	<p>The addresses are:</p> <p>Procuring Agency: Anti-Corruption Commission</p> <p>Attention: Mr. A Karma Rinzin</p> <p>Facsimile: +975 2 334865</p> <p>E-mail: rinzin_ak@acc.org.bt</p> <p>Consultant: _____</p> <p>_____</p> <p>Attention: _____</p> <p>Facsimile: _____</p> <p>E-mail: _____</p>
1.7	<p>The Authorized Representatives are:</p> <p>For the Procuring Agency: Mr. A Karma Rinzin, Head Corporate Services, Anti-Corruption Commission</p> <p>For the Consultant:</p>
1.8	The consultant will pay local taxes without reimbursement by the Procuring agency as per applicable laws of the Kingdom of Bhutan.
	<ol style="list-style-type: none"> 1) the Consultant, Sub-Consultants and Personnel, and their eligible dependents, shall follow the usual Customs procedures of Bhutan in importing property into Bhutan; and 2) if the Consultant, Sub-Consultants or Personnel, or their eligible dependents, do not withdraw but dispose of any property in Bhutan upon which Customs duties and taxes have been exempted, the Consultant, Sub-Consultants or Personnel, as the case may be, (i) shall bear such Customs duties and taxes in conformity with the regulations of Bhutan, or (ii) shall reimburse them to the Procuring Agency if they were paid by the Procuring

	Agency at the time the property in question was brought into Bhutan.
2.2	A consultant shall commence the implementation of the assignment after 10 days from the date of contract agreement.
2.3	The time period shall be 2 months
{3.7 (b)}	The Consultant shall not use these documents and software for purposes unrelated to this Contract without the prior written approval of the Procuring Agency
{5.1}	Assistance and Exemptions: Refer ToR (point no.12).
6.2(a)	The amount in foreign currency or currencies is <i>[insert amount or amounts]</i>
6.4	<p>The accounts are:</p> <p>for foreign currency or currencies: USD</p> <p>Payments shall be made according to the following schedule:</p> <p>INDICATIVE PAYMENT SCHEDULE B.</p> <ol style="list-style-type: none"> 1) 60 % of the payment shall made upon the signing of contract between the ACC and the Expert; 2) 30% of the payment shall be released upon the submission of draft research reports (refer ToR, Table 1, Row 4) 3) The remaining 10% of the payment shall be released upon the subsequent endorsement of the final Research Report and facilitation of the conduct of conference (refer ToR, Table 1, Row 5) <p>The payment shall be made in Bhutanese Ngultrum (BTN) to Bhutanese expert and in USD to international expert.</p>
8.2	<p>Disputes shall be settled by arbitration in accordance with the following provisions: ADR Bhutan</p> <ol style="list-style-type: none"> 1. <u>Selection of Arbitrators.</u> Each dispute submitted by a Party to arbitration shall be heard by a sole arbitrator or an arbitration panel composed of three arbitrators, in accordance with the following provisions: <ol style="list-style-type: none"> (a) Where the Parties agree that the dispute concerns a technical matter, they may agree to appoint a sole arbitrator or, failing agreement on the identity of such sole arbitrator within thirty (30) days after receipt by the other Party of the proposal of a name for such an appointment by the Party who initiated the proceedings, either Party may apply to <i>[name an appropriate international professional body: e.g. the Federation Internationale des Ingenieurs-Conseil (FIDIC) of Lausanne, Switzerland, etc.]</i> for a list of not fewer than five nominees. Upon receipt of such list, the Parties (commencing with the Procuring Agency when the list comprises an even number of nominees, and with the Consultant when the list comprises an

	<p>odd number of nominees) shall alternately strike names therefrom, and the last remaining nominee on the list shall be the sole arbitrator for the matter in dispute. If the last remaining nominee has not been determined in this manner within sixty (60) days of the date of the list, <i>[insert the name of the same professional body as above]</i> shall appoint, upon the request of either Party and from such list or otherwise, a sole arbitrator for the matter in dispute.</p> <p>(b) Where the Parties do not agree that the dispute concerns a technical matter, the Procuring Agency and the Consultant shall each appoint one arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall chair the arbitration panel. If the arbitrators named by the Parties do not succeed in appointing a third arbitrator within thirty (30) days after the latter of the two arbitrators named by the Parties has been appointed, the third arbitrator shall, at the request of either Party, be appointed by <i>[name an appropriate international appointing authority, e.g., the Secretary General of the Permanent Court of Arbitration, The Hague; the Secretary General of the International Centre for Settlement of Investment Disputes, Washington, D.C.; the International Chamber of Commerce, Paris; etc.]</i>.</p>
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	<p>(c) If, in a dispute subject to Clause SC 8.2 1.(b), one Party fails to appoint its arbitrator within thirty (30) days after the other Party has appointed its arbitrator, the Party which has named an arbitrator may apply to the <i>[name the same appointing authority as in Clause SC 8.2 1.(b)]</i> to appoint a sole arbitrator for the matter in dispute, and the arbitrator appointed pursuant to such application shall be the sole arbitrator for that dispute.</p> <p>2. <u>Rules of Procedure.</u> Except as stated herein, arbitration proceedings shall be conducted in accordance with the rules of procedure for arbitration of the United Nations Commission on International Trade Law (UNCITRAL) as in force on the date of this Contract.</p> <p>3. <u>Substitute Arbitrators.</u> If for any reason an arbitrator is unable to perform his function, a substitute shall be appointed in the same manner as the original arbitrator.</p> <p>4. <u>Nationality and Qualifications of Arbitrators.</u> The sole arbitrator or the third arbitrator appointed pursuant to paragraphs (a) through (c) of Clause SC 8.2 1 hereof shall be an internationally recognized legal or technical expert with extensive experience in relation to the matter in dispute and shall not be a national of the Consultant's home country [<i>Note: If the Consultant consists of more than one entity, add: or of the home country of any of their Members or Parties</i>] or of Bhutan. For the purposes of this Clause, "home country" means any of:</p> <p>(a) the country of incorporation of the Consultant [<i>Note: If the Consultant consists of more than one entity, add: or of any of their Members or Parties</i>]; or</p> <p>(b) the country in which the Consultant's [or any of their Members' or Parties'] principal place of business is located; or</p> <p>(c) the country of nationality of a majority of the Consultant's [or of any Members' or Parties'] shareholders; or</p> <p>(d) the country of nationality of the Sub-Consultants concerned, where the dispute involves a subcontract.</p>
	<p>5. <u>Miscellaneous.</u> In any arbitration proceeding hereunder:</p> <p>(a) proceedings shall, unless otherwise agreed by the Parties, be held in <i>[select a country which is neither Bhutan nor the Consultant's country]</i>;</p> <p>(b) the <i>[English]</i> language shall be the official language for all purposes; and</p> <p>(c) the decision of the sole arbitrator or of a majority of the arbitrators (or of the third arbitrator if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction, and the Parties hereby waive any objections to or claims of immunity in respect of such enforcement.</p> <p>For Contracts with Bhutanese Consultants</p>

	<p>Construction Development Board (CDB) or other Independent Agency:</p> <p>GCC Sub-Clause 8.2—All disputes arising in connection with the present Contract shall be finally resolved by arbitration in accordance with the rules and procedures of the CDB or any other independent agency that has been appropriately mandated at the time of submission of the dispute through its National Arbitration Committee. The arbitration award shall be final on the parties who shall be deemed to have accepted to carry out the resulting award without delay and to have waived their right to any form of appeal insofar as such waiver can validly be made.</p>
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IV. Appendices

APPENDIX A – DESCRIPTION OF SERVICES

Note: 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 the Procuring Agency, etc.

APPENDIX B - REPORTING REQUIREMENTS

Note: List format, frequency and contents of reports; persons to receive them; dates of submission; etc.

APPENDIX C - KEY PERSONNEL AND SUB-CONSULTANTS

Note: List under:

- C-1 Titles [and names, if already available], detailed job descriptions and minimum qualifications of Key Foreign Personnel to be assigned to work in Bhutan, and estimated staff-months for each.
- C-2 Same as C-1 for Key Foreign Personnel to be assigned to work outside Bhutan.
- C-3 List of approved Sub-Consultants (if already available); same information with respect to their Personnel as in C-1 or C-2.
- C-4 Same information as C-1 for Key local Personnel.

APPENDIX D - BREAKDOWN OF CONTRACT PRICE IN FOREIGN CURRENCY

Note: 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 expenses.

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

APPENDIX E - BREAKDOWN OF CONTRACT PRICE IN LOCAL CURRENCY

Note: 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 PROCURING AGENCY

Note: List here the services and facilities to be made available to the Consultant by the Procuring Agency.

APPENDIX G - FORM OF ADVANCE PAYMENTS GUARANTEE

Note: See Clause GC 6.4 and Clause SC 6.4.

Bank Guarantee for Advance Payment

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

Beneficiary: _____ *[Name and Address of Procuring Agency]*

Date: _____

ADVANCE PAYMENT GUARANTEE No.: _____

We have been informed that *[name of Consultant]* (hereinafter called "the Consultant") 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 Consultant, 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]*)⁵⁶ upon receipt by us of your first demand in writing accompanied by a written statement stating that the Consultant is in breach of its obligation under the Contract because the Consultant has 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 Consultant in its 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 Consultant as indicated in copies of certified payment statements which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of the payment certificate indicating that the Consultant has made full repayment of the amount of the advance payment, or on the ___ day of _____, 2___,⁵⁷ whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date. 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 Procuring Agency's written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee. 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

⁵⁶ The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency or currencies of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Procuring Agency.

⁵⁷ Insert the expected expiration date. In the event of an extension of the time for completion of the Contract, the Procuring Agency 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.

