



***GUIDELINES  
AND PROCEDURES  
MANUAL***

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***Introduction***

***BACKGROUND/CONTEXT***

1. The Caribbean Community (CARICOM) Secretariat is the Principal Administrative Organ of the Caribbean Community and the Secretary-General is its Chief Executive Officer (CEO). The duties and functions of the Secretary-General and the Secretariat are laid out in Chapter Two of the Revised Treaty of Chaguaramas Establishing the Caribbean Community including the CARICOM Single Market and Economy. The budget of the Secretariat is funded from contributions of Member States to its Operational and Capital Budget. However, given the constraints to Member States' contributions to the Secretariat's budget, the identification and mobilisation of external support is critical to enable the Secretariat to implement projects to achieve the objectives of the Community.
2. Two (2) central imperatives underpin the Secretariat's mobilisation and utilisation of resources. The first imperative is to ensure that all resources are utilised within a framework of the highest standards of transparency and accountability. The second imperative is an effective resource mobilisation strategy.
3. Sound project conceptualisation, formulation and management, the highest standards of accounting and reporting, fair and transparent procurement procedures and clear policy guidelines covering all aspects of operations are all seen as indispensable to securing the human and financial resources required for implementation of the Community's Work Programme. This is so for all resources, whether contributed by Member States or by an International Development Partner (IDP).

***PURPOSE OF MANUAL***

4. The purposes of this Guidelines and Procedures Manual (GPM) are:
  - to ensure that studies/projects undertaken by the Secretariat reflect Community priorities and are relevant to the CCS' purposes;
  - to provide a cost effective system for the Caribbean Community Secretariat (CCS) to identify and implement studies/projects;
  - to facilitate the efficient procurement of high quality materials, consultancy services and other services in a transparent and timely manner;
  - to provide policy guidelines and directions in other areas of operations including Official Travel, Sub-Delegation Arrangements, Organisation of Meetings, Protocol etc.

***FORM OF PRESENTATION***

5. The Manual comprises individual Modules which can "stand alone" so that personnel involved, for example, in the procurement process need only to turn to the Module on Procurement for guidance without necessarily referring to any other Module. The material is organised in the

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form of policies, procedures and authorities and is presented in a clear and logical manner so that the uninitiated can use these Modules with little difficulty.

6. The Manual comprises the following:

- Module One** - Approval and Implementation of Studies and Projects
- Module Two** - Procurement of consultancy services
- Module Three** - Procurement of goods, equipment and related services
- Module Four** - Procurement of Travel and Accommodation (Travel Module)
- Module Five** - Sub-Delegation Arrangements

7. Other Modules will be added over time to cover other areas of the CARICOM Secretariat's operations.

#### ***TERMS AND CONDITIONS OF THE MANUAL'S USE***

8. This Reference Manual is the property of the CARICOM Secretariat. The CARICOM Secretariat has the copyright and supervision over this Reference Manual. The Manual will be regularly reviewed and updated by the CARICOM Secretariat as necessary.
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  - o Return it upon separation from the CARICOM Secretariat or as requested by the Secretary-General or personnel delegated by the Secretary-General.
10. The distribution of copies of the Manual will be controlled by the Deputy Secretary-General or person delegated by the Deputy Secretary-General.

#### ***PROCEDURES TO REVISE THE MANUAL***

11. The Procedure for revision will be:
  - o A Secretariat Staff Member will document any revisions considered necessary for improvement of the system, sign and date the proposed revision and forward a copy to the Deputy Secretary-General for consideration, along with reasons for the revision.
  - o The Deputy Secretary-General or personnel delegated by the Deputy Secretary-General will review the revisions and, if approved, sign and date as proof of approval.
  - o Once approved, the revisions will be made to the applicable pages of the Manual and the effective date of the revisions will be stated on the cover page.

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- The Deputy Secretary-General or personnel delegated by the Deputy Secretary-General will then issue the revised pages to the official holders of the Manual/Module and update the official control log.





# **MODULE ONE**

## **APPROVAL AND IMPLEMENTATION OF STUDIES AND PROJECTS**



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**MODULE ONE**  
**APPROVAL AND IMPLEMENTATION OF STUDIES AND PROJECTS**

***POLICY***

1. This Module sets out the Secretariat's policies and procedures for the choice and management of Projects/Studies to ensure that the deliverables are driven by quality and cost effectiveness.
2. The choice of Studies/Projects will be determined in the context of the Community's and Secretariat's Strategic Priorities and the Mandates from the Organs and Institutions of the Community. The current Strategic Priorities are set out in **Appendix 1 to this Module**.
3. The requirements of this Manual apply to all studies and projects, provided that, in the case of studies and projects, which are funded from resources provided by various IDPS, particular policies, procedures and authorities for approval and implementation may be specified and, in such cases, the requirements of the formal agreements between the CARICOM Secretariat and the IDP(s) shall apply.

***Identification of Studies/Projects***

4. Studies and projects are normally identified and proposed by the Secretariat's Programme Managers during the preparation of the Secretariat's Work Programme and Budget. Studies and projects may also emerge as follow-up to decisions taken by Community bodies or by the Executive Management of the Secretariat.
5. These proposed studies and projects are developed and reviewed by Secretariat personnel with advisory input from the Secretariat's Resource Mobilisation and Technical Assistance (RMTA), Human Resource Management (HRM), Finance, and other relevant Programmes.
6. At the project concept stage of the development of the study or proposal, Executive Management of the Secretariat will decide whether the project or study should be targeted for funding from the Secretariat's Research and Advisory budget or an IDP. Approved proposals shall be submitted to a designated IDP through the Office of the Deputy Secretary-General.

***Selection Criteria***

7. The following questions will guide the selection of projects:
  - 7.1 What level of priority is accorded the project/study in relation to the Secretariat's priorities as set out in its Biennial Work Programme or in mandates from Community Bodies, and is it in accordance with the current Strategic Plan?
  - 7.2 How does it advance the Secretariat's and the Community's goals?
  - 7.3 Are beneficiaries clearly defined and identified (e.g. governments, private sector, NGOs) and have they indicated any form of commitment to implement courses of action that may be recommended?

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8. The long-term and sustainable impact of the study/project must also be assessed. The following questions act as a guide thereto:

**Organisational**

- Does the project have a sound organisational structure?
- What are the likely policy or institutional implications?
- What are the immediate and long-term financial and budgetary implications?
- Are community stakeholders (private sector, other institutions, public sector technicians) key elements in project design and future implementation?
- Is operationalising of recommendations likely to go forward?

**Social**

- Are there likely negative social impacts? If so, on which groups?
- What mitigation measures are planned? Are they adequate and of acceptable cost?
- Are there significant gender issues including gender division of labour, gender roles and relations, access to/control over resources/benefits? If so, how are they addressed?

**Economic**

- What net economic benefits will there be to Member States?
- Is there any export potential to be derived?
- How likely are the results of the study/project to be implemented?

**Financial/ Commercial**

- Why does the project/study make financial sense?
- Is sustainability in the form of cost-recovery, or other self-sufficiency mechanisms part of the project design?
- Does a market exist for the project output?
- Are appropriate sales arrangements being proposed or put in place?
- Are the services or goods being obtained from the best sources in terms of

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quality, experience and reliability of suppliers?

- What are the terms of delivery and payment?
- What kind of procurement method will be adopted?

**Environment**

- Are there likely significant environmental effects from the study/project? If so, are there feasible mitigation strategies for negative effects?
- Is conservation/sustainable development of renewable resources an issue?

**Technical**

- Is the project technically sound?
- Can the technology be used or adapted to the Region?
- Are the maintenance skills available?
- How is the technology linked to the administrative and institutional capacity?

**Legal**

- What are the legal implications of the project?
- Is the legal framework in place to facilitate the implementation of the project?
- What are the legal obligations on the part of the Secretariat or Member State, which may affect the design of the project?

***Format of Study/Project Proposals***

9. Proposals to undertake Studies or Projects will include sufficient information to allow proper assessment of the study/project. Such information will be presented under the following headings:

**Background:**

- Statement on the current situation indicating the causes or conditions, which brought on the problems, which this project will contribute to solving and the current consequences of the situation which justify the proposal.
- Prior assistance and/or previous relevant studies (list them with year of activation, completion, results and lessons learnt).
- Mandate and/or priority within the Caribbean Community's approved Work Programme.

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- List of stakeholders and/or beneficiaries.
- Reasons why/indicators that the beneficiary would be prepared to implement or fund the recommendations of the study/project.

#### **Project Description**

- Broad development objectives to which the project contributes.
- Specific objective(s) of the project (a statement of the desired situation if the project were to be successful).
- Major components (a description of the scope of the project with identification of each component and specific activities related to each component).
- Measurable outputs/results intended by the project. This should be connected to a statement of activities required to achieve each output/result. Measuring and reporting on progress would be facilitated by a summary table linking outputs/results by components, performance indicators (how success will be measured) and intended date of achievement.
- Inputs/resources required for activities.
- Outcomes and performance indicators: Outputs that are achievable at the purpose level within the time-frame of the project may produce results or outcomes. Project progress may be graphically presented in simple tabular format linking outcome/related purpose, performance indicator, means of verification and dates.
- Long-term impacts – A simple table may be used to link the broader goal of the project to the possible longer-term consequence of the project (that is reflecting impacts, indicators, verifiers, dates).
- Scheduling: An indication of estimated project start and finish may be presented in either table or bar chart form. This should provide an indication of activities with beginning and end dates and milestones of achievement.
- Project Management: briefly describe project implementation methodologies to be utilised. Also describe management structure, assigned responsibilities including monitoring of performance (progress in producing results) use of resources and reporting responsibilities.
- Anticipated Benefits: Economic, financial, institutional strengthening, other for specified target groups.
- Assumptions and risks: Identify important assumptions, risks and mitigation measures.
- Project budget -

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- Detailed budget for activities
- Counterpart funding or contribution in kind
- Funding from donor institutions
  
- Project monitoring and Reporting -
  - Who is project manager?
  - Time-frame for submission of progress reports?
  - Time-frame for submission of financial reports?
  
- Project Evaluation and follow-up -
  - Feedback from project output users and beneficiaries.
  - Assessment of effectiveness of the project initiatives (strengths and weaknesses).
  - Activities required to ensure sustainability of project.
  - Strategy for implementation of policies etc as applicable.

***PROCEDURES***

***Submission/Approval Process***

10. The Programme Managers will formulate study/project proposals out of the Secretariat's approved Annual Work Programme. Thereafter, the proposals will be approved by the Secretariat, as follows:
- 10.1. Programme Manager prepares a complete proposal, collaborating with the Resource Mobilisation and Technical Assistance [RMTA], Human Resource Management Sub-Programme, the Finance Programme and other relevant Programmes.
  - 10.2. Programme Manager submits the proposal to the appropriate Director for review. In cases where the Programme Manager does not report to a Director, the Programme Manager will submit the proposal to his/her Reporting Officer.
  - 10.3. The Director/Reporting Officer reviews the proposal for completeness. If necessary, the Director return(s) the proposals to the Programme Manager, with recommendations for improvement.
  - 10.4. The Director/Reporting Officer submits the proposal to the Resource Mobilisation Unit.
  - 10.5. Within two (2) weeks of receipt, RMTA reviews the proposal for completeness and technical accuracy and assigns a unique project control number and informs the Director/Reporting Officer accordingly.
  - 10.6. The Director/Reporting Officer addresses any issues raised by RMTA and submits the revised project to the Executive Management Committee for consideration.
  - 10.7. The Executive Management Committee, or other Committee which EMC may designate or establish for this purpose, considers and approves or rejects the project.

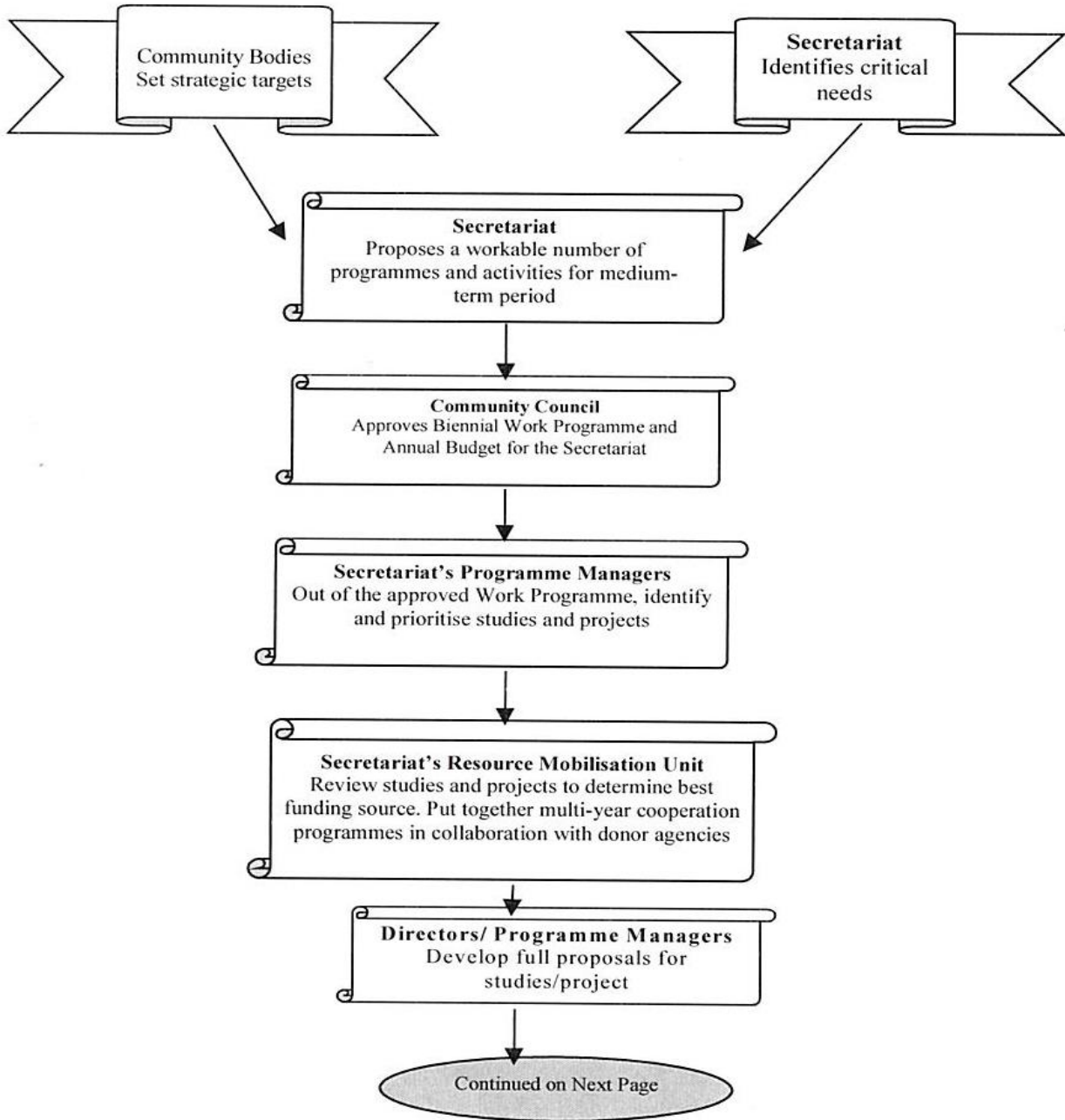
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- 10.8. Once approved, the Executive Management Committee forwards the project to the Programme Manager through the Director/Reporting Officer for implementation.
- 10.9. If the Project is approved for submission to a donor agency for consideration, the project will be forwarded to the agreed donor agency through the Office of the Deputy Secretary-General.
- 10.10. Copies of all approved projects shall be submitted to the Director, Finance
11. After receipt of an approved project, the Director, Finance who has responsibility for reporting on project financial performance will establish the necessary controls for proper financial operations and monitoring in accordance with the prescriptions of the Secretariat's Financial Rules and Accounting Manual.
12. After a project is submitted to the agreed donor agency, the implementing Programme Manager and the Resource Mobilisation and Technical Assistance Programme will liaise with each other and with the appropriate persons at the IDP to ensure that, during the consideration and approval process, any specific requirements of the IDP are met on a timely basis.
13. All official correspondence with the IDP should be channeled through the Office of the Deputy Secretary-General during the life of the project. The Director, Corporate Services or Designate, and the Programme Manager, Resource Mobilisation and Technical Assistance are responsible for the smooth management of this process.
14. If approved by the donor agency, the Programme Manager, Resource Mobilisation and Technical Assistance will ensure that proper legal certification is obtained from the Legal and Institutional Development Programme of the Secretariat prior to submission of any Technical Cooperation Agreement for signature by the Secretary-General or official staff member designated by him.

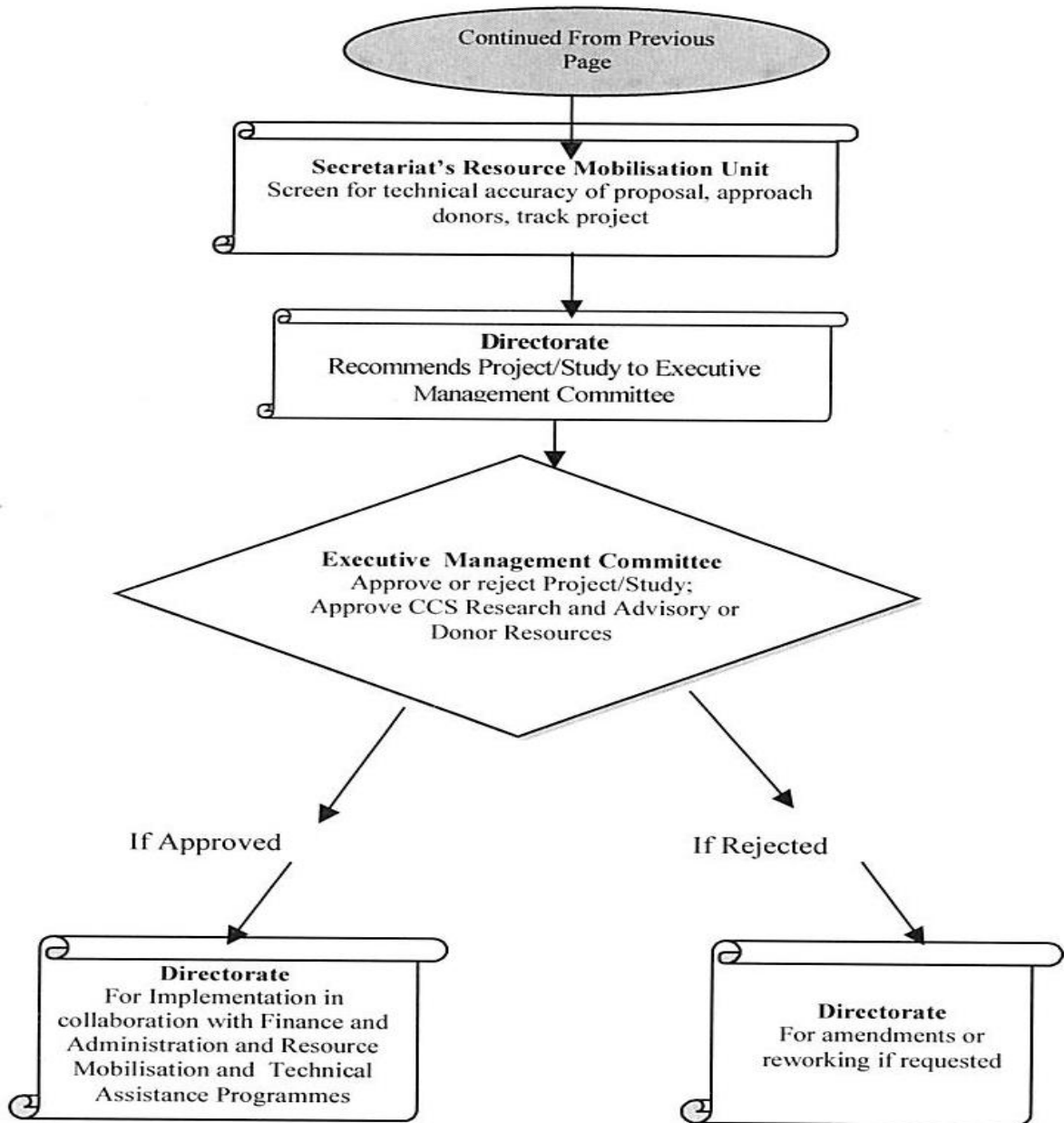


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**FLOWCHART OF IDENTIFICATION, SELECTION AND APPROVAL PROCESS**



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***Planning Process***

15. Project management is a critical step in ensuring the proper conduct of a project. It is a detailed, logical, step by step process through which all planned aspects of the project, together with the human resources, beneficiaries and consultant are administered and controlled in such a manner as to produce the project's deliverables in the most economical, efficient and effective manner.
16. The process is conducted throughout the project from pre-planning to completion (i.e. cradle to grave). In addition, proper project management provides the most powerful means of on-the-job training of staff. Project management is a technical skill and the role of the Programme Manager is a crucial one. To ensure a study/project delivers the expected output results, the Programme Manager must properly manage each key aspect of the study/project. Such management commences with and includes proper and focused project planning.
17. Project Planning involves the establishment of a transparent reporting structure and the setting out of the steps to be taken to ensure that the study/project is conducted economically, efficiently and effectively, and that the study/project objectives are met.
18. The key aspects of a study/project which must be planned and managed are:
  - 18.1 Study/Project Concept - to determine at the outset the results desired and the conceptual framework required to achieve these results.
  - 18.2 Study/Project Plan - to outline the scope of work necessary, expertise required, the duration of assignment, the cost of the assignment, cash flow pattern, the milestones, measurable outputs.
  - 18.3 Hiring of Consultants - to ensure best value and timely delivery.
  - 18.4 Procurement of Material/Equipment - to ensure best value and timely delivery.
  - 18.5 Fieldwork - to ensure fieldwork is performed economically, efficiently and effectively to produce desired results and that the scope of work can be revised;  
and/or  
- to discontinue the study/project if progress results indicate that it serves no useful purpose to continue.
  - 18.6 Financial Control - to guard against uneconomical use of funds.
  - 18.7 Completion of the Study/Project - to facilitate the study/project delivering measurable results equivalent at least to expectation.
  - 18.8 Future Implementation of Study/Project Results - to facilitate monitoring of corrective action and, therefore, achievement of benefits.
19. Detailed project planning ensures that:
  - 19.1 The Terms of Reference (TOR) of the study/project are clearly determined and understood by all relevant parties.

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- 19.2 The beneficiary knows precisely what to expect. (This facilitates discussions on an informed basis and "ownership" of recommendations).
  - 19.3 Judgements are properly made, based on substantive information.
  - 19.4 The areas under study are of material benefit to the beneficiary.
  - 19.5 The assignment is broken down into manageable components (phases, activities and tasks).
  - 19.6 The most suitable technical skills and resources are mobilised.
  - 19.7 Proper project management can be exercised.
  - 19.8 A clearly defined reporting structure is defined through which to manage the project.
  - 19.9 All persons working on the project, regardless of level, are clear as to what is expected of them.
20. After a study/project has been conceptualised, the Programme Manager will document a project plan to implement and manage all components of the study/project. This project plan will commence as a draft and be refined during the life of the study/project.
21. The Project Plan will address such matters as:
- 21.1 The expected scope and objectives of the project.
  - 21.2 The issues and questions to be addressed and their possible significance in terms of economy and increased efficiency.
  - 21.3 The goal or objectives that the Secretariat has established for the operating unit under whose aegis the study/project falls.
  - 21.4 The estimated cost of the study/project.
  - 21.5 The existence of management performance measurement data or other data that can be adapted to the requirements for monitoring progress.
  - 21.6 The measurement criteria expected to be used in the project.
  - 21.7 Proposed schedules, timetables and cash-flows for completing the work.
  - 21.8 Staffing, including the use of independent experts.
  - 21.9 What each staff member is expected to do.
  - 21.10 Milestones and milestone dates.
  - 21.11 Procedures for managing the study/project.

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21.12 Distribution of completion report.

22. One of the simplest but effective ways to present the project plan information is *via* a Gantt chart or similar format for simple studies/projects. More complex studies/projects are more suitably handled by computerised, project management software.
23. There are no set headings or styling for a project plan, but the main headings should include the following, where relevant:

**Strategic Issues**

- Objectives;
- Beneficiary expectations;
- Matters worth noting;
- Business background of the organisation being reviewed;
- Strategic objectives of the organisation -
  - The control environment;
  - The information system environment;
- Special reports available.

**Project Details**

- The deliverables;
  - Phases/activities/tasks;
  - Reporting format;
  - Staffing responsibilities;
  - External expertise, if necessary;
  - Timetable for completing the study/project;
  - Budgeted hours by staff;
  - The milestones;
  - Study/Project management.
24. Depending on the complexity of the project, the Programme Manager will consider preparing documented work programmes to further guide staff on the specific action steps to be performed.
25. Within the context of the project planning process, the appropriate individual will determine all administrative matters which must be dealt with and, accordingly, include these in the project plan.

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**The Gantt Chart**

26. The Gantt Chart will clearly show:

- The phases of the project.
- The activities within each phase.
- Sequential tasks within each activity.
- The elapsed time (hours, days, etc.) to complete the activity by each individual.
- Who is responsible for each activity?
- Timing of progress meetings with Consultants, beneficiaries or other relevant parties.
- Dates of deliverables/reports to beneficiaries.
- Other precise milestones by which to manage the assignment.
- The overall start and completion dates of the assignment.
- Budget costing for project, by activity or phase.
- Interdependencies, vacation, leave etc.

27. Project management is a culmination of:

- Project Control through Supervision, Monitoring Progress and Progress Reporting;
- Team Management;
- Financial Management.

These key aspects are all dealt with below.

***Project Control***

***Supervision***

28. Supervision is a very important aspect of project implementation and project work. The main purpose of supervision is to ensure that project benefits are realised through proper execution. Supervision entails periodic on-the-job checking of the work team to ensure that team members understand what they have to do, and monitoring that all the work is being completed as planned and milestones are being met within the budgeted timeframe. The dates on which this will be done and the time allocated per phase will already be included on the project plan.

29. The appropriate supervisor as reflected in the Project Management structure will perform the following specific steps:

- 29.1 Ascertain before the working teams begin their work that they understand all aspects of their work tasks, including how to approach the work to avoid losing time in getting started or in having to repeat any part of the work, to gain the expected results.
- 29.2 Monitor the working teams' performance and progress, to be satisfied that the work is being completed properly and on time.

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- 29.3 Promptly review the completed work thoroughly and critically.
- 29.4 Discuss and review findings with working team members, giving credit for work well done and explaining any errors or other deficiencies noted and how they might be avoided or corrected in the future.
- 29.5 If the time spent on the work varied significantly from the study/project plan, require the project leader to explain the reasons.
- 29.6 Help to develop the working team members' judgement by encouraging them to ask questions, preferably after considering the issues and determining a course of action.
- 29.7 On completion of the study/project, ensure the end-of-study/project Report is prepared.

#### ***Monitoring Progress***

- 30. There are two (2) principal reasons for monitoring progress:
  - to ensure that the work is properly completed on time; and
  - to avoid unnecessary costs.
- 31. When developing an approach to monitoring progress, consider that professional excellence requires the co-operation of the entire work team. If the team members participate in developing the work plan and budgets, they become more committed to achieving them. Furthermore, monitoring is more effective if the Programme Manager is proactive. During the planning the Programme Manager will work out exactly what steps will constitute the monitoring of progress and inject these as milestones in the project plan.

#### ***Progress Reports***

- 32. The study/project plan will establish the frequency, form and content of progress reports which are considered appropriate. One effective way to monitor progress is through periodic comparisons of cost and time budgets to actual cost and time spent. To facilitate this, regular cost and time summaries will be maintained and reviewed with explanations sought on major variances.
- 33. Other progress reports (oral or written) will include a periodic report on the time estimated to complete the study/project, projected staffing requirements needed to meet deadlines and the completion of major project sections or the meeting of milestones.
- 34. Remember, though, there should be a balance between the need to maintain control and the time required to prepare progress reports.

#### ***Team Management***

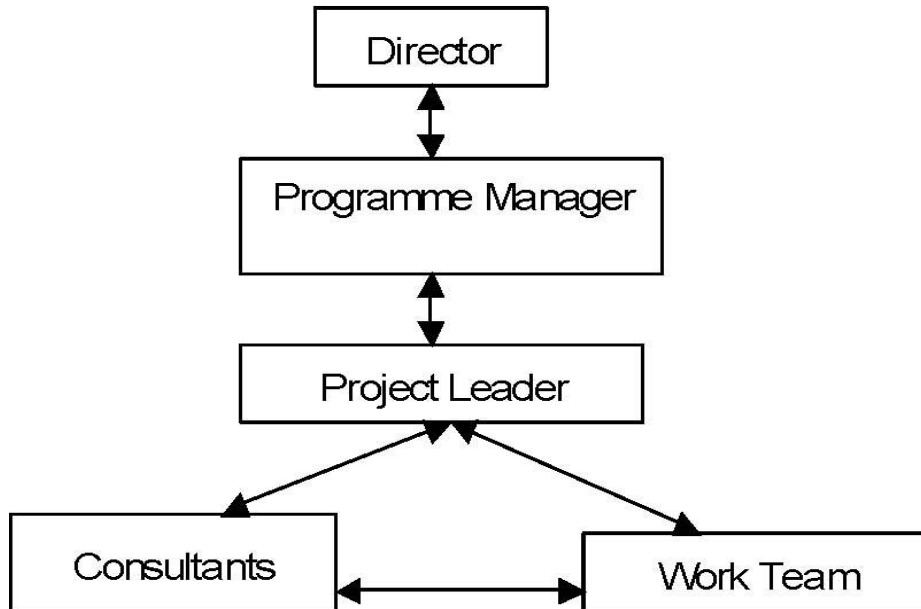
#### ***Reporting Structure***

- 35. For effective utilisation of time and human resources and for the principle of transparency, a reporting structure will be established by the Programme Manager for each project, in accordance

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with the Secretariat's normal organisational hierarchy and the complexity of the project.

36. A typical project reporting structure will be (the two (2) way arrows indicate a feedback loop):



***Team Meetings***

37. Good communication among working team members helps to ensure the success of the study/project. Team meetings will include:

- 37.1 Open discussions during planning to improve the understanding of the work approach. This contributes to a more efficient and effective study/project.
- 37.2 A briefing meeting in advance of starting fieldwork to motivate personnel, communicate the project plan and areas of concern and emphasize important administrative matters.
- 37.3 During fieldwork, to ensure that all involved, work closely as a team and that potential problems are brought promptly to the attention of the Director or Programme Manager.

**Initial Team Briefing**

38. Once the project plan and work programmes (if relevant) are prepared and approved by the Director, the Programme Manager will hold an initial briefing meeting with the working team. At this meeting, staff will be briefed on:

- The TOR of the study/project;
- The results expected;



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- The beneficiary's environment, working hours, working conditions, etc. (if relevant);
  - The general approach to the study/project;
  - Who are key beneficiary officers;
  - Who are the Consultants (if relevant);
  - The roles of each member;
  - The project plan and timetable;
  - The milestones/dates on the project plan;
  - How working papers/files are expected to be documented;
  - The deliverables;
  - The reporting format;
  - The kinds of beneficiary or consultant relationships to foster;
  - Where to obtain information;
  - The expectations of the Programme Manager;
  - Any other relevant matters.
39. During this meeting, staff will be encouraged to ask questions on anything about which they are unsure, or are concerned about. The purpose of this briefing is to ensure that the executing team understands what must be performed and how, and it should execute the action steps to ensure the study/project is completed in the most economical, efficient and effective manner. Such proper guidance will also serve to strengthen the human resources of the Secretariat.
40. For effectiveness, team meetings should be properly planned and executed. The following provides some hints to produce the desired results from a Progress Meeting.

#### **The Progress Meeting**

- What is the objective of the meeting?
  - To ensure the project is monitored
  - Break down tasks to detail level
  - Prepare action list
  - Obtain personal commitment
- Time constraints
  - 1 hour maximum
  - Identify issues
  - Do not try to solve everything
  - Clarify responsibilities
- Agenda
  - Action points from last meeting
  - Key project matters
  - Review and update project plan
  - Determine general action points
  - Date of next meeting
  - When will action points be done

#### ***Team Responsibilities***

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41. Good management practices involve deciding on the work to be done, organising it, supervising it, reviewing and evaluating the results and furthering staff development. Success will depend on the ability of management personnel to motivate and encourage those working with them and usually requires the participation of all staff involved.
42. All team members have a responsibility on every project to:
- 42.1 Maintain the highest standards, both ethical and professional. This requires knowledge of donor attitudes/requirements and authoritative and regulatory pronouncements on industries, standards, government policies, regional needs, etc.
  - 42.2 Dedicate themselves to providing superior service.
  - 42.3 Complete assigned work tasks to the best of their ability.
  - 42.4 Develop an understanding of the Secretariat's and Member States' business, operations, problems and people, and a sensitivity to their concerns and expectations.
  - 42.5 Be alert for opportunities to recommend improvements to the beneficiaries.
  - 42.6 Be alert for opportunities to be of service in meeting the beneficiaries' needs.
  - 42.7 Develop and maintain good working relations with beneficiary personnel.
  - 42.8 Use their time judiciously and strive continually to improve productivity.
  - 42.9 Communicate effectively.

Thereafter, team members have specific responsibilities as laid out below:

**Assistant Secretary-General and Director**

43. The Assistant Secretary-General (ASG) **and** Director or delegate have both the authority and the responsibility to ensure overall that all actions necessary for the proper execution of a study/project are taken. This responsibility will usually be exercised through the Programme Manager.

**Programme Manager**

44. The Programme Manager or delegate has responsibility for all aspects of the study/project from initial planning to the issuance of the required deliverables. The Programme Manager's responsibilities also include developing beneficiary relationships and informing the Assistant Secretary-General and the Director about significant matters as they arise. The specific responsibilities of the Programme Manager are:
- 44.1 Developing work strategy in consultation with the ASG and the Director, including resource requirements, budgets and timing.

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- 44.2 Preparing or supervising the preparation of the detailed plan.
- 44.3 Ensuring that appropriate work programmes are prepared and approved before execution (if necessary).
- 44.4 Arranging for the required staff and making site arrangements with the beneficiary and Consultants, as appropriate.
- 44.5 Ensuring all administrative matters are dealt with.
- 44.6 Supervising the fieldwork as necessary and reviewing the work performed.
- 44.7 Monitoring the progress of the study/project so that important issues are identified and resolved promptly.
- 44.8 Holding progress meetings with beneficiaries, Consultants and working teams and ASG and the Director.
- 44.9 Analysing time and expense summaries against budgets.
- 44.10 Reviewing the project plan and meeting of milestones.
- 44.11 Amending the project plan as necessary, with the Assistant Secretary-General's approval and arranging for the Assistant Secretary-General to review and sign off
- 44.12 Report writing, as necessary.
- 44.13 Ensuring final clearance of all action points.
- 44.14 Ensuring issuance of reports, letters, etc.

**Project Leader**

- 45. The project leader has the primary responsibility for completion and documentation of the planned tasks. The specific responsibilities of the project leader are:
  - 45.1 Understanding the project plan, the specific work to be performed and work programmes.
  - 45.2 Supervising work team and Consultants (if applicable) to ensure that they understand their tasks and perform them properly.
  - 45.3 Estimating the time required to perform, review and complete the work and deciding on the level of human resource experience needed.
  - 45.4 Determining the order of tasks to be performed and the expected timing of their completion.
  - 45.5 Establishing what and when assistance will be provided by beneficiary personnel.

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- 45.6 Confirming the timing of beneficiary events which may affect the conduct of the study/project.
- 45.7 Reviewing the work of the working team and Consultants.
- 45.8 Monitoring the progress of the work performed against established deadlines and budgeted hours;
- 45.9 Promptly advising the Programme Manager and the Director of:
  - contentious issues
  - missed deadlines
  - time and expense overruns
  - circumstances requiring project plan modification
  - matters requiring action by the beneficiaries.
- 45.10 Ensuring that files, working papers and beneficiary records are safeguarded.

***Project Monitoring***

- 46. Progress of studies/projects will be monitored and measured by the Programme Manager through documented progress reports. Such reports will be as follows:
  - 46.1 Project Plan
  - 46.2 Project Progress Reports
  - 46.3 Project Completion Report.

**Project Plan**

- 47. The purpose of the project plan is to ensure that the study/project is conducted in the most economical, efficient and effective manner. The continuous monitoring of the study/project against the plan will facilitate continual measurement of the overall effectiveness of the study/project and provide early warnings of ineffectiveness.

**Project Progress Reports**

- 48. In most instances, this will be in the form of a concise monthly progress report prepared by the Programme Manager or delegate within ten (10) working days of the month end. The report will state clearly, what has been achieved to date, whether or not the study/project is within the time and cost budget (done by comparison of actual to date vs budget), reasons for variances if major, any constraints, problems or issues of particular note, any issues which require immediate corrective action, the results/benefits derived to date and a conclusion as to the progress of the study/project to date.
- 49. The Programme Manager will sign the report and file as an integral part of the project

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management file. A copy of the report will be forwarded to the relevant ASG and Director.

#### **Project Completion Report**

50. Within two (2) calendar months of the end of a study/project, the Programme Manager or delegate will prepare a comprehensive completion report on the study/project, the approach to the work, the cost, the duration, the expected results and impact, comparison of budget and expectations to what actually occurred, the overall success or failure of the study/project and how any corrective action will be implemented, within what timetable, by whose responsibility and how the Secretariat will monitor the implementation of this corrective action.
51. The format and length of such a report will vary according to the study/project, but the more relevant issues are: brevity, conciseness, completeness, disseminating information and intention of the Secretariat to ensure that corrective action is taken by the beneficiary.
52. The report will be signed by the Programme Manager and copied to the Director and other relevant personnel.
53. The Director will review the report, add any relevant information and/or comments and submit within 90 days of the conclusion of the report. The final report will include recommendations for future improvements of this and any follow-up institutional strengthening projects.

#### **Distribution of Reports**

54. The completion report will be distributed to the appropriate donor agencies in accordance with the approved project plan and to the Deputy Secretary-General, the ASG, the Director, Corporate Services and the Resource Mobilisation and Technical Assistance Programme.

#### **Financial Management**

55. Each study/project will have a cost budget against which actual expenditure must be controlled and managed. Accordingly, for proper financial management control, the Secretariat's Accounting System captures the following:
  - 55.1 The details of actual expenditure by item.
  - 55.2 Comparison at any time of the approved budget with the actual expenditure and commitments of each project.
  - 55.3 The accumulated position at any point in time.
  - 55.4 The amounts committed but unpaid at any point in time.
56. All financial transactions must be conducted according to the requirements of the Secretariat's Financial Regulations and Accounting Manual.
57. The Secretariat's Finance Programme processes the payments and posts the necessary accounting entries to the various IDP financial statements and Secretariat ledgers and produces reports as required. These reports should include, *inter alia*, summaries of totals paid and committed to date

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and the approved budget for the study/project.

58. Programme Managers should review the monthly reports against the project plan, and ensure that the study/project is in accordance with financial expectations.

***Post Implementation Evaluation***

59. Evaluation involves a process of determining in a systematic and objective way, the relevance, efficiency, effectiveness and impact of activities in the light of project objectives.
60. The culmination of the project cycle is the evaluation of study/project achievements. This is an extremely important step which assists in the re-design of studies/projects to ensure desired outcomes are achieved. Typically, post implementation review should involve a field visit, and include discussions with project management personnel, Consultants (where applicable) and data collection to present an actual picture of study/project outcomes, actual costs incurred and an overall evaluation of whether objectives were achieved. As part of this evaluation, the intended beneficiaries must be consulted for their inputs. In areas where there are shortfalls, assessments should be made of barriers to progress and recommendations developed regarding how these may have been overcome.
61. In evaluating objectives both qualitative and quantitative criteria must be considered. Objectives should be specific and assessed within a cost-benefit framework.
62. In order to ensure objectivity, post implementation reviews should be conducted by teams which do not comprise individuals who were involved in the specific study/project. The size of the review team would depend upon the scope of the project.
63. The appropriate Assistant Secretary-General in consultation with the relevant Director will determine the composition of the Evaluation Team, and a timeframe for the completion/submission of the Evaluation Report.
64. The Evaluation Team will review all relevant documents, including TOR, Project Plan, Budget, Progress Reports and Completion Report in order to obtain a full understanding of the Project, its purpose and its beneficiaries.
65. An evaluation Work Plan will be prepared by the Team and submitted to the Director for approval. The Work Plan will be designed so as to address, *inter alia*, the following issues:
- whether Projects/Studies were implemented as planned;
  - whether the original perceived benefits were realised;
  - whether any pitfalls experienced in general could have been avoided;
  - what lessons were learned that could assist with future Projects/Studies;
  - any time/cost overruns and factors responsible;
  - specifically any variances between budget and actual expenditures and whether explanations provided were justified;
  - were there any variations from the project? Were they justified?

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66. The Evaluation Team will institute the Review; make appropriate field visits and talk to appropriate personnel, including target beneficiaries, who could assist in the review.
67. On completion of the Review, the Leader of the Evaluation Team must prepare a draft report with summary findings and any recommendations for the future and submit to the Assistant Secretary General for review and discussion before finalisation. This report should be prepared within twenty-one (21) days of completion of the Review and should be agreed by all members of the Team prior to submission to the Deputy Secretary-General, Assistant Secretary-General, the Director and the relevant Programme Manager.
68. The report, when finalised, should be made available to the Programme Manager and other appropriate personnel for future action. Specifically, a copy should be made available to the Programme Manager, Organisational Development for suitable dissemination in an effort to aid organisational learning.

***AUTHORITIES AND RESPONSIBILITIES***

69. Programme Managers identify projects during the annual exercise of preparing the Secretariat's Work Programme and Budget and as follow-up to decisions taken by Community bodies or by the Executive Management of the Secretariat
70. The Resource Mobilisation Unit will review proposals for completeness and technical accuracy and assign a unique project control number to each project.
71. The relevant Director will review the proposal for completeness before submitting it to Executive Management for consideration.
72. Executive Management of the Secretariat will decide whether the project or study shall be funded from the Secretariat's Research and Advisory budget or shall be submitted to a donor agency for consideration.
73. The Executive Management Committee or such committee or person delegated by the Executive Management Committee will consider and approve or reject all projects.
74. The Director, Finance will establish the necessary controls for proper financial and operational monitoring in accordance with the prescriptions of the Secretariat's Financial Rules and Accounting Manual.
75. Authorised projects shall be submitted to a designated IDP for consideration through the Office of the Deputy Secretary-General.
76. After a project is submitted to the agreed IDP, the Programme Manager and the Resource Mobilisation and Technical Assistance Programme will liaise with each other and with the appropriate persons at the IDP to ensure that, during the consideration and approval process, any specific requirements of the IDP are met on a timely basis.
77. All official correspondences with the IDP should be channelled through the Office of the Deputy Secretary-General during the life of the project. The Director, Corporate Services and the Programme Manager Resource Mobilisation and Technical Assistance are responsible for the

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smooth management of this process

78. The implementing Programme Manager will ensure that proper legal certification is obtained from the Legal Programme of the Secretariat prior to submission of any Agreement for signature by the Secretary-General or other person designated by him.
- 79. In the absence of the Deputy Secretary-General and/or the Director, Corporate Services, the Secretary-General will identify the designate(s) who will have the authority and responsibility of these two (2) functionaries in the execution of the Procurement process, except for approval of contracts.**

**Appendix I: Strategic Priorities of the Caribbean Community**

1. Accelerate implementation and use of CSME
2. Introduce Measures for Macro-economic Stabilization
3. Build Competitiveness and Unleash Key Economic drivers to Transition to Growth and Generate Employment
4. Human Capital Development
5. Advance Health and Wellness
6. Enhancing Citizens Security and Justice
7. Climate Adaptation and Mitigation and Disaster Mitigation and Management
8. Develop the Single ICT Space
9. Deepen Foreign Policy Coordination (to support strategic repositioning of CARICOM and desired outcomes)
10. Public Education, Public Information and Advocacy
11. Reform the CARICOM Secretariat, the Organs, Bodies, Institution and Governance Arrangements CSME Accelerate implementation and use of CSME



## **MODULE TWO**

# **PROCUREMENT OF CONSULTANCY SERVICES**



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*POLICY*

**General Considerations**

1. The Caribbean Community (CARICOM) Secretariat will use the services of Consultants on approved studies/projects when the scope of work is beyond the expertise of the Secretariat, or the time constraints of its existing human resources do not permit. In preparing their annual work programmes, Programme Managers shall be responsible for preparing detailed plans for procurement of consultancy services. These plans shall be submitted to the Programme Manager, Administrative Services through their respective Director/Assistant Secretary-General (ASG) for consolidation into an annual procurement plan for the Secretariat. The consolidated, annual procurement plan shall be submitted by the Programme Manager, Administrative Services to the Deputy Secretary-General for approval, and subsequently published on the CARICOM Secretariat's website.
2. Consultants are defined as either established consulting firms, consortia or qualified individuals who offer consultation, advice, expert testimony or other professional services.
3. In all cases, only Consultants found to meet the qualification requirements of the relevant approved studies/projects will be considered.
4. The CARICOM Secretariat shall select and contract the most appropriate Consultant, using a cost effective approach and ensuring timely delivery and the highest standard of work.
5. Consultants interested in being hired by the CARICOM Secretariat will be encouraged to register by submitting Curriculum Vitae (CVs), which will include their nationality, qualifications, and experience, to <http://consultantdatabase.caricom.org>
6. The CARICOM Secretariat shall use, as appropriate, mailed invitations or newspaper advertisements in all Member States, and its website to regularly invite Consultants to register with the Secretariat.
7. Where International Development Partners (IDPs) have specific eligibility criteria and requirements for procuring consultancy services, those shall be followed. Where IDPs do not have eligibility criteria and requirements, the provisions of this Manual shall apply.

**Awarding Principles**

8. The procurement of consultancy services shall be governed by the principles of best value for money, transparency, non-discrimination, proportionality and equal treatment, notwithstanding that, regional firms and individuals, either alone or in combination with international firms and individuals, are preferred.

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### Eligibility

9. To foster competition, the CARICOM Secretariat permits Consultants (firms, consortia and individuals) from all countries to offer consulting services. Any conditions for participation shall be limited to those that are essential to ensure the Consultant's capability to fulfill the contract in question.
10. To be eligible, a government owned enterprise or institution shall establish to the CARICOM Secretariat's satisfaction that they are legally and financially autonomous.
11. As an exception to Clause 10 above, when the services of government-owned universities or research centers or other institutions are of a unique and exceptional nature, including the absence of a suitable private sector alternative, and their participation is critical to project implementation, the CARICOM Secretariat may contract those institutions. On the same basis, university professors, scientists from research institutes and civil servants with special expertise may be contracted individually.

### Exclusion Criteria

#### 12. Exclusion criteria applicable for participation in procurement procedures

Consultants will be excluded from participation in procurement procedures if:

- (i) They are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (ii) They, or persons having powers of representation, decision making or control over them, have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of *res judicata*; (i.e. against which no appeal is possible);
- (iii) They have been guilty of grave professional misconduct proven by any means which the CARICOM Secretariat can justify;
- (iv) They are not in compliance with their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or in any other country in which they have performed contracts.
- (v) They, or persons having powers of representation, decision making or control over them, have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such an illegal activity is detrimental to the CARICOM Secretariat's financial interests.
- (vi) They are subject to an administrative penalty, while applying to participate in the procurement procedure.

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(vii) Paragraph (ii) and (v) do not apply when the candidates or tenderers can demonstrate that adequate measures have been adopted against the persons having powers of representation, decision making or control over them who are subject to the judgement referred to in points (ii) or (v).

(viii) Paragraph (i), (iii) and (iv) do not apply if duly justified by the CARICOM Secretariat in negotiated procedures where it is indispensable to award the contract to a particular entity for technical or artistic reasons, or for reasons connected with the protection of exclusive rights.

### **13. Exclusion criteria applicable during the procurement procedure:**

13.1 Contracts may not be awarded to Consultants who, during the procurement award procedure:

(i) are subject to a conflict of interest;

(ii) are guilty of misrepresentation in supplying the information required by the CARICOM Secretariat as a condition of participation in the contract procedure or fail to supply this information;

(iii) find themselves in one of the exclusion situations for the procurement procedure.

13.2 Consultants must sign a declaration that they are not in any of the exclusion situations cited in Clauses 12 and 13.

13.3 Information on the ownership/management, control and power of representation of the entity and a certification that they do not fall into the relevant exclusion situations must be provided where specifically requested by the CARICOM Secretariat. This may be the case where there are doubts about the personal situation and in consideration of the national legislation of the country in which the Consultant is established.

13.4 Following the notification of award, the Consultant to whom the contract is to be awarded (including consortium members), must supply evidence that they do not fall into the exclusion situations, unless such evidence has already been submitted earlier in the procurement procedure. In Open Tendering, these supporting documents must be sent together with the tender and verified and checked by the CARICOM Secretariat before signature of the contract with the successful Consultant. In addition, the Consultant must certify that the situation has not altered since the date of issue of the evidence.

13.5 As regards subcontractors and experts, where specifically requested by the CARICOM Secretariat, the successful Consultant must submit a declaration from the intended subcontractor/expert, and/or documentary evidence that the subcontractor/expert is not in one of the exclusion situations.

13.6 For procurement contracts with a value of less than the Open Tendering threshold (EC\$320,000), the CARICOM Secretariat may waive the obligation to submit documentary evidence, depending on its risk assessment. Furthermore, a waiver may be granted where documentary evidence has been submitted in the past twelve (12) months to the CARICOM Secretariat for another procedure, provided that this evidence is still valid. In all cases evidence may still be required in case of doubt.

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- 13.7 As satisfactory evidence that the Consultant is not in one of the situations described in i), (ii) or (v) of article 12 (Exclusion criteria applicable for participation in procurement procedures), the CARICOM Secretariat will accept a recent extract from the judicial record or, failing that, a recent equivalent document issued by a judicial or administrative authority in the country of origin or provenance showing that the requirements are satisfied. For (iv), the CARICOM Secretariat will accept a recent certificate issued by the competent authority of the country concerned. Where no such document or certificate is issued in the country concerned, and for the other exclusion criteria listed above, it may be replaced by a sworn/solemn statement made before a judicial or administrative authority, a notary or a qualified professional body in the country of origin or provenance.
- 13.8 Whenever a Consultant, being a national public administration or international organisation, do not fall into some of the categories above and/or cannot provide the documents indicated above, a simple declaration explaining their situation will suffice.
- 13.9 The documents may be originals or copies; however, originals must be made available to the CARICOM Secretariat upon request. The date of issuing of the documents provided must be no earlier than one year before the date of submission of the tender. If the supporting documents are not written in English, an English translation must be attached.
- 13.10 Before excluding a Consultant from a procurement procedure, principles such as the right of defence and proportionality must be considered. To that end, unless the evidence is such that no further investigation is necessary (for example in case of a judgement of a competent authority of a Member State which has the force of *res judicata*), an adversarial procedure with the Consultant should be ensured.

#### **Conflict of Interest**

14. Consultants shall provide professional, objective, and impartial advice and at all times hold the CARICOM Secretariat's interests paramount, without any consideration for future work and in providing advice, avoid conflicts with other assignments and their own interests. Consultants shall not be hired for any assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of being unable to carry out the assignment in the best interest of the CARICOM Secretariat.
15. A conflict of interest arises when the impartial and objective exercise of the functions of the CARICOM Secretariat, or observance of the principles of competition, non-discrimination against or equality of treatment of Consultants, is compromised for reasons involving family, emotional life, political or national affinity, and economic or other interest.
16. A conflict of interest arises where a member of the Evaluation Committee or someone in the CARICOM Secretariat or others involved in the procedure grant themselves, or others, unjustified direct or indirect advantages by influencing the outcome, or allow an expert or company to obtain information leading to an unfair advantage in subsequent or related procedures.
17. Any Consultant or expert involved in preparing a project (e.g. drafting the Terms of Reference (TOR) must, as a rule, be excluded from tendering for services that are based on those preparations, unless they can prove to the CARICOM Secretariat that their initial involvement does not constitute unfair competition.

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18. Consultants that have a conflict of interest in relation to a particular contract are excluded from the respective contract award. The grounds for exclusion must be considered case by case. The Consultants have the right to present supporting evidence which might remove all suspicion of a conflict of interest.
19. Where a potential conflict of interest might occur with regard to on-going contracts, measures must be adopted to prevent such a conflict, including cancelling the contract if necessary.

#### **20. Unfair Competitive Advantage**

- 20.1 Fairness and transparency in the selection process require that Consultants or their affiliates competing for a specific assignment do not derive a competitive advantage from having provided consulting services related to the assignment in question. To that end, the CARICOM Secretariat shall make available to all the short-listed Consultants, together with the request for proposals, all information that would in that respect give a Consultant a competitive advantage.

#### **21. Ethics Clauses / Corruptive Practices**

- 21.1 Any attempt by a Consultant to obtain confidential information, enter into unlawful agreements with competitors or influence the Evaluation Committee or the CARICOM Secretariat during the process of examining, clarifying, evaluating and comparing tenders will lead to the rejection of its tender and may result in administrative penalties.
- 21.2 The Consultant must not be affected by any conflict of interest and must have no equivalent relation in that respect with other Consultants or parties involved in the project.
  - 21.3 The CARICOM Secretariat reserves the right to suspend or cancel the procurement procedure if corrupt practices of any kind are discovered at any stage of the award process or during the execution of a contract. For the purposes of this provision, 'corrupt practices' include the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or execution of a contract already concluded. The Consultant may be excluded from participation in all procurement and call for proposal procedures that are being implemented by the CARICOM Secretariat financed for a maximum of five years from the date on which the infringement is established, following an adversarial procedure with the Consultant or beneficiary. That period may be extended to ten years in the event of a repeated offence within five years of that date. Consultants who have made false declarations, or who have committed substantial errors, or irregularities, or fraud, may also be subject to financial penalties representing 2 % to 10 % of the total estimated value of the contract being awarded. The percentage shall be decided in accordance with the principle of proportionality. Where the award procedure proves to have been subject to substantial errors, irregularities or fraud, the CARICOM Secretariat must suspend the procedure and may take whatever measures are necessary, including cancellation. Where, after the award of the contract, the award procedure or the performance of the contract proves to have been subject to substantial errors, irregularities or fraud, the CARICOM Secretariat may, depending on the stage reached in the procedure, refrain from concluding the contract or suspend performance of the

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contract or, where appropriate, terminate the contract. Where such errors, irregularities or fraud are attributable to the Consultant or beneficiary, the CARICOM Secretariat may also refuse to make payments, may recover amounts already paid or may terminate all the contracts concluded with this Consultant or beneficiary, in proportion to the seriousness of the errors, irregularities or fraud.

The purpose of suspending the contract is to check whether the presumed substantial errors and irregularities or fraud have actually occurred. If they are not confirmed, performance of the contract will resume as soon as possible. A substantial error or irregularity is an infringement of the contract or regulation through an act or an omission which causes or might cause a loss to the CARICOM Secretariat.

21.4 Proposals will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a payee who is not clearly identified, or commissions paid to a company which has every appearance of being a front company.

21.5 Consultants found to have paid unusual commercial expenses on projects funded by The CARICOM Secretariat are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from CARICOM Secretariat projects.

21.6 The CARICOM Secretariat reserves the right to suspend or cancel the procurement procedure, where the award procedure proves to have been subject to substantial errors, irregularities or fraud. If substantial errors, irregularities or fraud are discovered after the award of the Contract, the CARICOM Secretariat may refrain from concluding the Contract.

### **Complaints to the CARICOM Secretariat**

21.7 Consultants believing that they have been disadvantaged by an error or irregularity during the selection or award process may file a complaint in accordance with the procedure set out below:

- (i) A Consultant may appeal in writing to the Deputy Secretary-General of the CARICOM Secretariat or designate within fourteen (14) days of receipt of a decision not to award a contract.
- (ii) Specific information must be supplied by the appellant detailing and explaining how the appellant considers that the ground(s) for appeal arose. All supporting documentation should be provided with the appeal application.



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- (iii) Matters that are deemed by the CARICOM Secretariat to be frivolous will not be reviewed.
- (iv) The Deputy Secretary-General will appoint a committee, the Procurement Review Panel, consisting of no less than three persons to consider the specific appeal.
- (v) The Deputy Secretary-General will ensure that there is no conflict of interest in the membership of the committee by selecting members who are in no way related to the procurement process and who will be requested to sign the relevant form declaring their impartiality
- (vi) The Chairperson of the Evaluation Committee, which took the decision in question, will immediately provide a copy of the specific procurement file (containing information regarding the procurement process) to the Chairperson of the Procurement Review Panel established by the Deputy Secretary-General.
- (vii) The Procurement Review Panel will review the appeal and may seek further information or views from the Evaluation Committee or the appellant.
- (viii) The Procurement Review Panel will make a decision within fifteen (15) working days of the date of its establishment.
- (ix) The appellant and the Evaluation Committee will be informed of the final decision of the Procurement Review Panel, through the Deputy Secretary General.
- (x) Any Consultant who disagrees with the final award decision shall not use this complaint procedure merely to obtain a second evaluation.

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*Methods of Selection*

22. The basic means of awarding contracts is competitive tendering. The purpose is twofold:

- to ensure the procurement procedure respects the awarding principles; and
- to obtain quality services at the best possible price.

23. In selecting Consultants, the CARICOM Secretariat will use one of the following four (4) selection methods:

No.	Selection method	Threshold
1	Direct Award: <ul style="list-style-type: none"> <li>- Single Source Procedure</li> <li>- Negotiated Procedure</li> </ul>	Contracts not exceeding EC\$27,000 inclusive of fees and expenses.  Exceptional and duly justified cases. No specific threshold applies.
2	Consultant's Qualification Selection	Contracts not exceeding EC\$82,000, inclusive of all fees and expenses
3	Restricted Tendering	Contracts not exceeding EC\$340,000, inclusive of all fees and expenses
4	Open Tendering	Contracts exceeding EC\$340,000

**Cancellation of procurement procedures**

24. The CARICOM Secretariat may cancel a procurement procedure at any time before the contract is signed, without incurring any liability to Consultants.

**Cancellation of Tender**

25. In the event of cancellation of the procurement procedure, the CARICOM Secretariat will notify Consultants of the cancellation. If the tender procedure is cancelled before the outer envelope of any tender has been opened, the unopened and sealed envelopes may be returned to the Consultants, if requested.

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26. Cancellation may occur, for example, if:
- (i) the tender procedure has been unsuccessful, i.e. no qualitatively or financially worthwhile tender has been received or there is no valid response at all;
  - (ii) the economic or technical data of the consultancy have fundamentally changed;
  - (iii) exceptional circumstances or a force majeure render normal performance of the contract impossible;
  - (iv) all technically compliant tenders exceed the available budget;
  - (v) there have been irregularities in the procedure, in particular where these have prevented fair competition;
  - (vi) the award is not in compliance with sound financial management i.e. does not obey the principles of economy, efficiency and effectiveness (e.g. the price proposed by the Consultant to whom the contract is to be awarded bears no relation to the market price).
27. If a procurement procedure is cancelled, all Consultants must be notified in writing, as soon as possible, of the reasons for the cancellation. A cancellation notice must be published.
28. After cancelling a tender procedure, the CARICOM Secretariat may decide:
- (i) to launch a new tender procedure;
  - (ii) to re-launch the tender procedure using the same reference as the original call;
  - (iii) to open negotiations with one or more Consultants who participated in the tender procedure and who meet the selection criteria, provided that the original terms of the contract have not been substantially altered (this option is not available if the procedure was cancelled because of irregularities which might have prevented fair competition);
  - (iv) not to award the contract.
29. The CARICOM Secretariat is not liable for any damages whatsoever including, without limitation, damages for loss of profits, in any way connected with the cancellation of a tender procedure, even if the CARICOM Secretariat has been advised of the possibility of damages. The publication of a procurement notice does not commit the CARICOM Secretariat to implement the programme or project announced.

#### ***Terms of Reference (TOR)***

30. The TOR shall be developed so that the Consultant will have a clear understanding of the purpose and expected results of the study/project (Annex A10a/A10b). The TOR shall state what the study/ project seeks to achieve, what measurable outputs are to be gained, what are the milestones

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by which to measure and monitor the effectiveness of the study/project and how the study/project will be implemented and completed in the most economical, efficient and effective manner.

31. Thorough preparation of the TOR is extremely important for the ultimate success of the project. It is important to ensure that the project has been properly conceived, that the work is carried out on schedule and that resources will not be wasted. Greater effort during project preparation will save time and money at later stages of the project cycle.
32. The TOR must afford equal access for Consultants and must not have the effect of creating unjustified obstacles to competitive tendering. They must be clear and non-discriminatory, and proportionate to the objective and/or the budget.
33. On occasions Consultants may be contracted to develop TORs from Project Concepts, which are prepared. In such instances, the Consultant(s) may shall not be invited to submit proposals.

#### ***Requests for Proposals (RFP)***

34. In order to ensure that the Consultant selected has an accurate understanding of the objectives of the assignment and the competence to deliver the product, the tender document must request specific, relevant information which will allow a fair and proper evaluation of the tenders. This will be done in a RFP (Annex A8 to A15).

#### ***Evaluation Criteria***

35. Proposals shall be evaluated according to a consistent and relevant set of criteria and such criteria shall be included in the RFP.

#### ***Contracts***

36. The Consultant shall not be authorised to commence work detailed in the TOR until a binding contract or letter of agreement is signed. The CARICOM Secretariat will, therefore, ensure that there is a binding contract or letter of agreement with the consultant, which spells out, inter alia, TOR, Consultant's responsibilities, terms and conditions, fees and expenses, project plan and critical communication points.

#### ***Payments***

37. The Consultant will be paid in accordance with the payment terms specified in the contract.

#### ***Breach of Contract and Termination***

38. Either party commits a breach of contract when the party fails to discharge any of the obligations under the Contract. Where a breach of contract occurs, the party injured by the breach will be entitled to the following remedies:
  - (i) Damages; and/or
  - (ii) Termination of the Contract.

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### *Settlement of Disputes*

39. The CARICOM Secretariat and the Consultant will make every effort to amicably settle any dispute relating to the contract, which may arise between them. Failure to agree will trigger the arbitration clause stipulated in the Contract.

### *Non-Retroactivity*

40. Contracts take effect from the date of signature of the last signatory. All contracts must show the true dates on which the contracting parties signed them.

### *Use of Standard Documents*

41. Standard contracts and document formats must be used.

### *Record Keeping*

42. Records of the entire procurement procedure must be kept for a minimum of seven years from final payment.
43. The documents to be preserved include all the preparatory documents, the originals of all Expressions of Interest/tenders/proposals submitted, and any related correspondence.

### *Availability of Funds*

44. Before initiating any procedure, the availability of funds must be formally confirmed by the Finance Programme.

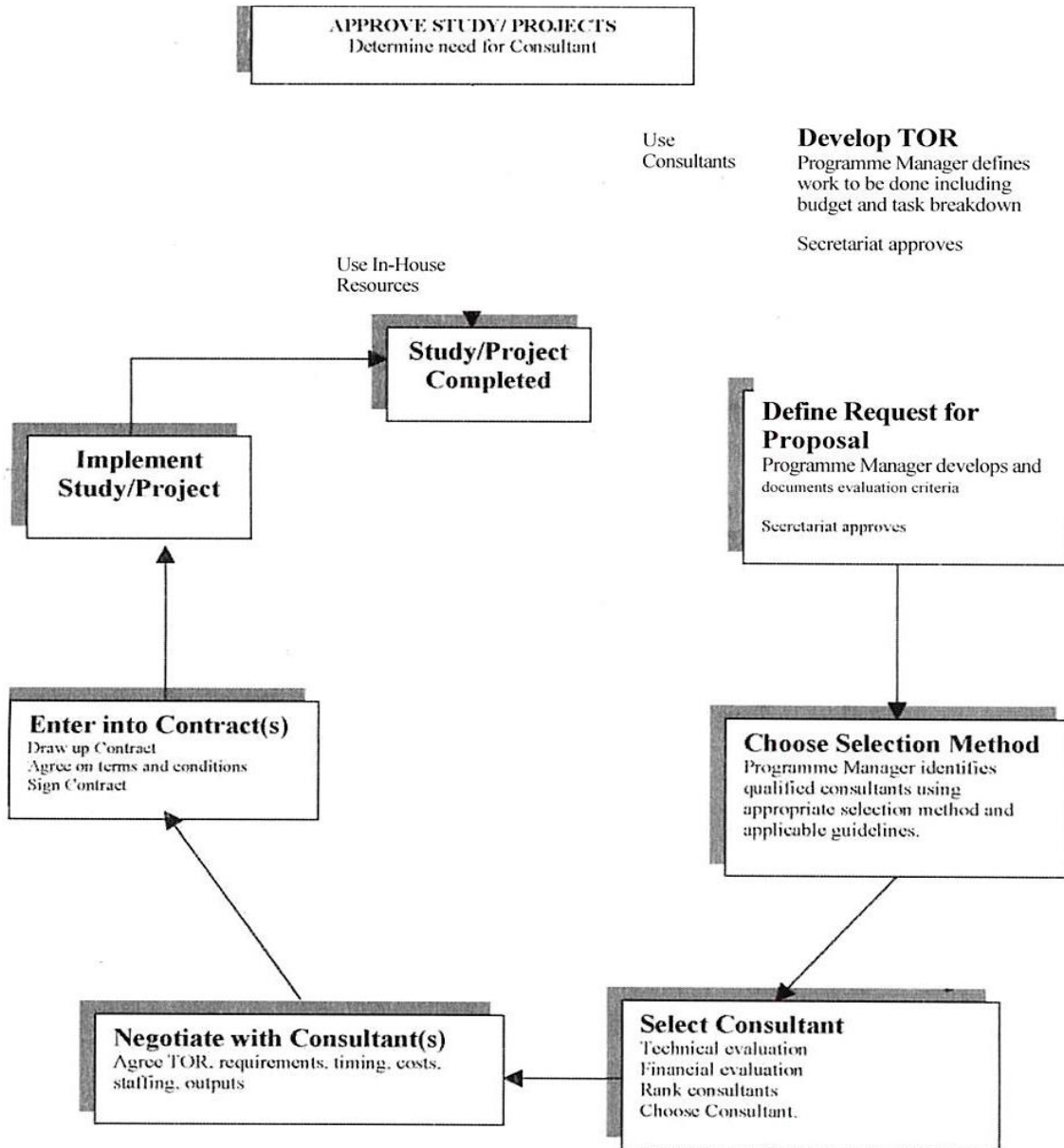
### *Environmental Issues*

- 5.2 Environmental matters must be duly considered, subject to the principles governing the award of contracts.

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### Flowchart: Hiring of Consultants



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### *PROCEDURES*

#### *Direct Award (Single Source/Negotiated Procedure)*

54. A contract may be awarded directly in the following circumstances:

- (i) when the contract to be concluded with an **individual Consultant** does not exceed **EC\$27,000** (using the ‘**single tender procedure**’);
- (ii) in exceptional and duly justified cases, as outlined below (using the ‘**negotiated procedure**’). No specific threshold applies in such cases, but use of this procedure must be approved by the Deputy Secretary-General or Secretary-General (refer to Article 50 below).

#### *Single Source Procedure*

55. Contracts shall not exceed EC\$27,000, inclusive of all fees and expenses.

45. The TOR shall be prepared by the Project Manager and approved by the relevant ASG/Director.

46. The Project Manager shall identify the Curriculum Vitae (CVs) of suitably qualified Consultants from the updated CARICOM Secretariat's database or other recognised regional databases and confirm their availability to undertake the assignment. The Project Manager, in confirming the Consultant's availability, must not make any commitment or give any assumptions or indications about award of a contract.

47. Using the template in Annex B17a, the Project Manager will prepare a report justifying the choice of Consultant. This Report will be submitted through the relevant ASG/Director to the Programme Manager, Administrative Services for review by Procurement and confirmation of the procurement procedure. The Programme Manager, Administrative Services will forward the Report, along with the draft Letter of Agreement/Contract, (Annex B11a), TOR, and the Consultant's CV to the Deputy Secretary-General for approval. The Programme Manager, Administrative Services will include the request in the Log for procurement of consultants and assign a sequential number to the draft contract, in keeping with the number assigned to the consultancy in the Procurement Plan.

48. Once the approval is obtained, the Project ~~Pro~~ Manager will discuss with the Consultant, details of the TOR and obtain written confirmation of their understanding of the TOR, and acceptance of the terms and conditions of the contract.

49. All the aforementioned documents, together with the draft contract, shall be sent to the Legal Programme for review and finalization of the contract

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### *Negotiated Procedure*

50. The negotiated procedure may be used with one or several Consultants in the following cases:

- (i) Where, for reasons of extreme urgency as a result of natural disasters and national emergencies, or any other event that would bring to a halt the normal operations of the CARICOM Secretariat.
- (ii) Where the services are entrusted to Public-Sector Bodies or to Non-profit Institutions or Associations and relate to activities of an institutional nature or designed to provide assistance to people in the social field.
- (iii) For services which are an extension of services already started, subject to the following conditions:
  - Complementary services not covered by the initial contract, but which, as a result of unforeseen circumstances, have become necessary for the performance of the contract, provided that the complementary services cannot be technically and economically separated from the initial contract without serious inconvenience for the CARICOM Secretariat and the aggregate amount of complementary services does not exceed 50 % of the value of the principal contract;
  - Additional services consisting of the repetition of similar services entrusted to the Consultant providing these services under the initial contract, provided that a contract notice was published for the initial contract. The possibility of using the negotiated procedure for new services for the project and the estimated cost should have been clearly indicated in the contract notice published for the initial contract. The extension of the contract should be for a value and duration not exceeding the value and duration of the initial contract.
- (iv) Where the competitive tender procedure has been unsuccessful, that is to say, where no qualitatively and/or financially worthwhile proposal has been received. In which case, after cancelling the tender procedure, the CARICOM Secretariat may negotiate with one or more Consultants of its choice from among those who took part in the tender procedure, if they comply with the selection criteria, provided that the original terms of the contract are not substantially altered and that the principle of fair competition is observed. If no offer was received, or if none of the Consultants meets the selection criteria, no negotiation procedure can be allowed on the basis of this Article.
- (v) Where the contract concerned follows a contest and must, under the rules applying, be awarded to the successful Consultant or to one of the successful Consultants, in which case, all successful Consultants shall be invited to participate in the negotiations.
- (vi) Where, for technical reasons, or for reasons connected with the protection of exclusive rights, the contract can be awarded only to a particular Consultant, or contracts declared to be secret,



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or for contracts whose performance must be accompanied by special security measures or when the protection of the essential interests of CARICOM so requires.

(vii) Where a new contract has to be concluded after early termination of an existing contract.

51. Except where a negotiated procedure is being used in relation to a prior unsuccessful tender procedure, an evaluation committee must be nominated in order to proceed with the negotiation. The composition of the evaluation committee must be the same as would normally be established for the relevant value of the contract.
52. The approved TOR, together with the detailed evaluation matrix shall be submitted to the Programme Manager, Administrative Services for the Procurement Sub-Programme to execute the Negotiated Procurement Procedure. (Please refer to section 67.26 for guidance on preparation of Evaluation Criteria).
53. In all cases, the Evaluation Committee must prepare a Negotiation Report (Annex B17b) explaining how participant(s) in the negotiations were selected and the price set, and the grounds for the award decision. The Evaluation Committee must follow the negotiation steps shown in the negotiation report template and ensure that basic principles relating to procurement procedures, such as checking compliance with eligibility and exclusion criteria, are duly applied. The Negotiation Report shall be submitted to the Deputy Secretary-General for approval.

### *Consultants Qualification Selection (CQS)*

54. The following guidelines apply to CQS:

54.1 The Procedure of CQS will be used for procurement of Consultants for Contracts not exceeding EC\$82,000., inclusive of all fees and expenses.

54.2 The TOR shall be prepared by the Project Manager and approved by the relevant ASG/Director.

54.3 The Project Manager will develop a point evaluation matrix for evaluation of the CVs/Proposals of the Consultants. The minimum qualifying score should be set at 80 points, out of a total of 100 points.

54.4 Where the services of Individual Consultants are being procured, the selection will be made from among at least three suitably qualified Consultants whose CVs are obtained (shortlisted) from the CARICOM Secretariat's database or other recognised regional databases. These shortlisted Consultants may be invited to submit a short proposal, if relevant to the assignment. The availability of the Consultant to undertake the assignment should be confirmed. The Project Manager, in confirming the Consultant's availability, must not make any commitment or give any assumptions or indications about award of a contract.

54.5 Where the services are to be provided by a Consulting Firm, the selection will be made from among at least three suitably qualified firms identified from the CARICOM Secretariat's updated database or other recognised Regional databases. These

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shortlisted Firms will be invited to submit a short proposal, together with the CVs of the proposed experts.

54.6 A committee of three persons, including one technically qualified person external to the Programme, will individually review each of the shortlisted ~~selected~~ Consultants against the evaluation matrix and select the best one.

54.7 The Project Manager will prepare an evaluation report (Annex B17c) justifying the choice of Consultant. The evaluation report, along with the individually completed evaluation grids, CVs of the shortlisted Consultants, the TOR, funds availability form and draft contract will be submitted through the relevant Director/ASG, to the Programme Manager, Administrative Services for review by Procurement and confirmation of the procurement procedure. The Programme Manager, Administrative Services will forward the Evaluation Report, along with the above-mentioned documents to the Deputy Secretary-General for approval. The Programme Manager, Administrative Services will include the request in the Log for procurement of consultants and assign a sequential number to the draft contract, in keeping with the number assigned to the consultancy in the Procurement Plan.

54.8 Once the approval is obtained, the Project Manager will discuss with the selected Consultant, details of the TOR and obtain written documentation of their understanding of the TOR, and acceptance of the Terms and Conditions of the contract.

54.9 All the aforementioned documents will be sent to the Legal Programme for review and finalization of the contract.

### ***Restricted Tendering***

55 The following guidelines apply to Restricted Tendering:

55.1 Contracts shall not exceed EC\$340,000 inclusive of all fees and expenses.

55.2 The Project Manager and the appropriate Director/ASG will determine the skills necessary for the study/project. The Project Manager shall prepare the TOR and a point evaluation matrix, which shall be approved by the relevant ASG/Director for submission to the Programme Manager, Administrative Services, who will undertake the procurement process.

55.3 The Project Manager and the Programme Manager, Administrative Services will review the relevant databases within the CARICOM Secretariat and other appropriate regional institutions and, using the selection criteria outlined in the TOR, identify at least five (5) Consultants who appear to meet the criteria.

55.4 In the event that five (5) Consultants cannot be found, but there are at least three (3) who meet the criteria, these will be considered. Where three (3) suitable Consultants cannot be found in the Secretariat's and other Regional databases, advertisements will be placed in the Regional media and on the Secretariat's website. There must be at least three (3) suitably qualified Consultants to constitute a short-list.

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- 55.5 Once the shortlist has been finalized, the Programme Manager, Administrative Services will prepare the Request for Proposals, which will be sent to the short listed Consultants, using the templates in Annexes B8 to B15.
- 55.6 Consultants shall be given no less than twenty-one days (21) for submission of proposals and proposals must reach the CARICOM Secretariat at the address and by no later than the date and time shown in the “Instructions to Tenderers” section of the RFP.
- 55.7 Consultants may submit questions in writing to the Programme Manager, Administrative Services, no later than fifteen (15) days before the deadline for submission of proposals. The Programme Manager, Administrative Services must reply to all Consultants seeking clarification of the RFP no later than ten (10) days before the deadline for submission of proposals. The responses to the requests for clarification must be done in writing and transmitted simultaneously to all consultants on the short list. If necessary, the deadline for submission of proposals may be extended. The Secretariat cannot give a prior opinion on the assessment of the tender.

### *Submission of Proposals*

- 55.8 Proposals must be submitted in accordance with the double envelope system, i.e., in an outer parcel or envelope containing two separate, sealed envelopes, one bearing the words "Envelope A - Technical Offer" and the other "Envelope B - Financial Offer". All parts of the Proposal, other than the financial offer, must be submitted in Envelope A. Any infringement of these rules (e.g., unsealed envelopes or references to price in the technical offer) is to be considered a breach of the rules, and will lead to rejection of the Proposal. This system enables the technical offer and the financial offer to be evaluated successively and separately: it ensures that the technical quality of a Proposal is considered independently of the price. The Proposal must be submitted in accordance with the instructions to Consultants.
- 55.9 All proposals received after the deadline shall be declared late, remain unopened and rejected.

### *Period of validity*

- 55.10 The period of validity for the proposal shall be ninety days (90).

### *Receipt and registration of Proposals*

- 55.11 Consultants will place proposals in the Tender Box located at the designated place in the CARICOM Secretariat's offices. The Tender Box will be sealed promptly at the closing time and date specified in the RFP.
- 55.12 In the event that a Proposal arrives by mail or courier, provision will be made for a Procurement Officer to note the date and time of receipt on the package/envelope and place same in the Tender Box.

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55.13 Two keys to the Tender Box will be kept, one by the Programme Manager Administrative Services and the other by the Programme Manager Finance. Arrangements must be put in place to ensure that no officer at any time controls both keys to the Tender Box.

### ***Evaluation Process***

#### ***The Evaluation Committee***

55.14 The Evaluation Committee will comprise the Programme Manager, Administrative Services or delegate (Chairperson; non-voting), an assigned Procurement Officer (Secretary; non-voting), the Project Manager, a technical person within the Programme from which the project originated, and one other person with the required expertise who is external to the Programme from which the project originated, and whose selection has been approved by the Deputy Secretary-General.

55.15 The Evaluation Committee will organise a day, time and agenda to meet, based on the dates for submission of the Proposals. The Committee will open and evaluate the proposals received as outlined in Clauses 67.36 to 67.79, under the sections on the Evaluation Process in the Open Tendering Procedure.

55.16 Where less than three (3) Proposals are received, the evaluation team must seek the approval of the Deputy Secretary-General to proceed with the process of evaluation and selection.

55.17 The Programme Manager, Administrative Services will prepare the evaluation report, using the template in Annex B17d1, justifying the choice of Consultant. The evaluation report with annexes of the individually completed evaluation grids, CVs of the shortlisted consultants, the relevant TOR, funds availability form and draft contract will be submitted to the Deputy Secretary-General, through the Director, Corporate Services or designate, for approval of the proposed selection.

55.18 The procedures for notification of award, confirmation of the availability of key experts and proposed replacements, *contract procedures, and publication of award shall be the same as for Open Tendering procedure (Clauses 67.1 to 70.1)*

### ***Open Tendering***

56 The following guidelines apply to Open Tendering:

55.1 Contracts exceeding EC\$340,000 shall require Open Tendering.

55.2 The TOR shall be prepared by the Project Manager and approved by the relevant ASG/Director.

55.3 The approved TOR, together with the detailed evaluation matrix shall be submitted to the Programme Manager, Administrative Services for the Procurement Sub-Programme to execute the procurement procedure. (Please refer to section 66.26 for guidance on preparation of Evaluation Criteria).

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- 55.4 The Procurement Sub-Programme will undertake a full competitive process, firstly through placement of a Procurement Notice in newspapers in CARICOM Member States (Annex b1), which will provide a link to a detailed Request for Expression of Interest (REOI) published on the CARICOM Secretariat's website and any other relevant websites.
- 55.5 The detailed REOI (Annex b2) would provide interested Consultants with the information they need to determine their capacity to fulfill the contract in question and meet the established selection criteria.
- 55.6 Consultants would have a minimum of 14 days from the date of publication of the REOI to submit their Expression of Interest (EOI) See Annexe B3. The actual deadline will be determined by the contract's size and complexity. EOIs received after the deadline for submission shall not be considered.
- 55.7 The REOI must be clear enough to save Consultants from requesting clarification or additional information during the procedure. Consultants may, however, submit questions to the CARICOM Secretariat for clarification of any aspect of the REOI. In providing the requested clarification, the Secretariat cannot give an opinion on the assessment of the Expression of Interest.
- 55.8 The CARICOM Secretariat may, either on its own initiative or in response to the request of a Consultant, amend information in the REOI. The amended REOI will be published on the CARICOM Secretariat's website no later than seven (7) days before the original submission deadline. The amendment may extend the deadline to allow Consultants to take the changes into account in their submissions.
- 55.9 If information in the REOI needs to be clarified, **but** does not require an amendment of the REOI, the clarification will be published on the CARICOM Secretariat's website.
- 55.10 Consultants will be shortlisted by an Evaluation Committee, which will be comprised as follows:

### **The Evaluation Committee**

- 55.11 The Director, Corporate Services or delegate (non-voting Chairperson), an assigned Procurement Officer (non-voting Secretary), Project Manager (voting member) and one other technically qualified person from the Programme (voting member), a representative of the Finance Programme (non-voting) a representative of the Legal Programme (non-voting) and a technically qualified person external to the Programme from which the project originated. The committee shall be approved by the Deputy Secretary-General.
- 55.12 The Evaluation Committee will organise a day, time and agenda to meet, based on the dates for submission of the EOIs to prepare the shortlist of eligible Consultants.
- 55.13 All members of the evaluation committee are obliged to sign a Declaration of Impartiality and Confidentiality (Annex D).

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### *Drawing up Shortlist*

55.14 The short-listing procedure involves:

- (i) drawing up a long list (Annex b4) summarising all the Expression of Interests received;
- (ii) eliminating Consultants who are ineligible (Ineligibility/Exclusion Criteria);
- (iii) applying the selection criteria exactly as published. In the application of the selection criteria, the following proof documents would be examined:

**Proof of economic and financial capacity may be provided by one or more of the following documents:**

- appropriate statements from banks;
- evidence of professional risk indemnity insurance;
- presentation of balance sheets or extracts from balance sheets for at most the last three years for which accounts have been closed, where publication of the balance sheet is required under the company law of the country in which the economic operator is established;
- a statement of overall turnover and turnover for works, supplies or services covered by a contract during a period of no more than the last three financial years

**Proof of the technical and professional capacity of the candidate/tenderer may be provided by one or more of the following documents:**

- the educational and professional qualifications of the service provider or contractor;
- a list of the principal services provided or supplies delivered in the past three years, with the sums, dates and recipients, public or private. Evidence of successful implementation must take the form of certificates issued or countersigned by the entity or beneficiary who ordered or purchased the execution of the service or supply;

Candidates/tenderers are allowed to refer either to projects completed within the reference period (although started earlier) or to projects not yet completed. In the first case the project will be considered in its whole if proper evidence of performance is provided (statement or certificate from the entity which awarded the contract or proof of final payment for services or final acceptance for supplies). In case of projects still ongoing only the portion satisfactorily completed during the reference period will be taken into consideration. This portion will have to be supported by documentary evidence (similarly to projects completed) also detailing its value.

If a candidate/tenderer has implemented the project in a consortium, the percentage that the candidate/tenderer has completed must be clear from the documentary evidence, together with a description of the nature of the services, supplies or works provided if the selection criteria relating to the pertinence of the experience have been used.

Where the services or products to be supplied are complex or, exceptionally, are required for a special purpose, evidence of technical and professional capacity may be secured by means of a check carried out by the CARICOM Secretariat or on its behalf by a competent official body of the country in which the service provider or supplier is established, subject to that body's agreement. Such checks will concern the supplier's technical capacity and production capacity and, if necessary, its study and research facilities and quality control measures.

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If the candidate/tenderer is unable to provide the evidence requested for some exceptional reason which the CARICOM Secretariat finds to be justified, it may prove its capacity by any other means which the CARICOM Secretariat considers appropriate

If the tenderer submits a self-declaration/statement as documentary proof, the CARICOM Secretariat reserves the right to ask for further documentary evidence.

55.15 After examining the responses to the REOI, the Evaluation Committee shortlists the Consultants offering the best guarantee of satisfactory performance of the contract. The shortlist shall comprise between four and six Consultants.

55.16 If the number of eligible Consultants meeting the selection criteria is more than six, the additional criteria published in the REOI will be applied in order to reduce the number to the six best Consultants.

55.17 If the number of eligible Consultants meeting the selection criteria is less than the minimum of four(4), the Evaluation Committee will verify that the following issues were satisfactory –

(i) Sufficient time has been given for the publication;

(ii) The scope of service is in-line with the budget;

(iii) The selection criteria used were clear and non-discriminatory and not beyond the scope of the contract.

55.18 If the Evaluation Committee agrees that these criteria have been met, approval will be sought from the Deputy Secretary-General to proceed with a shortlist of less than four (4) eligible Consultants who meet the selection criteria.

55.19 The short listing process and the final shortlist itself must be fully documented in a shortlist report (Annex B5). The shortlist report is signed by the Chairperson of the evaluation committee, the Secretary and all evaluators.

55.20 Within seven (7) days of completion of the short listing report, shortlisted Consultants will receive a Request for Proposal (Annex B8 to B15) including a letter of invitation. At the same time, the final shortlist must be published on the CARICOM Secretariat's website using the template at (Annex B6). Consultants not shortlisted will also be notified giving reasons (Annex B7).

55.21 If unsuccessful Consultants request further information, they may be given any information which is not confidential, e.g. reasons why a reference does not meet the technical selection criterion, as this may help them to be successful in future tenders.

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### *Developing Requests for Proposals (RFP)*

55.22 The RFP will be prepared using the templates in annex A8 to A15 and shall contain the following sections:

- (i) Letter of Invitation to Consultants – Annex B8
- (ii) Instructions to Consultants – Annex B9
- (iii) Draft Contract Agreement and Special Conditions with appendices Annex B11
- (iv) Terms of Reference (TOR) Annex B10a/B10b
- (v) Other information (shortlist notice, administrative compliance grid, evaluation grid)
- (vi) Tender submission form

### *Evaluation Criteria*

55.23 The evaluation criteria serve to identify the best value for money. These criteria cover both the technical quality and price of the Proposal. The technical criteria allow the quality of technical proposals to be assessed. The two main types of technical criteria are the methodology proposed for execution of the contract and the curriculum vitae (CV) of the key experts proposed. The technical criteria may be divided into sub-criteria. The methodology, for example, may be examined in the light of the TOR, the optimum use of the technical and professional resources available, the work schedule, the appropriateness of the resources to the tasks, the support proposed for experts in the field, etc. CVs may be awarded points for such criteria as qualifications, professional experience, geographical experience, language skills, etc.

55.24 The Evaluation Committee will ensure that any methodology submitted by the Consultant complies with the requirements of the TOR. The methodology may add to the requirements of the TOR but must in no way detract from them.

55.25 Each criterion is allotted a number of points out of 100 distributed between the different sub-criteria. Their respective weightings depend on the nature of the services required and are determined on a case-by-case basis in the RFP as indicated in the evaluation grid. The points must be related as closely as possible to the TOR describing the services to be provided and refer to parameters that are easy to identify in the tenders and, if possible, quantifiable. Full details of the technical evaluation grid, with its criteria and sub-criteria and their weightings must be included in the RFP. There must be no overlap between the selection criteria used to draw up the shortlist and the award criteria used to determine the best tender.

### *Additional Information during the Procedure*

55.26 The RFP must be clear enough to save shortlisted Consultants from requesting additional information during the procedure. If the CARICOM Secretariat provides additional information on the RFP, either on its own initiative or in response to a request from a shortlisted Consultant, it must send such information in writing to all other shortlisted Consultants at the same time.



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- 55.27 Consultants may submit questions in writing no later than 21 days before the deadline for submission of proposals. The CARICOM Secretariat must reply to all Consultants' questions no later than 11 days before the deadline for receipt of tenders. The responses to the request for clarification must be done in writing and transmitted simultaneously to all Consultants on the short list. If necessary, the deadline for submission of proposals may be extended. The Secretariat cannot give a prior opinion on the assessment of the tender.
- 55.28 If the technical content of the proposal is complex, the CARICOM Secretariat may hold an information meeting. This meeting must be announced in the RFP and must take place no later than 21 days before the expiry of the deadline for submission of tenders. All costs of attending such a meeting must be met by the Consultants. Individual visits by Consultants during the tender period cannot be organised by the CARICOM Secretariat, taking into account transparency and equal treatment of the Consultants. Although they are not compulsory, these information meetings are encouraged since they have proven to be an efficient way to clarify many questions related to the RFP. Any presentation/documentation to be delivered in the information session, as well as the outcome and the minutes, will be uploaded to the CARICOM Secretariat's website.

### *Submission of Proposals*

- 55.29 Proposals must be submitted in accordance with the double envelope system, i.e., in an outer parcel or envelope containing two separate, sealed envelopes, one bearing the words "Envelope A - technical offer" and the other "Envelope B - financial offer". All parts of the Proposal, other than the financial offer, must be submitted in Envelope A. Any infringement of these rules (e.g., unsealed envelopes or references to price in the technical offer) is to be considered a breach of the rules, and will lead to rejection of the Proposal. This system enables the technical offer and the financial offer to be evaluated successively and separately: it ensures that the technical quality of a Proposal is considered independently of the price. The Proposal must be submitted in accordance with the instructions in the RFP.
- 55.30 Consultants shall be given no less than thirty days (30) for submission of Proposals and Proposals must reach the CARICOM Secretariat at the address and by no later than the date and time shown in the instructions in the RFP.
- 55.31 All Proposals received after the deadline shall be declared late, remain unopened and rejected.

### *Period of validity*

- 55.32 The period of validity for the Proposal shall be ninety days (90).

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### Receipt and registration of Proposals

55.33 Upon receipt of Proposals, the CARICOM Secretariat will register them, stating the date and time of reception, and provide a receipt for those delivered by hand. The envelopes containing the Proposals must remain sealed and be kept in a safe place until they are opened. The outer envelopes of Proposals must be numbered in order of receipt (whether or not they are received before the deadline for submission of Proposals).

### Evaluation Process

All members of the Evaluation Committee will have the required experience and competence to evaluate all major criteria outlined in the RFP.

### Tender Opening Session

55.34 The Evaluation Committee will organise a day, time and agenda for the Tender Opening, based on the dates for submission of the proposals.

55.35 The RFP would have been circulated in advance to the members of the evaluation committee.

55.36 At the Tender Opening the Chairperson will present the purpose of the tender and explain the procedures to be followed by the Evaluation Committee, including the evaluation grid, award criteria and weightings specified in the RFP.

55.37 All members of the Evaluation Committee and any observers must sign a Declaration of Confidentiality and Impartiality (Annex D) prior to the opening of the proposals. Any Evaluation Committee member or observer who has a potential conflict of interest with any Consultant must so declare and withdraw immediately from the Evaluation Committee. This person will be excluded from any further participation in the Evaluation Committee.

### *Evaluation of Proposals*

55.38 The Evaluation Committee checks the compliance of Proposals with the instructions given in the RFP and, in particular, the administrative check list (Annex D). Any major, formal errors or major restrictions affecting performance of the contract or distorting competition will result in the rejection of the Proposal concerned.

55.39 The Consultant must provide proof documents for the key experts proposed. This includes copies of the diplomas mentioned in the CV and employers' certificates or references proving the professional experience indicated in the CV. If missing proofs are requested it should only be for the relevant experience and diplomas which are among the requirements in the TOR. The administrative check list included in the RFP must be used to record the administrative compliance of each of the Proposals/Tenders.

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- 55.40 The documentary proof for exclusion and selection criteria, as well as for the key experts is not verified during this phase of the evaluation.
- 55.41 The envelopes containing the financial offers will remain sealed. All financial offers will be secured until the technical assessment of all the Proposals has been completed.
- 55.42 If requested by a majority of the Evaluation Committee voting members, the Chairperson may write to the Consultants, whose submissions require clarification, offering them the chance to reply within a reasonable time limit to be fixed by the evaluation committee.
- 55.43 The Evaluation Committee will review each Proposal against the previously determined Evaluation Matrix. The Chairperson will ensure that the Evaluation Committee agrees on the interpretation of how the evaluation criteria are to be assessed. The evaluation of proposals will be carried out independently by each evaluator and then summarised and compiled by the Chairperson and discussed as a team. Based on the weightings, the proposers will be ranked in priority order.

### **Evaluation of Technical Proposals**

- 55.44 The evaluation committee then examines the technical proposals, while the financial proposals remaining sealed. When evaluating technical proposals, each member awards each offer a score out of a maximum 100 points in accordance with the technical evaluation grid (setting out the technical criteria, sub-criteria and weightings) laid down in the Request for Proposal. Only proposals which achieve a score of 80 or more are declared "technically accepted". Under no circumstances may the evaluation committee or its members change the technical evaluation grid communicated to the Consultants in the Request for Proposal.
- 55.45 It is recommended that proposals be scored for a given criterion one after another, rather than scoring each proposal for all criteria before moving on to the next. Where the content of a tender is incomplete or deviates substantially from one or more of the technical award criteria laid down in the RFP (e.g. if an expert does not meet the requirements in the profile), the proposal will be automatically rejected, without being given a score, but this must be justified in the evaluation report. For instructions and guidelines how to allocate points in the evaluation, please see the evaluation grid (Annex B13).
- 55.46 Experts must be scored against the requirements in the criteria stated in the TOR. The key experts must fulfil the minimum requirements for all the criteria. If it is not the case, the offer should be rejected.
- 55.47 The Consultants must provide documentary proof for the key experts proposed. This includes copies of the diplomas referred to in the CV and [employers' certificates] or references proving the professional experience stated in the CV. If missing proofs are

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requested it will only be for the relevant experience and diplomas which are among the requirements in the TOR. Only diplomas and experience supported by documentary proof will be taken into account.

55.48 Civil servants or other staff of the public administration of the Member States and of international/regional organisations based in the country shall be ineligible unless the Consultant, in their offer, demonstrates the added value the expert will bring, as well as proof that the expert is seconded or on leave on personal grounds.

55.49 For fee-based contracts, the precise time input of the key expert is left to the discretion of the Consultants as it has to be linked with the methodology provided. The methodology should include the time needed for each key expert in order to achieve the required outputs of the project.

55.50 If the RFP expressly permits variants, such variants are scored separately. Where variants are allowed, the CARICOM Secretariat may take them into account if:

- they are submitted by the Consultants submitting the offer which gives best value for money in the evaluation; and
- they meet the requirements specified by the Request for Proposal, attaining at least the minimum quality and performance required.]

55.51 Each evaluator completes an evaluation grid (Annex B13) to record his/her assessment of each technical offer in order to establish a general appreciation of strengths and weaknesses of the individual technical offers.

55.52 On completion of the technical evaluation, the points awarded by each member are compared at the evaluation committee's session. Besides giving a numerical score, a member must explain the reasons for his/her choice and defend his/her scores before the evaluation committee.

55.53 The Evaluation Committee discusses each technical offer and each member awards it a final score. Evaluators may change their individual evaluation as a result of the general discussion on the merits of each offer.

55.54 In case of major discrepancies, full justification has to be provided by dissenting members. Once discussed, each evaluator finalises his/her evaluation grid on each of the technical proposals and signs it before handing it over to the Secretary of the evaluation committee. The Secretary must then compile a summary of the comments of the evaluation committee members as part of the evaluation report.

55.55 The Secretary calculates the aggregate final score, which is the arithmetical average of the individual final scores.

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- 55.56 Before definitively concluding its evaluation of the technical proposals, the evaluation committee may decide to interview the key experts proposed in technically accepted proposals (i.e. those which have achieved an average score of 75 points or more in the technical evaluation). It is recommended that Consultants which have scored close to the technical threshold also be invited for interview. Any interviews should be held by the evaluation committee at intervals close enough to allow the experts to be compared. Interviews must follow a standard format agreed beforehand by the Committee with questions drafted and applied to all experts or teams called to interview. The indicative timetable for these interviews must be given in the Request for Proposal.
- 55.57 Consultants must be given at least 10 days' advance notice of the date and time of the interview. If a Consultant is prevented from attending an interview by force majeure, a mutually convenient alternative date/time is arranged. If the Consultant is unable to attend on this second occasion, their proposal may be eliminated.
- 55.58 On completion of the interviews, and without modifying either the composition or the weighting of the criteria laid down in the technical evaluation grid, the Evaluation Committee decides whether it is necessary to adjust the scores of the experts who have been interviewed. Any adjustments must be substantiated. The procedure must be recorded in the evaluation report.
- 55.59 Once the Evaluation Committee has established each technical proposal's average score (the mathematical average of the final scores awarded by each voting member), any proposal falling short of the 80-points threshold is automatically rejected. If no proposal achieves 80 points or more, the tender procedure is cancelled.
- 55.60 Out of the proposals reaching the 80-point threshold, the best technical proposal is awarded 100 points. The others receive points calculated using the following formula:
- 55.61 Technical score = (final score of the technical proposal in question/final score of the best technical proposal) x 100.

Specimen Tender Evaluation Summary:

#### Part 1: Technical Evaluation

	Maximum possible	Consultant 1	Consultant 2	Consultant 3
Evaluator A	100	56	82	84
Evaluator B	100	62	83	82
Evaluator C	100	60	82	91
Total	300	174	254	257
Average score (mathematical average)		178/3=59.33	247/3=82.33	257/3=85.67
Technical score (actual final score/highest final score)		Eliminated	82.33/85.67 x 100=96.10	100

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\* Only Consultants with average score of at least 80 points qualify for the financial evaluation.

### **Evaluation of Financial Proposal**

- 55.62 Upon completion of the technical evaluation, the envelopes containing the financial proposals for Consultants that were not eliminated (i.e. those that scored an average score of 80 points or more) are opened and all the originals of these financial proposals are initialled by the Chairperson and the Secretary of the Evaluation Committee.
- 55.63 The Evaluation Committee has to ensure that the financial proposal satisfies all formal requirements.
- 55.64 A financial proposal not meeting these requirements may be rejected. Any rejection on these grounds must be fully justified in the Evaluation Report.
- 55.65 The Evaluation Committee checks that the financial proposals contain no obvious arithmetical errors. Any obvious arithmetical errors are corrected without penalty to the Consultant.
- 55.66 The envelopes containing the financial proposals of rejected Consultants following the technical evaluation must remain unopened and be retained. They must be archived by the CARICOM Secretariat together with the other tender procedure documents.
- 55.67 The total contract value comprises the fees (including employment-related overheads), and the incidental expenditure, lump-sums (if applicable). This total contract value is compared with the maximum budget available for the contract. Proposals exceeding the maximum budget allocated for the contract are eliminated.
- 55.68 The Evaluation Committee then proceeds with the financial comparison of the fees and lump-sums among the different financial offers. The provision for incidental expenditure is excluded from the comparison of the financial offers as they are specified in the RFP.

### **Abnormally Low Proposals**

- 55.69 The CARICOM Secretariat may reject Proposals that appear to be abnormally low in relation to services concerned. However rejection on that ground alone is not automatic.
- 55.70 The concerned Consultant must be requested, in writing, to provide details of the constituent elements of their Proposal, notably those relating to compliance with employment protection legislation and working conditions in the location of the contract, such as the service provision process, the technical solutions chosen or any exceptionally favourable condition available to the Consultant, the originality of the Proposal. In view of the evidence provided by the Consultant, the CARICOM Secretariat will decide on whether to reject the Proposal or not. The decision and its justification must be recorded in the Evaluation Report.

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55.71 The Proposal with the lowest total fees+lumpsums receives 100 points. The others are awarded points by means of the following formula:

55.72 Financial score= (lowest total fees+lumpsums/total fees+lumpsums of the tender being considered) x 100.

Specimen Evaluation Summary:

### Part 2 - Financial Evaluation \*

	Maximum possible score	Consultant 1	Consultant 2	Consultant 3
Total fees			EC\$750,000	EC\$900,000
Financial score (lowest total fees+lumpsums/actual total fees+lumpsums x 100)		Eliminated following technical evaluation	100	=750,000/900,000 x 100=83.33

\*

### The Evaluation Committee's conclusions

66.76 The best value for money is established by weighing technical quality against price on an 80/20 basis. This is done by multiplying:

- the scores awarded to the technical proposals by 0.80
- the scores awarded to the financial proposals by 0.20

Specimen Tender Evaluation Summary:

### Part 3: Composite Evaluation

	Maximum possible	Consultant 1	Consultant 2	Consultant 3
Technical score x .80	80	Eliminated following technical evaluation	96.10x0.80=76.88	100 x 0.80=80
Financial score x .20	20		100 x 0.20=20	83.33 x 0.20=16.67
Overall score	100		96.88	96.67
Final ranking			1	2

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- 66.77 The resulting, weighted, technical and financial scores are then added together to find the Proposal with the highest score, i.e. the best value for money. It is essential to make the calculations strictly according to the above instructions. The Evaluation Committee's recommendation shall be to award the contract to the Proposal achieving the highest overall score on the condition that the documentary evidence submitted by the Consultant for the exclusion and selection criteria are verified and accepted.
- 66.78 Where two (2) Proposals are acknowledged to be equivalent on the basis of the final score, preference is given:
- (a) to the Consultant of a CARICOM Member State; or
  - (b) if there is no such Proposal , to the Consultant who:
    - offers the best possible use of the physical and human resources of CARICOM;
    - offers the greatest subcontracting possibilities to CARICOM firms or natural persons; or
    - is a consortium of natural persons and firms from CARICOM Member States.
- 66.79 As a result of its deliberations, the Evaluation Committee may make any of the following recommendations:
- Award the contract to the Consultant which has submitted a Proposal:
    - which complies with the formal requirements and the eligibility rules;
    - whose total budget is within the maximum budget available for the project;
    - which meets the minimum technical requirements specified in the RFP; and
    - which is the best value for money (satisfying all of the above conditions).
  - Cancel the tender procedure. (see points 30 to 35)
- 66.80 The Evaluation Committee Chairperson will prepare the Evaluation Report using the template in Annex B17d. The Evaluation Report will be submitted to the Deputy Secretary-General. This Report incorporates both the technical and financial components of the evaluation, and as such, is a highly sensitive Report whose confidentiality must be respected. The Report will be filed as an integral part of the management of the study/project. A copy of all documentation related to the selection and hiring of Consultants funded by a specific IDP will also be placed in the relevant file for audit purposes.
- 66.81 References given by Consultants shall be contacted. They are a valuable source of information about the quality, thoroughness and reliability with which previous work was performed. However, it should be recognised that it is unlikely that Consultants will volunteer other than their best references. Accordingly, a more representative mix of experience will be achieved if the Consultants are requested to supply a list of all organisations served in the study area over a defined time period, e.g. the last two years.



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### **Notification of Award**

- 67.1 Once the Evaluation Report is approved, the Programme Manager, Administrative Services will prepare and issue a letter advising the successful Consultant of the decision within fifteen (15) days, of approval. The Consultant will be advised that a response must be received by the CARICOM Secretariat within thirty days of notification of the award.
- 67.2 The notification letter (Annex B18) to the successful Consultant implies that the validity of the successful Proposal is automatically extended for a period of sixty (60) days.
- 67.3 At the same time, the second ranked Consultant will be informed about the result (Annex B19). The CARICOM Secretariat reserves the right to send a notification of award to the second ranked Consultant in case of inability to sign the contract with the first ranked Consultant. The validity of the second ranked Proposal will, therefore, be kept and its validity will only be extended for a period of sixty (60) days in case of notification of award.
- 67.4 The CARICOM Secretariat will, at the same time, also inform the remaining Consultants (Annex A21) of the outcome of the tender procedure. The consequence of these letters will be that the validity of their Proposals must not be retained. In case of requests for further information received from the unsuccessful Consultants, any information which is not confidential may be disclosed to them. An example may be comments regarding their strengths and weaknesses, as this may assist them to be successful in future tenders.
- 67.5 As soon as the contract is signed by the successful Consultant, the CARICOM Secretariat must inform the second ranked Consultant that they will not be awarded the contract.

### **Availability of key experts and proposed replacements.**

- 68.1 In the notification of award, the CARICOM Secretariat requests the successful Consultant to confirm the availability/unavailability of the key experts within five (5) days of the date of the notification letter. As declared in the Statement of Exclusivity and Availability, should a key expert receive a confirmed engagement, he/she must accept the first engagement, which is offered chronologically.
- 68.2 Should any of the key experts be unavailable, the successful Consultant will be allowed to propose a replacement expert. The successful Consultant shall give due justification for the exchange of expert. The CARICOM Secretariat will verify that the replacement expert is equivalent to the one being replaced, based on the evaluation criteria. The CARICOM Secretariat may consult the original Evaluation Committee and may interview one or more replacement experts by videoconference or telephone. It shall be emphasised that the minimum requirements for each evaluation criteria must be met by the replacement expert.]
- 68.3 The maximum time limit for proposing a replacement should be within fifteen (15) days of the date of the notification letter. Only one time-period to propose replacements will be offered to the successful Consultant, in which they may, if possible, propose several experts for replacement of the same position. [The replacement expert cannot be one

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presented in a Proposal from an unsuccessful Consultant participating in the same tender.] The CARICOM Secretariat may choose between these proposed replacement experts. If the CARICOM Secretariat accepts the proposed replacements, the contract shall contain the justification for the approval.

- 68.4 If no replacement expert is proposed or if the proposed replacement expert does not, at the minimum, satisfy the requirements of the evaluation criteria, the CARICOM Secretariat will decide either to award the contract to the second ranked Consultant (also giving them a chance to replace an expert in case of unavailability), or to cancel the tender procedure.

#### ***Contract Procedures***

- 69.1 The Contract will define the scope of work to be performed, the expected outputs and results of the work, the timeframe within which the work will be completed, the Consultant's responsibilities and the terms and conditions of payment. It identifies all of the Consultant's personnel to be employed on the project/study and their daily charge out rate. (The total contract amount may be based on an estimate of consulting days at an approved daily rate for each of the assigned personnel.)
- 69.2 Once the Consultant has accepted the award the Programme Manager, Administrative Services will prepare a draft Contract (using a Pro Forma already approved by the CARICOM Secretariat's Legal Programme, (Annex B11), including the TOR.
- 69.3 The Programme Manager, Administrative Services shall submit to the Legal Programme for review and vetting, the draft contract, supported by all relevant documentation, including confirmation from the Director, Finance that funds are available. The Legal Programme will review the draft Contract to ensure all necessary clauses, understandings, terms and conditions have been correctly included, and return to the Programme Manager, Administrative Services for follow up with the selected Consultant.
- 69.4 The Programme Manager, Administrative Services will send the final draft copy of the Contract to the Consultant for review and acceptance within thirty (30) days. Omissions and/or disagreements will be sorted out and corrected within this period and, once agreed, the Contract will be returned to the Legal to be finalised for signature by the parties.
- 69.5 Five (5) copies of the Contract will be forwarded to the Deputy Secretary-General for signature on behalf of the CARICOM Secretariat and then to the Consultant for signature.
- 69.6 Within twenty (20) days of receipt of the contract already signed by the CARICOM Secretariat, the selected Consultant shall sign and date the contract and return it to the CARICOM Secretariat.
- 69.7 Failure of the selected Consultant to comply with this requirement may constitute grounds for annulling the decision to award the contract. In this event, the CARICOM Secretariat may award the contract to another Consultant or cancel the tender procedure.

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69.8 An original of the signed Contract will be retained by the Consultant and the four (4), signed copies returned to the CARICOM Secretariat to be distributed to the Legal Programme, the Programme Manager, Administrative Service for completion of the procurement file, the relevant Project Manager, and the Finance Programme.

### ***Publication of Award***

70.1 Within one (1) week of execution of the contract, a notification of award will be published on the CARICOM Secretariat's Web Site.

### ***Obligations of the CARICOM Secretariat***

72.1 The CARICOM Secretariat will determine very clear and precise TORs and/or RFPs. The CARICOM Secretariat will be responsible for the preparation of the Contract.

72.2 The CARICOM Secretariat will supply the Consultant as soon as possible with any information and/or documentation at its disposal, which may be relevant to the performance of the Contract. Such documents will be returned to the CARICOM Secretariat at the completion of the Services.

72.3 The CARICOM Secretariat will as far as possible provide the Consultant with any assistance in obtaining information relevant to the Contract that the latter may reasonably request in order to perform the Contract.

72.4 The CARICOM Secretariat will issue to its officials, agents and representatives all such instructions as may be necessary or appropriate to facilitate the prompt and effective implementation of the Services.

72.5 The CARICOM Secretariat will manage the efficient and effective completion of the study/project.

### ***Obligations of the Consultants***

73.1 The Consultant will respect and abide by all laws and regulations in force in the country of the CARICOM Secretariat and will ensure that her/his personnel, their dependants and local employees also respect and abide by all such laws and regulations. The Consultant will indemnify the CARICOM Secretariat against any claims and proceedings arising from any infringement of such laws and regulations by the Consultant, her/his employees and the dependents.

73.2 The Consultant will execute the contract with due care, efficiency and diligence, in accordance with the best professional practices and in compliance with the Terms and Conditions, the TOR and instructions of the Project Manager (or delegate).

73.3 The Consultant will comply with all reasonable administrative orders given by the Project Manager.

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- 73.4 The Consultant will treat all documents and information received in connection with the Contract as private and confidential, and will not, save in so far as may be necessary for the purposes of the performance thereof, publish or disclose any particulars of the Contract without the prior consent in writing of the CARICOM Secretariat. If any disagreement arises as to the necessity for any publication or disclosure for the purpose of the Contract, the decision of the CARICOM Secretariat will be final.
- 73.5 The Consultant will, at all times, act loyally and impartially and as an adviser to the CARICOM Secretariat in accordance with the rules and/or code of conduct of their profession, as well as with appropriate discretion. The Consultant, will in particular, refrain from making any public statements concerning the Project without the prior approval of the CARICOM Secretariat, and from engaging in any activity which conflicts with their obligations towards the CARICOM Secretariat under the Contract. The Consultant will not commit the CARICOM Secretariat in any way whatsoever without its prior consent in writing, and will, where appropriate, make this obligation clear to third parties.
- 73.6 The Consultant will ensure that, in no circumstances, does a conflict of interest arise either in the Consultant's relationship with the CARICOM Secretariat or in the Consultant's dealings or influence in the particular study/project being undertaken. If such a situation exists, the Consultant must advise the CARICOM Secretariat as soon as possible. If the Consultant is in doubt as to whether a conflict of interest situation exists, the Consultant must advise the CARICOM Secretariat of this doubt. Upon hearing the facts, the CARICOM Secretariat will determine whether or not a conflict of interest exists and deal with the situation accordingly.
- 73.7 The Consultant will sign a statement declaring that under no circumstances will a conflict of interest exist.
- 73.8 The Consultant will refrain from any relationship, which would compromise their independence or that of their staff. If the Consultant fails to maintain such independence, the CARICOM Secretariat may, without prejudice to compensation for any damage, which they may have suffered on this account, terminate the Contract forthwith, without giving formal notice thereof.
- 73.9 The Consultant will prepare all specifications and designs using accepted and generally recognised systems acceptable to the CARICOM Secretariat and taking into account the latest design criteria.
- 73.10 The Consultant will ensure that the specifications and designs and all documentation relating to procurement of goods and services for the Project are prepared on an impartial basis so as to promote competitive tendering.
- 73.11 The engagement by the CARICOM Secretariat of the Consultant will be based on the understanding that the Consultant and their personnel are in good health and are not subject to any disability, which may interfere with the performance of the services. The CARICOM Secretariat may request the Consultant performing the services to have their personnel undergo a medical examination by a qualified medical practitioner before leaving their

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usual place of residence and will as soon as is practicable furnish the CARICOM Secretariat with the medical report resulting therefrom.

- 73.12 For the duration of the Contract, the Consultant will obtain medical, travel, accident and other insurance deemed necessary under the Contract. Except as may be specified in the Contract, the CARICOM Secretariat will be under no liability in respect of the medical expenses of the Consultant.
- 73.13 The Consultant will undertake full responsibility for any taxation obligations while in the country.
- 73.14 All reports and data such as maps, diagrams, drawings, specifications, plans, statistics, calculations and supporting records or materials acquired, compiled or prepared by the Consultant in the performance of the Contract will be confidential and will be the absolute property of the CARICOM Secretariat. Upon completion of the Contract, the Consultant will, deliver all such documents and data to the CARICOM Secretariat. The Consultant may retain copies of such documents and data, but will not use them for purposes outside of her/his Contract without prior written approval of the CARICOM Secretariat.

### ***Performance/Supervision of Contract***

- 74.1 Once the Contract is signed, the Project Manager will fix a mutually acceptable date and time for the commencement of the study/project. This date will facilitate any dates by which the study/project must be completed or milestone dates.
- 74.2 The performance of work will be in accordance with the Terms of the Contract and project plan, and will be supervised by the Project Manager (or delegate) in accordance with any mutually agreed methodology.
- 74.3 Once a contract is approved, any additional expenditure must receive the approval of the Deputy Secretary-General, and only within the threshold of the procurement procedure being exceeded.
- 74.4 Should the need arise for any amendment to the contract (e.g. change in scope, timing, cost, etc.), the Project Manager will receive the concurrence of the relevant Director/ASG on such amendment or variations and their implications; once written agreement of such amendments or variations is received from the Consultant, a formal request will be sent by the Project Manager, through the Director/ASG to the Deputy Secretary-General for approval.

### **Provision and Replacement of Experts**

- 75.1 Where the tender procedure involves the provision of experts, the contractor is expected to provide the experts specified in the tender. The key experts, to be provided by the contractor, must be identified and named in the contract.

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- 75.2 The Evaluation Committee may recommend that a Consultant be excluded from the tender procedure if this Consultant and/or proposed experts deliberately conceal the fact that all or some of the team proposed in their submission are unavailable from the date specified in the RFP for the start of the assignment, or if it can be established that this Consultant has proposed names of experts which in fact had not given their consent to participate.
- 75.3 During the implementation of a contract, where an expert has to be replaced, the replacement must possess at least equivalent qualifications and experience and the fee/rate may in no circumstances exceed that of the expert replaced. Where the Consultant is unable to provide a replacement possessing equivalent qualifications and/or experience, the CARICOM Secretariat may either terminate the contract, if it considers that its performance is jeopardised, or, if it considers that this is not the case, accept the replacement, in which case the latter's fees are to be negotiated downwards to reflect the proper level of remuneration.
- 75.4 Any additional expenses resulting from the replacement of experts are borne by the Consultant except in the case of replacement resulting from death or where the CARICOM Secretariat requests a replacement not provided for by the contract.
- 75.5 Where an expert is not replaced immediately and some time elapses before the new expert takes up his functions, the CARICOM Secretariat may ask the Consultant to assign a temporary expert to the project pending the new expert's arrival or to take other steps to bridge the gap. Whatever the case may be, the Secretariat will make no payment for the period of absence of the expert or his replacement, whether temporary or permanent.

#### ***Financial Arrangements***

- 76.1 At the request of the Consultant, the payment terms may provide for an advance payment of fees, or for mobilisation or start-up expenses. The advance should not exceed twenty per cent (20%) of the consultancy fee unless there is justification for the payment of a larger percentage, in which case, the Project Manager must first seek and obtain written approval from the Deputy Secretary-General. The advance may be paid within fourteen (14) days after the signing of the Contract.
- 76.2 With respect to airfares and *per diem* allowances, advance payment may be made to the Consultant or the Consultant may use his/her own resources and be refunded the allowable expenses. However, in both cases, the Consultant shall be required to submit the original air ticket stub and boarding pass/hotel bill as satisfactory evidence of the length of stay in the particular country.
- 76.3 If the Contract is prematurely terminated, that portion of the advance still considered outstanding in reference to the value of work completed to the date of termination will be repaid by the Consultant.

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- 76.4 The quantum and frequency of work in progress payments will be made to the Consultant in accordance with the payment terms specified in the Contract. These will be based on work done to the satisfaction of the CARICOM Secretariat and accepted to date at the daily or pro-rata monthly approved rate of payment.
- 76.5 The cumulative amount of the progress payments will not exceed 90% of the value of the Contract, since the remaining ten per cent (10%) will be withheld as retention to be paid on satisfactory conclusion of the assignment.
- 76.6 For each payment, the Consultant will send to the Project Manager (or delegate) three copies of a written request for payment or legal invoice, stating clearly the period of work being charged for, the number of consulting days or consulting hours being charged, the Consultants who spent this time and the work performed. This request or invoice will be supported by an itemised statement (if necessary) and receipts, invoices, vouchers and other supporting documentation.
- 76.7 The Project Manager (or delegate) will receive the invoice and check the details against the work done to date and what was budgeted to be completed to date. Once satisfactory, the Project Manager will recommend approval of payment; retain one copy for the study/project management file and, within two (2) working days of receipt of the invoice, forward one copy to the CARICOM Secretariat's Finance Programme. If unsatisfactory, the Project Manager will resolve with the Consultant. The Director/ASG will approve the payment.
- 76.8 The Finance Programme will process for payment within three (3) working days of receipt, and update the study/project financial statement. The Finance Programme will issue the payment cheque to the Consultant. One copy of the duplicate transmittal of the payment will be sent to the Project Manager for verification that payment was made.
- 76.9 On satisfactory completion of the study/project, the Consultant will send to the Project Manager (or delegate) an invoice for the retention amount. The Project Manager will recommend approval of payment and forward to the Finance Programme for payment and updating the financial records. The Director/ASG will approve the payment.
- 76.10 A note on the performance of Consultants shall be prepared by the Project Manager in consultation with the Project Leader and approved by the Director or ASG for inclusion in the Consultant's file in the CARICOM Secretariat's Database of Consultants, for future reference.

### ***Terms and Conditions for Consultants***

- 77.1 The individual Consultant's remuneration includes (i) the fees, that is, payment for the services rendered; and (ii) the expenses incurred by virtue of rendering said services.

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### Criteria to Determine Fees

- 78.1 The Human Resource Management Sub-Programme, during the conduct of its periodic salary survey of comparative organisations, will include in its data gathering, information on the range of professional fees being charged by various categories of Consultants. Thereafter, a specific range of fees will be inserted in this Manual.
- 78.2 In determining the fees to be paid, the following will normally be taken into account:
- (i) Duration of the Contract: A short-term contract means a term not exceeding six months. A medium-term contract would usually cover a period of six to eighteen (6-18) months. Generally more is paid per hour or per day when the contract is of short duration. The same Consultant may possibly receive a lesser payment per day if her or his contract is significantly longer. In the case of short-term contracts, generally the Consultant's fees are paid on the basis of a five-day week.
  - (ii) Complexity of the work to be carried out.
  - (iii) Consultant's specialisation: There are specialisations which, due to their demand, are currently better paid than others, for example, Information Technology.
  - (iv) Professional experience: There is a direct relationship between the rate for fees and the professional experience.
  - (v) Form of Contract:
    - whether a fixed price contract (usually against a payment for service);
    - or a fixed rate contract for an established period of time, which can be per hour, per day or per month.

### Other Terms and Conditions

The following terms and conditions may also apply as appropriate:

- 79.1 First appointment expenses: Airfares and applicable *per diem* for round trip for consultant and, in cases where the consultancy has a duration of more than six months, for up to two (2) dependents.
- 79.2 Installation allowance payable to Consultants contracted for more than six (6) months. Thirty (30) days *per diem* for Consultants and 15 days for each eligible dependent.
- 79.3 Repatriation expenses: Same as at first appointment.
- 79.4 Leave: One day per month for consultant with contract for more than six (6) months. Consultant with contract for less than six (6) months not eligible. No payment will be made for unused leave. Consultants are not eligible for paid sick leave.



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- 79.5 Insurance: Consultants contracted for more than six (6) months may be reimbursed for insurance expenses up to US\$250 per month for Consultants with dependants and up to US\$150 per month for those without.
- 79.6 *Per diem*: Payable to all Consultants required to travel inside or outside their duty country. Rate will be reduced to sixty per cent (60%) of original amount after ninety (90) days of continuous service within any one country.
- 79.7 Method of payment: In cases of short-term contracts, fees are usually calculated on the basis of 5 working days per week. In cases of hourly, daily and monthly contracts, the Consultant is not compensated for travel time (round trip to duty station).
- 79.8 Last payment/retention amount of a minimum of ten per cent (10%) of fees.

#### ***Breach of Contract and Termination***

- 80.1 Either party commits a Breach of Contract where the party fails to discharge any of the obligations under the Contract. Where a Breach of Contract occurs, the party injured by the breach will be entitled to the following remedies:
- (i) Damages; and/or
  - (ii) Termination of the Contract.
- 80.2 Where the CARICOM Secretariat is entitled to damages, it shall deduct such damages from any sums due to the Consultant or from the appropriate guarantee. Where the Consultant is entitled to damages, this will be in accordance with the terms of contract.
- 80.3 The CARICOM Secretariat shall, after giving seven (7) days' notice to the Consultant, terminate the Contract in any of the following cases where:
- (i) The Consultant fails to carry out the services substantially in accordance with the Contract;
  - (ii) The Consultant fails to comply within a reasonable time with the notice given by the Project Manager requiring her/him to make good the neglect or failure to perform her/his obligations under the Contract which seriously affect the proper and timely performance of the services;
  - (iii) The Consultant refuses or neglects to carry out administrative orders given by the Project Manager;
  - (iv) The Consultant assigns the Contract or sub-contracts without the authorisation of the CARICOM Secretariat;

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- (v) The Consultant becomes bankrupt or insolvent, or has a receiving order made against her/him, or compounds with her/his creditors, or carries on business under a receiver, trustee or merger for the benefit of her/his creditors, or goes into liquidation;
- 80.4 Any adverse final judgement is made in respect of an offence affecting the professional conduct of the Consultant;
- 80.5 Any other legal disability hindering performance of the Contract occurs;
- 80.6 Any organisational modification occurs involving a change in the legal personality, nature or control of the Consultant, unless such modification is approved by the CARICOM Secretariat.
- 80.7 The Consultant fails to maintain her/his independence.
- 80.8 The Consultant fails to provide the required guarantees or insurance, or if the person providing the earlier guarantee or insurance is not able to abide by her/his commitments.
- 80.9 Termination will be without prejudice to any other rights or powers under the Contract of the CARICOM Secretariat and the Consultant.
- 80.10 Upon termination of the Contract or when the Consultant has received notice thereof, the Consultant will take immediate steps to bring the services to a close in a prompt and orderly manner and to reduce expenditure to a minimum.
- 80.11 The Project Manager will, as soon as is possible after termination, certify the value of the services and all sums due to the Consultant as at the date of termination.
- 80.12 The CARICOM Secretariat will not be obliged to make any further payments to the Consultant until the services are completed, whereupon the CARICOM Secretariat will be entitled to recover from the Consultant the extra costs, if any, of completing the services, or shall pay any balance due to the Consultant.
- 80.13 Where the termination is not due to an act or omission of the Consultant, the Consultant will be entitled to claim, in addition to sums owing to her/him for work already performed, an indemnity for loss suffered.
- 80.14 The Consultant may, after giving 14 days' notice to the CARICOM Secretariat, terminate the Contract if the CARICOM Secretariat:
- (i) Fails to pay the Consultant the approved amounts due; or
  - (ii) Consistently fails to meet its obligations after repeated reminders; or
  - (iii) Suspends the progress of the services or any part thereof for more than 90 days for reasons not specified in the Contract or not due to the Consultant's default.

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### *Disqualification, Debarment and Suspension of Consultants*

- 81.1 A Consultant may be debarred or suspended from participating in consultancy services, without liability to the CARICOM Secretariat, if it is found, at any time, that the information submitted concerning their qualifications was deliberately false. Project Managers should promptly report any such findings, along with any evidence and the reasons for their findings of falsification to the Programme Manager, Administrative Services, in writing.
- 81.2 A consultant may be debarred or suspended from participating in consultancy services, without liability to the CARICOM Secretariat, for reasons of poor performance, pursuant to the contract documents. Project Managers shall promptly report any such findings, along with any evidence and the reasons for these findings to the Programme Manager, Administrative Services in writing.
- 81.3 Any Consultant, whether or not they have submitted a bid, who attempts to gain any advantage or concession for themselves or any other person, by offering to a member of any Committee or officer of the CARICOM Secretariat, a gift of money or any other favour, or approaches any member of Committees with respect to any matter that is before the Committees, or that is expected to come before the Committees shall be subject to disqualification and debarring from participating in consultancy services.
- 81.4 A list of such disqualified/debarred or suspended Consultants shall be maintained and published on the CARICOM Secretariat's website.

### *Settlement of Disputes*

- 82.1 The CARICOM Secretariat and the Consultant will make every effort to amicably settle any dispute relating to the Contract, which may arise between them or between the Project Manager and the Consultant.
- 82.2 If there is no amicable settlement of the dispute, the parties will agree to settle the dispute in accordance with the arbitration provisions stipulated in the agreement.

### **AUTHORITIES AND RESPONSIBILITIES**

- 83.1 The Project Manager is responsible for preparing a detailed project plan of the action steps to be followed to implement the project.
- 83.2 The Project Manager is responsible for implementing the Action Plan, including developing TOR for Consultants.
- 83.3 For contracts up to EC\$82,000 the Deputy Secretary-General will approve the selection of the Consultant on the recommendation of the Project Manager and the concurrence of the relevant Director or ASG.

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- 83.4 For contracts over EC\$82,000 the Deputy Secretary-General or Secretary-General will approve the selection of the consultant following the recommendation of an Evaluation Committee, on the basis of an evaluation of the proposals in accordance with the appropriate selection criteria.
- 83.5 The Project Manager will be authorised to commence the process for the contractual hiring of the consultant. In cases where negotiations are involved, the Programme Manager will enter negotiations and will be authorised to finalise arrangements with the most qualified Consultant(s) in the context of limits set by the Evaluation Committee.
- 83.6 Once the Consultant has been selected and Terms and Conditions agreed, the Programme Manager, Administrative Services will prepare a draft contract or letter of Agreement (using a Pro Forma already approved by the CARICOM Secretariat's Legal Programme: See Annexe B11a to B11d) detailing the TOR, Consultant's responsibilities, Terms and Conditions. The Programme Manager will refer the draft to the Legal Programme for review.
- 83.7 The Legal Programme will certify the contract as being ready for signature.
- 83.9 The Project Manager will be responsible for interfacing with the Consultant to ensure proper implementation.
- 83.10 The Project Manager will be responsible for monitoring work in progress and will be held accountable to the Secretary-General or his delegate for any deficiencies.
- 83.11 The Project Manager will be responsible for recommending approval of all payments, except the advance payment, which will be recommended by the Programme Manager, Administrative Services.
- 83.12 The appropriate Director will authorise all payments.
- 83.13 The Finance Programme will process the necessary payments, based on the provisions set out in the procedures and in accordance with the terms of the contract.
- 83.14 Where there is a breach of contract, termination will occur in accordance with the guidelines set out in the procedures.
- 83.15 Settlement of disputes will be in accordance with the mechanism stipulated in the agreement.
- 83.16 In the absence of the Deputy Secretary-General, the Secretary-General will identify the designate who will have the authority and responsibility of this functionary in the execution of the Procurement process.**

## **MODULE THREE**

# **PROCUREMENT OF GOODS/EQUIPMENT AND SERVICES**



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### MODULE THREE

#### PROCUREMENT OF GOODS/EQUIPMENT AND SERVICES

##### *POLICY*

1. Procurement is the process of acquisition of goods, equipment, and services. Goods and equipment include: commodities, office equipment, furniture and fittings, office supplies and computers etc. Services include: printing, conference support, information technology, security and all maintenance services such as plumbing, carpentry, vehicle repairs, equipment repairs etc. In addition, some technical equipment, e.g. computers, may include a maintenance, service and/or training component.
2. The objective of the CARICOM Secretariat's procurement policy is to ensure that systems are in place to efficiently and effectively manage the procurement process. These systems will reflect prudent business practices and commitment to the principle of competitive bidding for the issue of Purchase Orders and award of supply contracts.
3. Where Development Partners have specific eligibility criteria and requirements for procuring goods, equipment and related services, those shall be followed. Where Development Partners do not have eligibility criteria and requirements, the provisions of this Manual shall apply.
4. Procurement of pharmaceutical products will be done specifically in accordance with international pharmaceutical procurement guidelines as outlined in the interagency guidelines Operational Principles for Good Pharmaceutical Procurement.
5. This module does not govern the procurement of services provided by Consultants hired to undertake studies or projects. Hiring of such Consultants is covered by Module Two of this Manual.

##### *Principles and Standards Governing Procurement*

6. The procurement process shall be governed by the principles of best value for money, transparency, non-discrimination, and equal treatment, notwithstanding that regional suppliers/contractors, either alone or in combination with international suppliers/contractors, are preferred.
7. All procurement activities shall be carried out in a manner consistent with the highest professional, ethical, moral and legal standards. In this regard, all staff members involved in procurement of goods and services for the CARICOM Secretariat must:
  - Place the interests of the Secretariat first in all transactions
  - Carry out and conform to the Secretariat's established policies.
  - Buy without prejudice, seeking to obtain maximum value for each dollar of expenditure.
  - Adhere to the *CARICOM Rules of Origin*.
  - Respect obligations required for the conduct of good business practices.

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8. The procurement process should be planned and implemented to ensure that:
  - 8.1 Goods, equipment and services are procured as required on terms that are economically favourable to the CARICOM Secretariat.
  - 8.2 Purchase Orders and procurement contracts are structured to promote efficient administration at all levels.
  - 8.3 All procurement activity is documented in a manner that will ensure adequate control for:
    - the procurement requirements
    - ensuring easy accessing of information
    - identification and selection of vendors
    - effective auditing.
  - 8.4 All purchase requests are routed through the Procurement Sub-Programme so that persons not vested with the delegated authority stated in this document are not involved in any purchasing activities on behalf of the CARICOM Secretariat.
  - 8.5 The CARICOM Secretariat is provided with a supply of necessary goods and services on a timely basis, thereby increasing efficiency.
  - 8.6 Products and services purchased meet the CARICOM Secretariat's required standards and specifications.
  - 8.7 Operating and capital expenditure is optimised.
  - 8.8 Penalty charges for late payments are avoided.
  - 8.9 The best price, quality and delivery time available in the market place for goods, equipment and services are obtained.

### ***Managing the Procurement Process***

9. The Programme Manager, Administrative Services is responsible for managing the Procurement Process, which will be executed by the Procurement Sub-programme and in this context prepares an annual Procurement Plan. The goods, equipment and services identified in the plan will, as far as possible, be compatible in terms of product type, quality and cross-functional usage. The annual Procurement Plan shall be submitted to the Deputy Secretary-General for approval and subsequently published on the CARICOM Secretariat's website.
10. In the case of projects, identification of material and/or equipment must form part of the project planning phase to facilitate project costing, critical timing of procurement and project management. In addition, it must be compatible with existing material/equipment and/or future plans.



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11. All purchasing activities shall adhere to the following procurement cycle:
  - Submission of Internal Requisition/Identification and Definition of Requirements
  - Procurement Planning
  - Value for Money Sourcing
  - Order Approval
  - Purchasing
  - Receiving
  - Inspection
  - Monitoring and Hand-over Process
  - Invoice Processing Asset/Liability Recording
  - Payment
12. The Internal Requisition is completed by Programme Managers requesting the provision of goods and services and forwarded to the Programme Manager, Administrative Services for action.
13. If the Internal Requisition requests an item, which is in Stores, this will be supplied on a timely basis from the Stores. If the item is not in stock, or if the request is for a service, which has to be procured, the Procurement Sub-Programme will initiate the process of procurement and so inform the requesting programme.
14. The Procurement Sub-Programme will initiate the procurement process by preparing the Materials/Service Requisition (MSR) form in triplicate indicating, inter alia, a detailed description and specification of the item/service required, quantity, cost centre and account number, reasons for the expenditure and an estimated price, the Programme which submitted the request, the date required, the date of the MSR and item number, if any.
15. All procurement activity must be undertaken in keeping with the requirements set out in this Module. Any variation from the procedures laid out herein must be approved by the Deputy Secretary-General or the Secretary-General.

### **Eligibility**

16. To foster competition, the Secretariat permits Suppliers and Contractors from all countries to tender for Supplies and Services. Any conditions for participation shall be limited to those that are essential to ensure the Suppliers'/Contractors' capability to fulfill the contract in question.

### **Exclusion criteria**

#### **17. Exclusion criteria applicable for participation in procurement procedures**

- 17.1 Suppliers/Contractors will be excluded from participation in procurement procedures if:
  - (a) They are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any

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analogous situation arising from a similar procedure provided for in national legislation or regulations;

- (b) They, or persons having powers of representation, decision making or control over them, have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of *res judicata*; (i.e. against which no appeal is possible);
- (c) They have been guilty of grave professional misconduct proven by any means which the CARICOM Secretariat can justify;
- (d) They are not in compliance with their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the CARICOM Secretariat or those of the country where the contract is to be performed;
- (e) They or persons having powers of representation, decision making or control over them, have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such an illegal activity is detrimental to the Secretariat's financial interests;
- (f) They are currently subject to an administrative penalty;
- (g) Points (b) and (e) do not apply when the Suppliers/Contractors can demonstrate that adequate measures have been adopted against the persons having powers of representation, decision making or control over them, who are subject to the judgement referred to in points (b) or (e).
- (h) Points (a), (c) and (d) do not apply if duly justified by the CARICOM Secretariat in negotiated procedures where it is indispensable to award the contract to a particular entity for technical or artistic reasons, or for reasons connected with the protection of exclusive rights.

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### **18. Exclusion criteria applicable during the procurement procedure:**

- 18.1 Contracts may not be awarded to Suppliers/Contractors who, during the procurement procedure for Restricted and Open tenders, are:
- (i) subject to a conflict of interest;
  - (ii) are guilty of misrepresentation in supplying the information required by the CARICOM Secretariat as a condition of participation in the contract procedure or fail to supply this information;
  - (iii) find themselves in one of the exclusion situations for the procurement procedure.
- 18.2 For contracts exceeding EC\$200,000, the Suppliers/Contractors must sign a declaration that they are not in any of the exclusion situations cited in Clauses 17 and 18.
- 18.3 Information on the ownership/management, control and power of representation of the entity and a certification that they do not fall into the relevant exclusion situations must be provided where specifically requested by the CARICOM Secretariat. This may be the case where there are doubts about the Suppliers/Contractors situation and in consideration of the national legislation of the country in which they are established.
- 18.4 Following the notification of award, the Suppliers/Contractors to whom the contract is to be awarded must supply evidence that they do not fall into the exclusion situations, unless such evidence has already been submitted earlier in the procurement procedure. In Open Tendering, these supporting documents must be sent together with the tender and verified and checked by the CARICOM Secretariat before signature of the contract with the successful Suppliers/Contractors. In addition, the Suppliers/Contractors must certify that the situation has not altered since the date of issue of the evidence.
- 18.5 As regards subcontractors, where specifically requested by the CARICOM Secretariat, the successful Supplier/Contractor must submit a declaration from the intended subcontractor, and/or documentary evidence that the subcontractor is not in one of the exclusion situations.
- 18.6 For procurement contracts with a value of less than the Open Tendering threshold (EC\$200,000.), the CARICOM Secretariat may waive the obligation to submit documentary evidence, depending on its risk assessment. Furthermore, a waiver may be granted where documentary evidence has been submitted in the past twelve (12) months to the CARICOM Secretariat for another procedure, provided that this evidence is still valid. In all cases evidence may still be required in case of doubt.
- 18.7 As satisfactory evidence that the Suppliers/Contractors are not in one of the situations described in a), (b) or (e) of article 17 (Exclusion criteria applicable for participation in procurement procedures), the CARICOM Secretariat will accept a recent extract from the judicial record or, failing that, a recent equivalent document issued by a judicial or administrative authority in the country of origin or provenance showing that the requirements are satisfied. For (d) of article 17, The CARICOM Secretariat will accept a recent certificate issued by the competent authority of the State concerned. Where no

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such document or certificate is issued in the country concerned and for the other exclusion criteria listed above, it may be replaced by a sworn/solemn statement made before a judicial or administrative authority, a notary or a qualified professional body in the country of origin or provenance.

- 18.8 The documents may be originals or copies; however, originals must be made available to the CARICOM Secretariat upon request. The date of issuing of the documents provided must be no earlier than one year before the date of submission of the tender. If the supporting documents are not written in English, an English translation must be attached.
- 18.9 Before excluding a Supplier/Contractor from a procurement procedure, principles such as the right of defence and proportionality must be considered. To that end, unless the evidence is such that no further investigation is necessary (for example in case of a judgement of a competent authority of a Member State which has the force of *res judicata*), an adversarial procedure with the Supplier/Contractor should ensue.

### Conflict of Interest

19. Suppliers/Contractors shall provide professional, objective, and impartial advice and services and at all times hold the CARICOM Secretariat's interests paramount, without any consideration for future work, and that in providing services and advice they avoid conflicts with other assignments and their own interests. Suppliers/Contractors shall not be contracted to provide services that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of being unable to provide the services in the best interest of the CARICOM Secretariat.
20. A conflict of interest occurs when the impartial and objective exercise of the functions of the CARICOM Secretariat, or observance of the principles of competition, non-discrimination against or equality of treatment of Suppliers/Contractors is compromised for reasons involving family, emotional life, political or national affinity, and economic interest.
21. A conflict of interest may arise where, for instance, a member of the Evaluation Committee or someone in the CARICOM Secretariat or others involved in the procedure grant themselves, or others, unjustified direct or indirect advantages by influencing the outcome, or allow a Supplier/Contractor to obtain information leading to an unfair advantage in subsequent or related procedures.
22. For instance, any Supplier/Contractor involved in preparing a project (e.g. drafting the Technical Requirements) must, as a rule, be excluded from tendering for services that are based on those preparations, unless they can prove to the CARICOM Secretariat that their initial involvement does not constitute unfair competition.
23. Suppliers/Contractors that have a conflict of interest in relation to a particular contract are excluded from this contract award. The grounds for exclusion must be considered case by case. Any automatic exclusion deprives the Suppliers/Contractors of the right to present supporting evidence which might remove all suspicion of a conflict of interest.

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24. Where a potential conflict of interest might occur with regard to on-going contracts, measures must be adopted to prevent such a conflict, including cancelling the contract if necessary.

### **Unfair Competitive Advantage**

25. Fairness and transparency in the selection process require that Suppliers/Contractors or their affiliates competing for a specific assignment do not derive a competitive advantage from having provided services related to the contract in question. To that end, the CARICOM Secretariat shall make available to all Suppliers/Contractors, together with the Invitation to Tender, all information that would in that respect give Suppliers/Contractors a competitive advantage.

### **Ethics Clauses / Corruptive Practices**

26. Any attempt by a Supplier/Contractor to obtain confidential information, enter into unlawful agreements with competitors or influence the Evaluation Committee or the CARICOM Secretariat during the process of examining, clarifying, evaluating and comparing tenders will lead to the rejection of its tender and may result in administrative penalties.
27. The tenderer must not be affected by any conflict of interest and must have no equivalent relation in that respect with other tenderers or parties involved in the project.
28. The CARICOM Secretariat reserves the right to suspend or cancel the tender procedure if corrupt practices of any kind are discovered at any stage of the award process or during the execution of a contract. For the purposes of this provision, 'corrupt practices' are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or execution of a contract already concluded.
29. Tenders will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a payee who is not clearly identified, or commissions paid to a company which has every appearance of being a front company.
30. Suppliers/Contractors found to have paid unusual commercial expenses on projects funded by The CARICOM Secretariat are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from CARICOM Secretariat projects.
31. The CARICOM Secretariat reserves the right to suspend or cancel a Tender procedure, where the procedure proves to have been subject to substantial errors, irregularities or fraud. If substantial errors, irregularities or fraud are discovered after the award of the Contract, the CARICOM Secretariat may refrain from concluding the Contract.

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### **Complaints to the CARICOM Secretariat**

32. Suppliers/Contractors believing that they have been harmed by an error or irregularity during the selection or award process may file a complaint in accordance with the procedure set out below:

- (i) A Supplier/Contractor may appeal in writing to the Deputy Secretary-General or designate within fourteen (14) days of receipt of a decision not to award a contract.
- (ii) Specific information must be supplied by the appellant detailing and explaining how the appellant considers that the grounds for appeal arise. All supporting documentation should be provided with the appeal application.
- (iii) Matters that are deemed to be frivolous will not be reviewed.
- (iv) The Deputy Secretary-General will appoint a committee, the Procurement Review Panel, of no less than three persons to consider the specific appeal.
- (v) The Deputy Secretary-General will ensure that there is no conflict of interest in the membership of the committee by selecting members who are in no way related to the procurement process and who will be requested to sign the relevant form declaring their impartiality.
- (vi) The Chairperson of the Evaluation Committee, which took the decision in question, will immediately provide a copy of the specific tender file (containing information regarding the tender process) to the Chairperson of the Procurement Review Panel established by the Deputy Secretary-General.
- (vii) The Procurement Review Panel will review the appeal and may seek further information or views from the Evaluation Committee or the appellant.
- (viii) The Procurement Review Panel will make a decision within fifteen (15) working days of the date of its establishment.
- (ix) The appellant and the Evaluation Committee will be informed of the final decision of the Procurement Review Panel, through the Deputy Secretary General.

33. Any Consultant who disagrees with the final award decision shall not use this complaint procedure merely to obtain a second evaluation.

### ***Methods of Selection***

34. The basic means of awarding contracts is competitive tendering. The purpose is twofold:

- (i) to ensure the procurement procedure respects the principles and standards governing procurement; and
- (ii) to obtain quality goods, equipment and services at the best possible price.

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35. In procuring Suppliers/Contractors, the CARICOM Secretariat will use one of the following four selection methods:

<b>No.</b>	<b>Selection Method</b>	<b>Threshold</b>
1	Petty Cash	Purchases up to EC\$75
2	Shopping	Purchases from EC\$76 to EC\$54,000
3	Restricted Tendering	Purchases not exceeding EC\$200,000
4	Open Tendering	Purchases exceeding EC\$200,000
5	Direct Award (Single Tender Procedure)	Exceptional and duly justified cases. No specific threshold applies.

#### **Cancellation of procurement procedures**

36. The CARICOM Secretariat may cancel a procurement procedure at any time before the contract is signed, without incurring any liability to tenderers.

#### **Cancellation of Tenders**

37. Cancellation of tenders may occur if:

- (i) the tender procedure has been unsuccessful, i.e. no technically compliant or financially worthwhile tender has been received or there is no valid response at all;
- (ii) the economic or technical data of the tender have fundamentally changed;
- (iii) exceptional circumstances or a force majeure render normal performance of the contract impossible;
- (iv) all technically compliant tenders exceed the available budget;
- (v) there have been irregularities in the procedure, in particular where these have prevented fair competition;
- (vi) the award is not in compliance with sound financial management i.e. does not obey the principles of economy, efficiency and effectiveness (e.g. the price proposed by the tenderer to whom the contract is to be awarded bears no relation to the market price).

38. If a procurement procedure is cancelled, the CARICOM Secretariat will notify all tenderers in writing, and as soon as possible, of the reasons for the cancellation. Where relevant, a cancellation notice must be published. If the tender procedure is cancelled before the outer envelope of any tender has been opened, the unopened and sealed envelopes may be returned to the tenderers, if requested.

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39. After cancelling a tender procedure, the CARICOM Secretariat may decide:
- (i) to launch a new tender procedure;
  - (ii) to re-launch the tender procedure using the same reference as the original call;
  - (iii) to open negotiations with one or more tenderers who participated in the tender procedure and who meet the selection criteria, provided that the original terms of the contract have not been substantially altered (this option is not available if the procedure was cancelled because of irregularities which might have prevented fair competition);
  - (iv) not to award the contract.
40. In no event shall the CARICOM Secretariat be liable for any damages whatsoever including, without limitation, damages for loss of profits, in any way connected with the cancellation of a tender procedure, even if the CARICOM Secretariat has been advised of the possibility of damages. The publication of a procurement notice does not commit the CARICOM Secretariat to implement the programme or project announced.

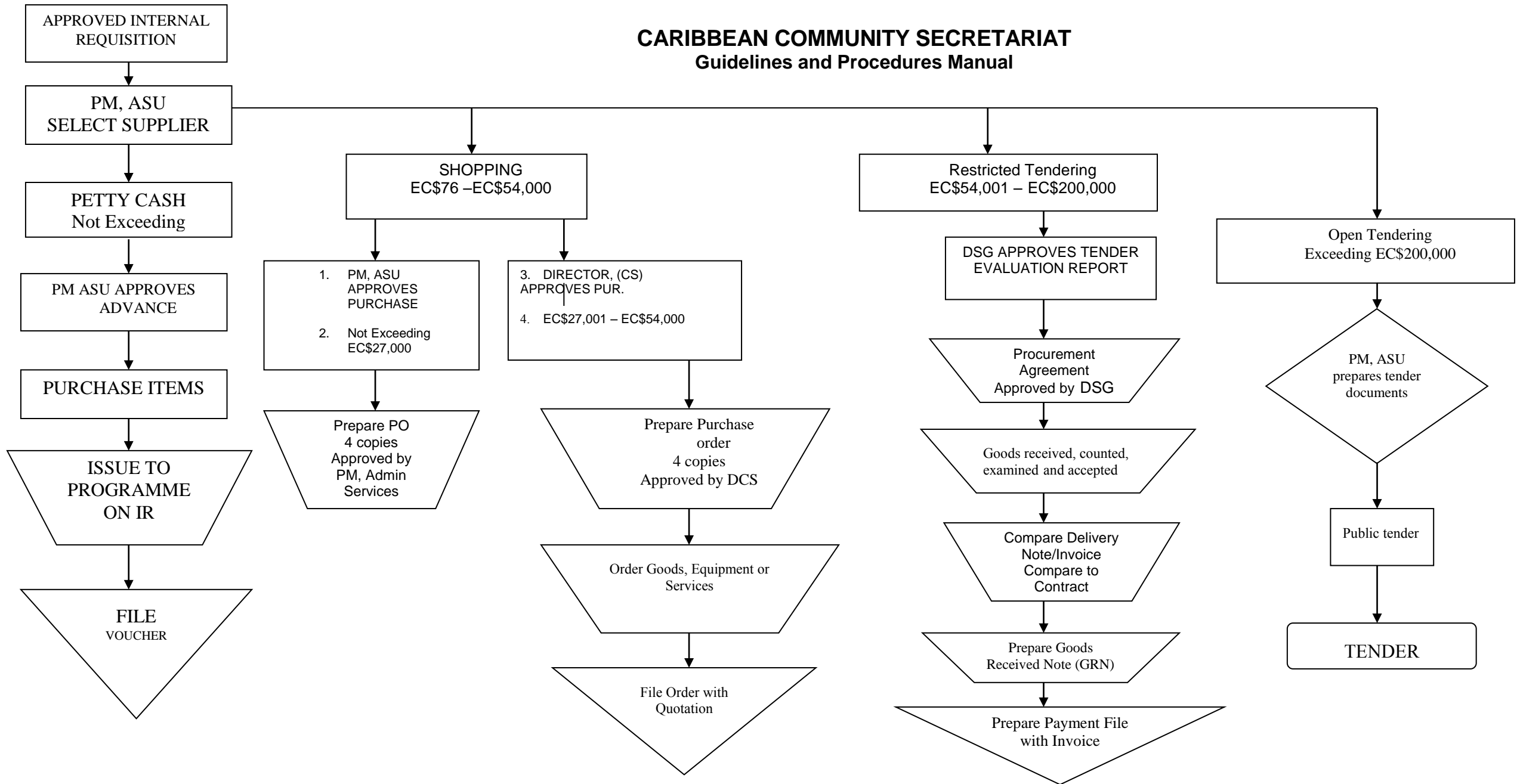
### *Performance Audits*

41. Performance audits will be carried out at least once every three years to measure the extent to which the policies laid down in this manual are being followed. Parameters should be set up by means of which effectiveness can be measured.



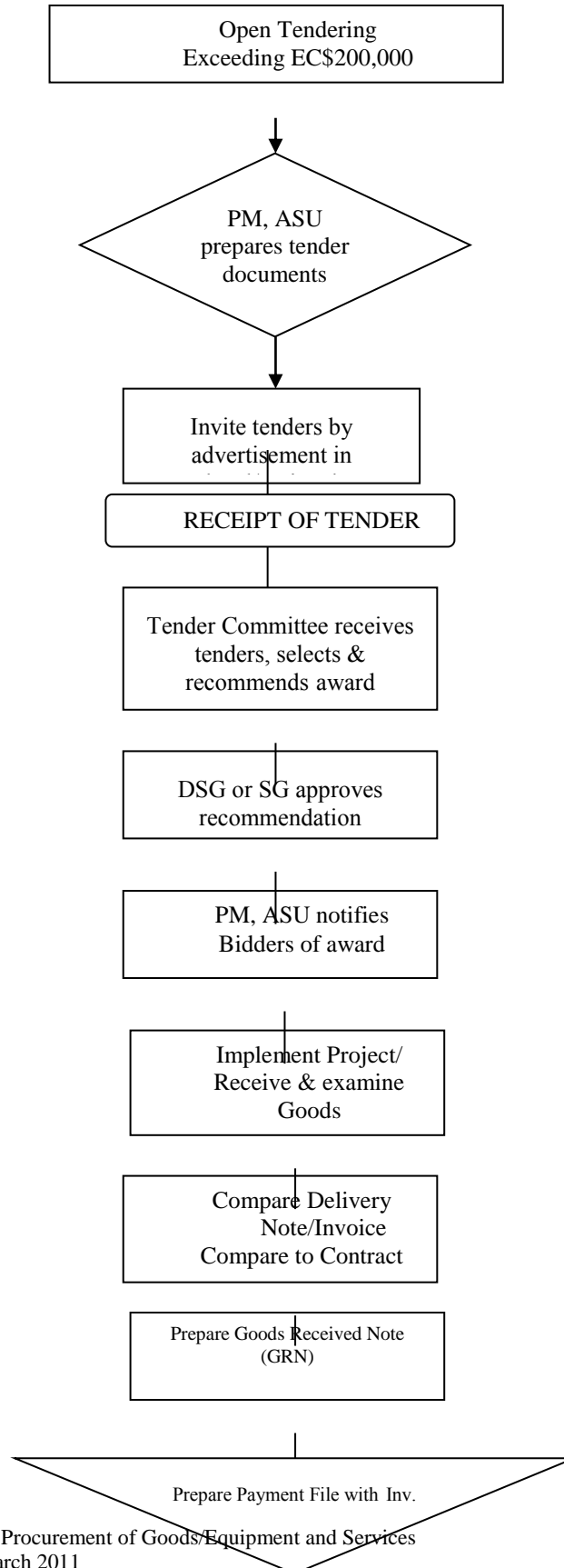
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### *PROCEDURES*

#### *Procurement Methods*

42. Purchases exceeding EC\$75 will be made from suitably qualified suppliers on the following basis

-

- |        |                               |   |                      |
|--------|-------------------------------|---|----------------------|
| 42.1   | Up to EC\$75                  | - | Petty Cash           |
| 42.2   | EC\$76 - EC\$54,000           | - | Shopping             |
| 42.3   | Over EC\$54,001 - EC\$200,000 | - | Restricted Tendering |
| 42.3.1 | Over EC\$200,000              | - | Open Tendering       |

#### *Petty Cash*

43. Purchases not exceeding EC\$75 or its equivalent may be made from petty cash. Authorisation for keeping Petty Cash on hand and manner for determining the limit replenishment of the Petty Cash imprest are set out in the Financial Rules and the Accounting Manual. Purchases shall not be divided into sub-sets to circumvent the bidding requirements.

#### *Shopping*

44. The following requirements apply to Shopping:

- 44.1 Goods, equipment and services valued from EC\$76 to EC\$54,000 shall be procured by “Shopping”;
- 44.2 On receipt of an Internal Requisition with detailed specifications from the requesting programme, the Programme Manager Administrative Services will select from the CARICOM Secretariat’s approved Vendors’ Database, at least three suppliers of the required item(s) and solicit quotations.
- 44.3 Quotations will be solicited using the standard “Request for Quotations” (RFQ), see Annex C1. These RFQs shall furnish quantities and specifications of the goods/services required;
- 44.4 A minimum of three days shall be given for submission of quotations;
- 44.5 A matrix of responses received shall be prepared for purpose of analysis and recommendation;
- 44.6 Where the value of goods, equipment or services being procured is equivalent to EC\$27,000 or less, the Programme Manager Administrative Services is authorised to approve the purchase;

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- 44.7 Where the value of goods, services or equipment being procured is greater than EC\$27,000 and up to EC\$54,000 the Director Corporate Services will approve the purchase on the recommendation of the Programme Manager, Administrative Services.

### ***Restricted Tendering***

45. The following requirements apply to Restricted Tendering:

- 45.1 Goods, equipment and services valued from EC\$54,001 to EC\$200,000 shall be procured using the Restricted Tender procedure;
- 45.2 The Procurement Officer, using the Invitation to Tender (Annex C2), shall invite at least five appropriate Suppliers/Contractors from the CARICOM Secretariat's approved Vendors' Database to tender.
- 45.3 If five Suppliers/Contractors cannot be found after reasonable attempts have been exhausted, three will be invited to submit tenders;
- 45.4 Tenderers shall be given a minimum of twelve (12) days for the submission of tenders. During this interval, tenderers may request clarifications in writing eight (8) days before the deadline for submission of the tenders. The responses to the request for clarification must be done in writing and copied to all tenderers on the short list at least five (5) days before the deadline for submission of tenders. If necessary, the deadline for submission of tenders may be extended. No amendments to the tender shall be accepted after the deadline, although amendments may be submitted before such deadline.

### **Receipt of Tenders**

- 45.5 Tenders will be placed by the tenderers in a Tender Box located in a designated place at the CARICOM Secretariat's office. The Tender Box will be sealed promptly at the closing time and date specified in the Invitation to Tender;
- 45.6 In the event that a Tender arrives by mail or courier, provision should be made for the Registry staff to note the date and time of receipt on the package/envelope and place same in the Tender Box;
- 45.7 Two (2) keys to the Tender Box will be kept, one by the Programme Manager Administrative Services and the other by the Programme Manager Finance. Arrangements must be put in place to ensure that no officer at any time controls both keys to the Tender Box.

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### **The Tenders Committee**

- 45.8 The Tenders Committee shall comprise the following personnel:
- (i) Programme Manager Administrative Services or Alternate as Chairman;
  - (ii) A Procurement Officer as Secretary;
  - (iii) A representative of the Finance Programme;
  - (iv) A representative of the Programme requiring the good or service;
  - (v) A representative of the Legal Division.
- 45.9 All members of the Tenders Committee and any observers must sign a Declaration of Confidentiality and Impartiality form (see Annex D1) prior to the opening of the proposals. Any Tenders Committee member or observer who has a potential conflict of interest with any tenderer must so declare and withdraw immediately from the Tenders Committee.

### **Opening and Selection of Tenders**

- 45.10 The Tender Box will be jointly opened by the Programme Manager Administrative Services or Alternate and the representative from the Finance Programme in the presence of the Tenders Committee;
- 45.11 The Committee Chairperson will open all tenders at the meeting and each member of the Committee in attendance will initial each tender;
- 45.12 The Committee Chairperson will complete a Tender Administrative Grid (Annex D2), to record the administrative compliance of each tender. Tenders not satisfying the requirement of the Administrative checklist shall be disqualified;
- 45.13 Tenders will be evaluated for compliance to the technical specifications using the technical evaluation grid included in the tender documents. Tenders satisfying the technical specifications shall be ranked based on price. The evaluation committee will select the lowest evaluated tender and prepare an evaluation report, which documents the rationale for the selection and makes recommendations for the award;
- 45.14 The Committee Chairperson will forward the evaluation report to the Deputy Secretary-General, through the Director Corporate Services, for approval;
- 45.15 Within seven (7) working days of approval, the successful tenderer will be notified of the award and requested to indicate their acceptance, in writing, within three days;
- 45.16 Once the award has been accepted, the successful tenderer will be invited to discuss implementation with the Programme Manager, Administrative Services;
- 45.17 In the event a successful tenderer does not accept the award, it shall be offered to the tender with the next lowest evaluated price;

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- 45.18 The CARICOM Secretariat will then issue a Purchase Order or enter into a Contract with the supplier/contractor depending on the nature of the goods or services being procured;
- 45.19 Once the award has been accepted, the Programme Manager, Administrative Services will also notify the unsuccessful tenderers within three (3) days, the outcome of the tender procedure.

### **Cancellation of Tender**

- 45.20 If the Tenders Committee determines that the Tender should be cancelled, the requisite report will be prepared and submitted to the Deputy Secretary-General, through the Director Corporate Services, for approval to cancel;
- 45.21 Tenderers shall be notified in writing if the tender procedure has been cancelled, at any stage of the process.

### ***Open Tendering***

46. The following requirements apply to Open Tendering:

- 46.1 Purchases exceeding EC\$200,000 shall require “Open Tendering”.

#### **Tender Process**

- 46.2 The Programme Manager Administrative Services or delegate will be responsible for putting together a detailed Supply Contract Notice (Annex C4) and Tender Document for publication on the CARICOM Secretariat’s website. See Annexes C4 to C15 for template.
- 46.3 The Tender document shall contain the following:
- (i) Invitation Letter-Annex C5
  - (ii) Instructions to Tenderers – Annex C6
  - (iii) Draft contract – Annex C7
  - (iv) Draft Special Conditions of Contract – Annex C8
  - (v) General Conditions of Contract – Annex C9
  - (vi) Detailed Technical Specifications – Annex C10
  - (vii) Blank tender forms and Schedule – Annex C11-C15
- 46.4 A Summary Procurement Notice (Annex C3) will be published in the local newspapers of CARICOM Member States, the CARICOM Secretariat’s Web Site and other relevant web sites.

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- 46.5 The Summary Procurement Notice will clearly indicate the identification name of the goods/services to be supplied, the closing date and time, the place for delivery of bids, and where the detail supply contract notice tender document can be located.
- 46.6 Tenderers shall be given a minimum of thirty (30) days for the submission of their tenders. During this interval, the tenderer may request clarifications in writing, to the contact person stated in the Instruction to Tenderers at least fourteen (14) days before the deadline for submission of the tenders. The responses to the request for clarification shall be done in writing and published on the CARICOM website at least ten (10) days before the deadline for submission of tenders. If necessary, the deadline for submission of tenders may be extended. No amendments to the tender shall be accepted after the deadline, although amendments may be submitted before such deadline.

### **Receipt of Tenders**

- 46.7 Tenders will be placed by the tenderers in a Tender Box located in a designated place at the Secretariat's office. The Tender Box will be removed promptly at the closing time and date specified in the Invitation to Tender.
- 46.8 In the event that a Tender arrives by mail or courier, provision should be made for the Registry staff to note the date and time of receipt on the package/envelope and place same in the Tender Box.
- 46.9 Two keys to the Tender Box will be kept, one by the Programme Manager Administrative Services and the other by the Programme Manager Finance. Arrangements must be put in place to ensure that no officer at any time controls both keys to the Tender Box.

### **The Tenders Committee**

- 46.10 The Tenders Committee shall comprise the following personnel:
- (i) Director Corporate Services or Alternate as Chairman
  - (ii) Programme Manager Administrative Services or Alternate as Secretary
  - (iii) Director Finance or Alternate – Voting
  - (iv) A representative of the Programme requiring the good or service - Voting
  - (v) A representative of the Legal Division – Voting
- 46.11 Where the goods or services being procured is of a highly technical nature, at least two technical persons will be included in the Tenders Committee.
- 46.12 All members of the Tenders Committee and any observers must sign a Declaration of Confidentiality and Impartiality form (Annex D1) prior to the opening of the proposals. Any Tenders Committee member or observer who has a potential conflict of interest with any tenderer must so declare and withdraw immediately from the Tenders Committee. This person will be excluded from any further participation in the Tenders Committee.

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### Opening and Selection of Tenders

- 46.13 The Tender Box will be jointly opened by the Programme Manager, Administrative Services and the Programme Manager Finance in the presence of the Tenders Committee.
- 46.14 The Tenders Committee will open all tenders at a public session and each member of the Committee in attendance will initial each tender. All tenders will be opened in the presence of those tenderers' representatives who may choose to attend. The tenderers' representatives who are present shall sign a register evidencing their attendance.
- 46.15 After the public opening of the tenders, no information relating to the examination, clarification, evaluation and comparison of tenders, or recommendations concerning the award of the contract can be disclosed until after the contract has been awarded.
- 46.16 Any attempt by tenderers to influence the evaluation committee in the process of examination, clarification, evaluation and comparison of tenders, to obtain information on how the procedure is progressing or to influence the CARICOM Secretariat in its decision concerning the award of the contract will result in the immediate rejection of their tenders.
- 46.17 All tenders received after the deadline for submission specified in the Summary Procurement Notice and/or the Instructions to Tenderers will be kept by the CARICOM Secretariat. The associated guarantees will be returned to the tenderers. No liability can be accepted for late delivery of tenders. Late tenders will be rejected and will not be evaluated.
- 46.18 The Committee Chairperson or alternate will complete a Tender Administrative grid (Annex D2), to record the administrative compliance of each tender. Tenders not satisfying the requirement of the Administrative checklist shall be disqualified. Examination of the administrative conformity of tenders.
- 46.19 The aim at this stage is to check that tenders comply with the essential requirements of the tender document. A tender is deemed to comply if it satisfies all the conditions, procedures and specifications in the tender document without substantially departure from or attaching restrictions to them.
- 46.20 Substantial departures or restrictions are those which affect the scope, quality or execution of the contract, differ widely from the terms of the tender document limiting the rights of the CARICOM Secretariat or the tenderer's obligations under the contract, or distort competition for tenderers whose tenders do comply. Decisions to the effect that a tender is not administratively compliant must be duly justified in the evaluation report.
- 46.21 If a tender does not comply with the tender document, it will be rejected immediately and may not subsequently be made to comply by correcting it or withdrawing the departure or restriction.



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### Technical Evaluation

- 46.22 Tenders deemed to administratively compliant will be evaluated for compliance to the technical specifications using the technical evaluation grid included in the tender document, classifying it as technically compliant or non-compliant. Tenders satisfying the technical specifications shall be ranked based on price.
- 46.23 Where contracts include after-sales service and/or training, the technical quality of such services will also be evaluated by using yes/no criteria as specified in the tender dossier.
- 46.24 In the interests of transparency and equal treatment and to facilitate the examination and evaluation of tenders, the evaluation committee may ask each tenderer individually for clarification of its tender including breakdowns of prices, within a reasonable time limit to be fixed by the evaluation committee. The request for clarification and the response must be in writing, but no change in the price or substance of the tender may be sought, offered or permitted except as required to confirm the correction of arithmetical errors discovered during the evaluation of tenders pursuant to Article 20.4. Any such request for clarification must not distort competition. Decisions to the effect that a tender is not technically compliant must be duly justified in the evaluation minutes.

### Financial Evaluation

- 46.25 Tenders found to be technically compliant will be checked for any arithmetical errors in computation and summation. Errors will be corrected by the evaluation committee as follows:
- (i) where there is a discrepancy between amounts in figures and in words, the amount in words will be the amount taken into account;
  - (ii) except for lump-sum contracts, where there is a discrepancy between a unit price and the total amount derived from the multiplication of the unit price and the quantity, the unit price as quoted will be the price taken into account.
- 46.26 Amounts corrected in this way will be binding on the tenderer. If the tenderer does not accept them, its tender will be rejected.
- 46.27 In selecting the most appropriate supplier, Secretariat personnel involved in the process will ensure at all times that:
- (i) The comparative analysis form showing the various prices is completed;
  - (ii) The supplier with the most competitive quote is chosen to provide the goods or services taking the following factors into consideration:
    - Financial implications including: price, terms of payment, transport cost, installation requirements, servicing and maintenance costs;
    - Quality, including specifications, reputation of proposed product or service, demonstrations/samples and experience of other users;

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- Standards of Service, including after sales service, replacement parts, past performance, reliability.

46.28 The Committee will submit a report (Annex C17) with recommendations for the award of the tender to the Deputy Secretary-General or Secretary-General for approval.

### Signature of the Contract and Performance Guarantee

- 47 The successful tenderer will be informed in writing (notification letter Annex C19) within seven (7) working days of approval of the award and invited to discuss implementation with the Programme Manager Administrative Services.
- 48 Before the CARICOM Secretariat signs the contract with the successful tenderer, the successful tenderer must provide the **documentary proof** or statements required under the law of the country in which the company (or each of the companies in case of a consortium) is established, to show that it is not in any of the exclusion situations listed in clauses 17 and 18. This evidence or these documents or statements must carry a date not earlier than one year before the date of submission of the tender. In addition, a statement must be provided that the situations described in these documents have not changed since then.
- 49 The successful tenderer must also provide evidence of financial and economic standing and technical and professional capacity according to the selection criteria specified in the supply contract notice. These proof documents are detailed below:

#### **Proof of economic and financial capacity may be provided by one or more of the following documents:**

- appropriate statements from banks;
- evidence of professional risk indemnity insurance;
- presentation of balance sheets or extracts from balance sheets for at most the last three years for which accounts have been closed, where publication of the balance sheet is required under the company law of the country in which the economic operator is established;
- a statement of overall turnover and turnover for works, supplies or services covered by a contract during a period of no more than the last three financial years

#### **Proof of the technical and professional capacity of the candidate/tenderer may be provided by one or more of the following documents:**

- the educational and professional qualifications of the service provider or contractor;
- a list of the principal services provided or supplies delivered in the past three years, with the sums, dates and recipients, public or private. Evidence of successful implementation must take the form of certificates issued or countersigned by the entity or beneficiary who ordered or purchased the execution of the service or supply;

Candidates/tenderers are allowed to refer either to projects completed within the reference period (although started earlier) or to projects not yet completed. In the first case the project will be considered in its whole if proper evidence of performance is provided (statement or certificate from the entity which awarded the contract or proof of final payment for services or final acceptance for supplies). In case of projects still on-going only the portion satisfactorily

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completed during the reference period will be taken into consideration. This portion will have to be supported by documentary evidence (similarly to projects completed) also detailing its value.

If a candidate/tenderer has implemented the project in a consortium, the percentage that the candidate/tenderer has completed must be clear from the documentary evidence, together with a description of the nature of the services, supplies or works provided if the selection criteria relating to the pertinence of the experience have been used.

Where the services or products to be supplied are complex or, exceptionally, are required for a special purpose, evidence of technical and professional capacity may be secured by means of a check carried out by the CARICOM Secretariat or on its behalf by a competent official body of the country in which the service provider or supplier is established, subject to that body's agreement. Such checks will concern the supplier's technical capacity and production capacity and, if necessary, its study and research facilities and quality control measures.

If the candidate/tenderer is unable to provide the evidence requested for some exceptional reason which the CARICOM Secretariat finds to be justified, it may prove its capacity by any other means which the CARICOM Secretariat considers appropriate

If the tenderer submits a self-declaration/statement as documentary proof, the CARICOM Secretariat reserves the right to ask for further documentary evidence.

- 50 If the successful tenderer fails to provide the documentary proof or statement or the evidence of financial and economic standing and technical and professional capacity within 15 calendar days following the notification of award or if the successful tenderer is found to have provided false information, the award will be considered null and void. In such a case, the CARICOM Secretariat may award the tender to the next lowest tenderer or cancel the tender procedure.
- 51 The CARICOM Secretariat reserves the right to vary quantities specified in the tender by +/- 100 % at the time of contracting and during the validity of the contract. The total value of the supplies may not, as a result of the variation rise or fall by more than 25 % of the original financial offer in the tender. The unit prices quoted in the tender shall be used.
- 52 Within 30 days of receipt of the contract signed by the CARICOM Secretariat, the selected tenderer must sign and date the contract and return it, with the performance guarantee (if applicable), to the CARICOM Secretariat. On signing the contract, the successful tenderer will become the Contractor and the contract will enter into force.
- 53 If it fails to sign and return the contract and any financial guarantee required within 30 days after receipt of notification, the CARICOM Secretariat may consider the acceptance of the tender to be cancelled without prejudice to the CARICOM Secretariat's right to seize the guarantee, claim compensation or pursue any other remedy in respect of such failure, and the successful tenderer will have no claim whatsoever on the CARICOM Secretariat.
- 54 The performance guarantee should be between 5 and 10 % of the contract sum and must be presented in the form specified in annex C11. It will be released within 45 days of the issue of the final acceptance certificate by the CARICOM Secretariat, except for the proportion assigned to after-sales service. On the basis of objective criteria such as the type and value of the contract, the CARICOM Secretariat may decide not to require such a guarantee.

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### Publicising the Award of the Contract

- 55 Once the contract has been signed, a contract award notice (Annex C21) will be prepared and published on the CARICOM Secretariat's website, unless the contract was declared secret of where the performance of the contract must be accompanied by special security measures, or when the protection of the essential interests of the CARICOM Secretariat so requires, and where the publication of the award notice is deemed not to be appropriate.
- 56 If the Tenders Committee determines that the Tender should be cancelled, the requisite report will be prepared and submitted to the Deputy Secretary-General through the Director Corporate Services for approval to cancel.
- 57 Tenderers shall be notified in writing if the tender procedure has been cancelled, at any stage of the process.

### *Direct Award (Single Sourcing)*

58. There may be instances in which a competitive process cannot be used as a means of identifying the most appropriate supplier. In these instances, the Programme Manager, Administrative Services will, with the concurrence of the Director Corporate Services, seek the approval of the Deputy Secretary-General or Secretary-General for Direct Award, providing written justification for the proposal. These instances may arise where the following occurs:
- 58.1 An existing contract for goods or related services, awarded in accordance with procedures acceptable to CCS, needs to be extended for additional goods or services of a similar nature. CCS shall be satisfied that no advantage could be obtained by further competition and that the prices on the extended contract are reasonable. Provisions for such an extension, if considered likely in advance shall be included in the original contract.
- 58.2 There is need to acquire equipment or spare parts that will be compatible with existing equipment and the advantages of another make or source of equipment shall have been considered and rejected.
- 58.3 The required equipment or related service is proprietary and obtainable only from one source.
- 58.4 In exceptional cases, such as in response to a major emergency or natural disaster.
- 58.5 Where a new contract has to be negotiated after early termination of a contract.

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### *Purchases from Petty Cash*

59. Petty Cash is a predetermined amount of money kept at designated locations of the CARICOM Secretariat to meet urgent, unplanned small and non-recurrent payments and reimbursements up to a value of EC\$75.00 or its equivalent.
60. The following procedures apply to purchases from Petty Cash:
- 60.1 All payments made from petty cash must be approved at the level of Programme Manager or above.
  - 60.2 Requests for funds to purchase goods or services should be made to the Petty Cash custodian by Petty Cash Voucher.
  - 60.3 The petty cash custodian ensures that the petty cash voucher is properly completed with the following information:
    - (i) Name of the programme area and payee
    - (ii) Petty cash voucher number
    - (iii) Date of request
    - (iv) Purpose of request for cash
    - (v) Amount of payment or advance amount required
    - (vi) Account/activity allocation
    - (vii) Approval by the Programme Manager or other authorised officer.
  - 60.4 Should the amount advanced be the exact cost of the item it must be recorded as the total cash. If the cost of an item is unknown, an approximate amount of cash is advanced and is noted in the particulars column of the petty cash voucher.
  - 60.5 The recipient of the cash then signs the petty cash voucher and the money is handed over.
  - 60.6 On receipt of the original invoice/receipt, the voucher should be authorised by the relevant Programme Manager or Director and then submitted to the petty cash custodian, along with any related cash change.
  - 60.7 On presentation of the original bill and the relevant cash change by the receiving personnel, the petty cash custodian shall check the calculation, account for the advance, complete the relevant voucher and stamp "PAID" and date, to signify completion of the transaction.
  - 60.8 Details of petty cash disbursements are entered on the summary of petty cash vouchers for reimbursement.
61. A status report should be conducted weekly on all the cash on hand in the Petty Cash float and all the vouchers issued. This must sum up to the total authorised petty cash float. This report must be checked and initialed by the supervisor in charge of the petty cash custodian.

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62. Periodic unannounced spot checks of petty cash will be carried out by the Internal Oversight Officer.
63. Replenishment of the Petty Cash float will be made in keeping with the procedures set out in the Accounting Manual.

### *Suppliers*

64. Material and equipment will be purchased from suppliers in any of the Member States or Associated Member States of CARICOM and from international suppliers.
65. Where the item to be procured can be reliably supplied within the Region, the preference will be to use regional sources of supply. The order of preference for supply source will be:

- 65.1 Supplier in the country where the produce is to be used;
- 65.2 Supplier from another country within the Region;
- 65.3 Supplier from other countries approved by the Secretariat.

66. Reliability of supply source will be indexed by the supplier's reputation. This will be informed by the CARICOM Secretariat's experience, Government sources of information, Trade Publications or Associations where they exist and, where appropriate, customer references.
67. The CARICOM Secretariat will develop a list of credible suppliers which will make up the Vendors' Database with whom it will conduct business. (Additions and deletions to this list will be made from time-to-time). Performance criteria shall include:

- 67.1 On-time delivery of correct goods;
- 67.2 Pricing;
- 67.3 Quality of goods supplied;
- 67.4 Level of services provided;
- 67.5 Reliability.

68. Before a supplier is listed, the Programme Manager Administrative Services will obtain information on each prospective supplier and the goods/services, which can be supplied. This information will be provided by a small sub-committee comprising two Procurement Officers and one staff member from an appropriate Programme area. This committee will compile the relevant list of new, potential suppliers, together with relevant information (a formal profile) and meet once quarterly to review the information and make a recommendation to the Programme Manager for approval. Where necessary, technical advice will be sought from appropriate programme areas of the CARICOM Secretariat on whether the suppliers have the necessary capabilities to perform successfully. Deletions from the Database will follow the same process.

69. Where the need arises for goods and services which can only be obtained from a supplier or contractor that is not on the approved list of suppliers, the Procurement Officer shall request in

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writing, the approval of the Programme Manager Administrative Services to include the supplier/contractor on the list of suppliers. The appropriate process for adding suppliers to the database should then be followed.

### ***Purchasing***

70. All purchases from Petty Cash shall be made using duly authorised Petty Cash vouchers;
71. All purchases above EC\$75.00 will be made on the basis of a Purchase Order that is approved in accordance with the procedures set out below.
72. Blanket orders or fixed price contracts shall be used for repetitive purchases in order to minimise paper work. These should be reviewed annually.
73. The following documents shall be used in the purchasing process:
  - 73.1 Internal Requisition;
  - 73.2 Material/Service Requisition (MSR);
  - 73.3 Purchase Order;
  - 73.4 Contract.

### ***Internal Requisition***

74. Programmes Managers or other persons designated in each Programme Area or Office of the Secretariat are responsible for preparing the Internal Requisition form and submitting it to the Procurement sub-programme. The Internal Requisition form will clearly define the stock code (for inventory items), description, specifications and quantity of the good or service which is required.
75. In the case of Capital items not identified in the approved capital budget, the Internal Requisition will be accompanied by a Memorandum of Justification (MOJ) endorsed by the appropriate ASG or Director.
76. Where the item requested is unavailable in the Stores, the Procurement sub-programme will prepare a Material/Service Requisitions form.

### ***Material/Service Requisition [MSR]***

77. An MSR is a pre-numbered three-part document, which is initiated by the Programme Manager, Administrative Services or delegate to initiate the procurement process.
78. The MSR will provide all information needed to specify the goods and services required and will be prepared on the basis of the requirements defined in the Internal Requisition form. The MSR will also contain estimated cost, account number against which the expenditure is to be charged and information on whether the expenditure is budgeted or not, and if budgeted the balance in the budget line.

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79. The requisitioning Programme may recommend a supplier or suppliers when this becomes necessary because of the technical nature of the requirement. When the requisitioning Programme recommends a supplier, the reason for said recommendation must be stated on the MSR. Ultimate selection of supplier is the responsibility of the Administrative Services Sub-Programme.
80. The responsibility for authorisation of the MSR is vested in the Programme Manager, Administrative Services who is responsible for ensuring that:
- 80.1 The items requested are not available in the Stores at the Secretariat
  - 80.2 Funds are available within the budget of the relevant Programme and the Secretariat's cash budget to purchase the item;
  - 80.3 Purchasing of the item is in keeping with the Procurement Plan
  - 80.4 Approval is obtained in writing from the Deputy Secretary-General if the item(s) required is (are) not budgeted for or the amount will exceed the budget;
  - 80.5 The correct specification or description of the item(s) required is included;
  - 80.6 The yellow copy (or book copy) is returned to the relevant Programme;
  - 80.7 The second copy (pink) of the requisition remains in the ASU.
  - 80.8 The original (white) copy is forwarded to the Finance Sub-Programme.
  - 80.9 The MSR is recorded in the Purchase Log
  - 80.10 The selection of the supplier is initiated.
81. Certification of availability of funds will be the responsibility of the Programme Manager, Finance or delegate.

### ***Purchase Order***

82. A Purchase Order is a legal document that, when completed, commits the Secretariat to a purchase transaction as specified therein. The Purchase Order form is pre-numbered and incorporates appropriate terms and conditions governing the transactions. All Purchase Orders shall be issued in response to approved MSRs.
83. The Programme Manager Administrative Services is responsible for ensuring that the Purchase Order is made out in quadruplicate with the following information:
- 83.1 Date the order was placed
  - 83.2 Supplier's name and address
  - 83.3 Details of goods/services being ordered
  - 83.4 Price of goods/services as per quotation
  - 83.5 Requisitioning Programme and MSR number
  - 83.6 Account/activity to be charged
  - 83.7 Delivery instructions including proposed date
  - 83.8 Period of validity
  - 83.9 Terms of purchase.



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84. Prior to issue to selected suppliers, Purchase Orders shall be signed by the Programme Manager, Administrative Services for amounts up to EC\$27,000.00 and the Director, Corporate Services or delegate for amounts in excess of EC\$27,000.00, after which it is returned to the ASU for distribution as follows:

- |      |                     |   |                                   |
|------|---------------------|---|-----------------------------------|
| 84.1 | Original (white)    | - | Supplier                          |
| 84.2 | First copy (yellow) | - | Finance Programme                 |
| 84.3 | Second copy (green) | - | Ordering/requisitioning programme |
| 84.4 | Third copy (blue)   | - | Retained by ASU                   |

85. The Programme Manager Administrative Services is also responsible to ensure that

- 85.1 Approved Purchase Orders are recorded against the relevant MSR in the Purchase Log.
- 85.2 All Purchase Orders, MSRs and bid documents for each purchase shall be kept on file for audit purposes for a period of seven (7) years.

### ***Cancellation of Purchase Order***

86. A Purchase Order may be cancelled if the item ordered is not supplied within the time frame specified on the Purchase Order or within a reasonable period of time thereafter, or if the supplier fails to meet the specifications of the order shall be considered cancelled. The word “cancelled” should be written or stamped conspicuously across the face of all copies of the relevant document together with the date of cancellation and the signature of the person cancelling the order. All copies must be bound together and filed in the Purchase Order file.

87. If orders are to be cancelled, the Programme Manager Administrative Services shall notify suppliers promptly in writing specifying the reason for cancellation of the order. A copy of the letter must be attached to relevant copies of the cancelled Purchase Order in the Purchase Order file and in the relevant Supplier file.

88. When the requisitioning Programme decides to cancel a Purchase Order that has been delivered to a supplier, communication of that decision must be given in writing to the Programme Manager Administrative Services who will issue a cancellation order in the form of a letter addressed to the supplier, giving reasons for the cancellation and requesting return of the original Purchase Order. Copies of cancelled Purchase Order and letter shall be filed as above.

### ***Terms and Conditions of Purchasing Agreements***

89. The maximum deviation between the Purchase Order price and the invoice price shall be fifteen percent (15%) of the price on the Purchase Order.

90. Variations that exceed that value shall require approval of the Deputy Secretary-General or Secretary-General.

91. The payment terms for all purchases shall normally be net thirty (30) days after delivery.

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### *Supply Contract*

92. In those circumstances where this is relevant (e.g. highly technical equipment, long term contracts), upon the approval of the recommended supplier, the Programme Manager Administrative Services will liaise with the Legal Division to prepare a Contract on behalf of the Secretariat. Among other things, the contract may require the provision of;
- 92.1 A Performance Bond or Letter of Guarantee to protect the Secretariat against any errors in goods supplied.
  - 92.2 A Bank Guarantee to cover the advance of twenty per cent (20%) of contract price, if the contract provides for an advance payment to the supplier, and to ensure its recovery by the Secretariat.
93. A copy of the Contract will be sent to the selected supplier for review and agreement. The covering letter will identify any corrections or changes made to the Proforma Agreement, which were not previously discussed and/or communicated in writing.
94. Once agreed, the Deputy Secretary-General or the Secretary-General will sign four (4) copies of the Contract. The supplier will also sign all copies and return them to the Programme Manager Administrative Services who will verify them as unaltered and exact copies.
95. The original copies of the Agreement will be distributed as follows:
- 95.1 one to the Legal Division for safe-keeping
  - 95.2 one to Finance
  - 95.3 one to the Supplier
  - 95.4 one to be retained with the file in ASU
96. A copy of the Agreement will be provided to the relevant Programme Manager of the requisitioning programme.
97. Once the contract has been signed, any expansion in the scope of work must be authorised by the Deputy Secretary-General or Secretary-General and shall be agreed by both parties. A contract may be renewed a maximum of three times before a new procurement process must be undertaken.

### *Supplier Payments*

#### **Advance Payment**

98. In the case of large contracts, the supplier may request the payment of an advance. Advance payments shall require approval of the Deputy Secretary-General or the Secretary-General and should not normally exceed 20% of the cost of the goods or service.
99. Advances may be made for the purchase of materials and must be accounted for in the final payment.

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100. The Programme Manager Administrative Services will keep a record of the advance granted and will make the necessary adjustments to subsequent claims for payment submitted by the supplier, to ensure the recovery of the advance. Upon total recovery of the advance, the supplier may request, and the Secretariat shall release to the Supplier, the Bank Guarantee, if previously supplied.

### **Progress Payments**

101. On relatively long contracts, particularly with training and maintenance components, the supplier may request periodic or monthly payments. If provision has been made for such in the terms of the Contract, the supplier will submit progress invoices detailing exactly what was delivered to date and the cost.
102. The Programme Manager Administrative Services will ensure that all necessary verifications of supplies delivered, training completed, maintenance performed and billed for, have been carried out by the responsible member of the study/project team before she/he issues the recommendation for payment of the claim to the Finance Programme. The Programme Manager Administrative Services will also review these progress payments against the total sum, quantities, services and timing of the Contract to ensure proper management of the output results as a whole against accumulated payments to date. The Programme Manager Administrative Services will prepare and sign a "Recommendation for Payment" form, setting out the amount recommended for payment at each period. This will be issued to the Finance Programme to process the payment and update the Budget codes and other financial records.
103. The Programme Manager Administrative Services or delegate will also maintain a running total of such payments to manage the cost of the contract. This total will be checked against the Finance Programme's records each month-end for accuracy. The Programme Manager Administrative Services will be required to certify the deliverables against payment, as appropriate.
104. On satisfactory completion of the Contract, the Programme Manager Administrative Services will issue the final "Recommendation for Payment" to the supplier for review and concurrence, as appropriate.

### ***Final Statement of Account***

105. In keeping with the terms of the Supply Contract, the supplier will submit to the Programme Manager Administrative Services a draft final statement of account with supporting documents showing in detail the value of the supplies provided in accordance with the Contract, together with all further sums which the supplier considers to be due to her/him under the Contract in order to enable the Programme Manager Finance to prepare the final statement of account.
106. Within 15 days after receipt of this draft final statement of account and of all information reasonably required for its verification, the Programme Manager Administrative Services will prepare and sign the final statement of account, which determines:

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- 106.1 the amount which is finally due under the Contract; and
  - 106.2 after establishing the amounts previously paid by the Secretariat and all sums entitled under the Contract, the balance, if any, due from the Secretariat to the supplier, or from the supplier to the Secretariat.
107. The Programme Manager Administrative Services will agree this statement with the supplier. The supplier will sign the final statement of account as an acknowledgement of the full and final value of the supplies provided under the Contract and return it to the Programme Manager Administrative Services. Programme Manager Administrative Services will submit the statement to the Secretariat's Accounting Section for payment within fifteen (15) working days of receipt of the approved statement, and processing of accounting entries to the ledgers.
108. However, should the final statement of account be in dispute, the Programme Manager Administrative Services will first resolve the dispute according to the terms set out in the contract prior to final settlement of account.

### ***Procurement of Highly Technical Material, Equipment and Services***

109. Where the material/equipment and services to be procured are highly technical and must meet defined specifications and/or require special handling and shipping arrangements or expertise for installation, training, maintenance and related services, the following must be considered:
- 109.1 The technical specifications in relation to the desired output results of the study/project and the Secretariat's overall Procurement Plan;
  - 109.2 The technical competence of the supplier/distributor in interpreting and providing goods with the required specifications;
  - 109.3 The technical capability of the supplier to competently handle the order;
  - 109.4 The experience of the supplier in dealing with similar orders;
  - 109.5 The financial capability of the supplier;
  - 109.6 The ability of the supplier to deliver within agreed time frames;
  - 109.7 The reputation of the supplier for after-sales service.
110. Where supply within the region is precluded on any of the above considerations, procurement will be undertaken internationally.

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### *Delivery and Acceptance of Goods*

111. The supplier will deliver the supplies in accordance with the terms specified in the Contract and the supplies shall remain at the risk of the supplier until provisionally accepted by the Secretariat.
112. The supplier will provide such packaging of the supplies as is required to prevent their damage or deterioration in transit to their final destination as indicated in the Contract.
113. The packaging will be sufficient to withstand, without limitation, rough handling; exposure to extreme temperatures; salt and precipitation during transit and open storage. Package size and weights will take into consideration, where appropriate, the remoteness of the final destination of the supplies and the possible absence of heavy handling facilities at all points in transit.
114. The packaging, marking and documentation within and outside the packages will comply with such special requirements as will be expressly provided for in the Contract, subject to any variation subsequently ordered by the Programme Manager Administrative Services or delegate.
115. Each delivery must be accompanied by a statement detailing:
  - 115.1 The date of delivery;
  - 115.2 The reference number of the Contract;
  - 115.3 The identification of the supplier;
  - 115.4 Particulars of the goods supplied and, where appropriate, details of how they were divided for packing;
  - 115.5 Particulars of the shipping agent, and arrangements and the estimated arrival date of the vessel.
116. Each package must be clearly marked with its order number as shown on the statement and contain a list of its contents.
117. All materials and goods supplied under the Contract will be fully insured by the supplier with the Secretariat as beneficiary, against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the Special Conditions.
118. When goods are delivered, the person receiving the goods establishes that the goods agree with the Purchase Order and packing list, which accompanies goods, as regards quantity, quality and/or other specification.
119. The person receiving the goods or service will sign the delivery note/invoice as having received the supplies in good condition and that the quantities billed were received (any discrepancies are noted in the document) and will complete the Goods/Services Received Summary Form in triplicate.

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120. All copies of the Goods/Services Received Summary Form are forwarded to the Programme Manager Administrative Services. Procurement sub-programme will check to confirm that the items received were those ordered at the price arranged and that the specifications are correct and will record the number and date of the Goods/Services Received Summary against the relevant Purchase Order in the Purchase Log. The documents will be stamped and initialed by the Programme Manager Administrative Services or delegate as having been recorded.
121. Procurement sub-programme will forward copies of the Goods/Services Received Summary Form to the Finance Programme along with the delivery note/invoice, and the requisitioning/receiving Programme. The Finance Programme will update the Asset Register a necessary in keeping with the requirements laid out in the Financial Rules and Accounting Manual.
122. The Programme Manager Procurement is responsible for follows up on any inconsistencies with the Manager of the receiving Programme and for taking necessary action to resolve issues.

### ***Foreign purchases***

123. In the case of foreign purchases, suppliers will, by way of a proforma invoice and air/sea waybill (sent via facsimile), notify Procurement sub-programme when goods are shipped and the expected arrival date of shipment. Procurement sub-programme will advise the requisitioning Programme of the expected arrival date and will prepare an MSR and Purchase Order for customs brokerage services. The Procurement sub-programme will forward a copy of the air/sea waybill to the selected customs broker along with the relevant Purchase Order.

### ***Partial deliveries***

124. Partial deliveries may be based on contracts/agreements for goods/services which are delivered/rendered over a period of time e.g. equipment rental.
125. The person receiving such goods or services completes a Goods/Services Received Summary Form showing the following: the supplier, the requisitioning Programme, the Purchase Order/contract number, date, delivery note/invoice numbers and detailed description of the goods/services received and forwards it to the Programme Manager Administrative Services for processing.
126. The Procurement sub-programme is responsible for monitoring the process to ensure complete delivery is obtained as ordered.

### ***Quality of Supplies***

127. The supplies must in all respect satisfy the technical specifications laid down by the Contract and conform in all respects with the drawings, surveys, models, samples, patterns and other requirements in the Contract.
128. Goods must be replaced immediately by the supplier if examination reveals defects or faults. The supplier will be given the opportunity to repair and make good materials and items, which have been rejected, but such materials and items will be accepted for incorporation in the

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supplies only if they have been repaired and made good to the satisfaction of the Programme Manager Administrative Services and the requisitioning Programme Manager.

### ***Inspection and Testing***

129. The supplier will ensure that the supplies are delivered to the place of acceptance in time to allow the Programme Manager Administrative Services or delegate to proceed with acceptance of the supplies.
130. The Programme Manager Administrative Services, the requisitioning Programme Manager or their respective delegates will be entitled to inspect, examine, measure and test the components, materials and workmanship and check the progress of preparation, fabrication or manufacture for delivery under the Contract in order to establish whether the components, materials and workmanship are of the requisite quality and quantity. This will take place at the place of manufacture, fabrication or preparation, or the place of acceptance, or at such other places as may be specified in the Contract.
131. For the purposes of such tests and inspections, the supplier shall:
  - 131.1 provide to the CARICOM Secretariat temporarily and free of charge, such assistance, test samples or parts, machines, equipment, tools, labour, materials, drawings and production data as are normally required for inspection and testing;
  - 131.2 agree with the Programme Manager Administrative Services or delegate on the time and place for tests;
  - 131.3 provide access for the Programme Manager Administrative Services or delegate at all reasonable times to the place where the test is to be carried out.
132. If the Programme Manager Administrative Services or delegate is not present on the date agreed for tests, the supplier may, unless otherwise instructed by the Programme Manager Administrative Services, proceed with the tests. The supplier will forthwith forward duly certified copies of the test results to the Programme Manager Administrative Services, who will, if she/he has not attended the test, be bound by the test results.
133. If the Programme Manager Administrative Services and the supplier disagree on the test results, each will give a statement of their views to the other within fifteen (15) days after such disagreement arises. The Programme Manager Administrative Services or the supplier may require such tests to be repeated on the same terms and conditions or, if either party so requests, by an expert to be selected by common consent. The results of the re-testing will be conclusive. The cost of re-testing will be borne by the party whose views are proved wrong by re-testing.

### ***Verification Operations***

134. The supplies will not be accepted until the prescribed verifications and tests have been carried out at the expense of the supplier and the results accepted.

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### *Warranty Obligations*

135. The supplier will warrant that the supplies are new, unused, of the most recent models and incorporate all recent improvements in design and materials, unless otherwise provided in the Contract. The supplier will further warrant that all supplies will have no defect arising from design, materials or workmanship, except insofar as the design or materials are required by the specifications, or from any act or omission of the Secretariat that may develop under use of the supplies in the conditions obtaining in the state of the beneficiary.
136. This warranty will remain valid for a mutually agreed period after the supplies have been delivered and commissioned at the final destination indicated in the Contract.
137. The supplier will be responsible for making good any defect in or damage to any part of the supplies which may appear or occur during the Warranty Period, and which arise either:
  - 137.1 from the use of defective materials, faulty workmanship or design of the supplier; or
  - 137.2 from any act or omission of the supplier during the Warranty Period; or
  - 137.3 in the course of an inspection made by, or on behalf of, the Secretariat.

### *After Sales Service*

138. After sales service, if required by the Contract, will be provided in accordance with the details stipulated in the Contract. The supplier will undertake to carry out or have carried out the maintenance and repair of supplies and to provide a rapid supply of spare parts. The Contract will specify the particular after sales service required and will include providing and installing spare parts that the Secretariat may elect to purchase from the supplier, provided that this election will not relieve the supplier of any warranty obligations under the Contract.

## **INVENTORY MANAGEMENT**

### *Stock Replenishment*

139. The Stores Clerk will be responsible for establishing reorder levels for each inventory item and for performing periodic checks on physical balances.
140. The Stores Clerk will submit to the Administrative Assistant Procurement, by the end of November each year, the proposed re-order quantities of each stock item for review, which is to commence the reorder cycle for the first half-year replenishment of stock.
141. After the re-order quantities have been approved, the Stores Clerk will prepare and submit to the Administrative Assistant-Procurement, the Stores Requisitions (Purchase Requisitions).
142. This process will be repeated starting at the end of May each year to commence the reorder cycle for the second half-year replenishment of stock.



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### *Issuing of Goods*

143. Duly approved Internal Requisitions (IRs) for Inventory Items will be given to the Stores Clerk for issues in a manner that facilitates the first in first out principle.
144. After issue, the Stores Clerk will update the respective stock card. The new balance will be indicated on the stock card and the unit and total cost for each item issued will be stated on the IR.

### *Stock Count*

145. The Stores Clerk is responsible for conducting quarterly stock counts of fast moving items, which must be reviewed and approved by the Administrative Assistant Procurement. Internal Auditors should be invited to witness the stock take/count during the second quarter.
146. A year end stock count of all stock items should be conducted and the external auditors should be invited to witness.
147. Discrepancies between stock card and physical stock must be recorded and followed up. Corrections should be approved by Administrative Assistant Procurement.

### *Disposal of Inventory Items*

148. Obsolete, expired, redundant and damaged inventory must be identified and removed from the stores inventory on an annual basis or as often as is necessary.
149. A write-off memo giving reason for disposal must be completed and submitted by the Administrative Assistant Procurement to the Programme Manager, Administrative Services, for approval.

### ***AUTHORITIES AND RESPONSIBILITIES***

150. The responsibility for providing inputs on materials and equipment which would inform the development of the over-all Procurement Plan – All Programme Managers.
151. To identify and document material and equipment needs during the project planning phase of the study/project (or routine purchases at the CARICOM Secretariat) - the requisitioning Programme Manager.
152. To ensure compatibility of product type, quality and cross-functional usage - The requisitioning Programme Manager in collaboration with the Programme Manager Administrative Services or, in the case of highly technical equipment, in collaboration with the Programme Manager Integrated Information Systems or other relevant and technically competent officer.
153. To make a request for Procurement using an Internal Requisition form - the requisitioning Programme Manager or delegate.

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154. To certify the availability of funds thereby indicating that the study/project budget is adequate to meet the financial needs of the Purchase Order - the Programme Manager, Finance or delegate.
155. To initiate an MSR - The Programme Manager Administrative Services or delegate.
156. To initiate a Purchase Order - The Programme Manager Administrative Services or delegate.
157. To ensure that the budget line item is charged in accordance with the established budget line coding of the CARICOM Secretariat - the Programme Manager, Finance or delegate.
158. To approve the Purchase Order (PO) - the Director, Corporate Services or delegate and the Programme Manager, Administrative Services.
159. To forward the P.O. (original and duplicate copy) to the supplier in order to procure the material/equipment - the Programme Manager Administrative Services or delegate.
160. All contracts will be signed by the Secretary General or Deputy Secretary-General.
161. To recommend for payment – the Programme Manager Administrative Services or delegate.
162. In cases of Direct Award(Single Sourcing) to select the supplier and provide adequate justification for the selection - the Programme Manager Administrative Services in collaboration with the requisitioning Programme Manager.
163. In cases of Restricted Tendering, the Tenders Committee will make a recommendation on Supplier to the Deputy Secretary-General, through the Director Corporate Services.
164. In cases of Open Tendering, the Tenders Committee will make a recommendation on Supplier to the Deputy Secretary-General, through the Director Corporate Services.
165. To prepare the invitation to tender - the Programme Manager Administrative Services or delegate in collaboration with the requisitioning Programme Manager.
166. To prepare the Tender Committee Report detailing the selection and evaluation process and deliberations – Tender Committee Chairperson.
167. To advise the successful supplier within seven (7) working days of the approval and to enter into a Contract with the supplier - the Programme Manager Administrative Services.
168. To prepare the contract – Legal Division.
169. To approve an advance on the contract sum – the Deputy Secretary-General.
170. To approve a variation the scope of work in the Contract – the Secretary-General or Deputy Secretary-General.

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171. **In the absence of the Deputy Secretary-General, the Secretary-General will identify the designate who will have the authority and responsibility of this functionary in the execution of the Procurement process.**

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### Appendix I: General Information on Broad Control Objectives

OBJECTIVES	CONTROL CONSIDERATIONS	RISK CONSIDERATION
<p>1. Requisitioning: all requests for goods and services are initialed and approved by authorized individuals.</p> <p>2. Purchasing: all Purchase Orders are based on valid, approved quotes and are properly executed as to price, quantity, quality and vendor.</p> <p>3. Receiving: all materials and services received with the original Purchase Orders.</p> <p>4. Invoice Processing: all invoices processed for payment represent goods and services received and are accurate as to terms, quantities, prices and extensions, account distributions are accurate and agree with established account classifications.</p> <p>5. Disbursements: all cheques are prepared on the basis of adequate and approved documentation compared with supporting data and properly approved, signed and mailed.</p> <p>6. Accounting: all invoices and disbursements are promptly and accurately recorded as to payee and amount. All entries to accounts payable asset and expense accounts and cash disbursement accounts, are properly accumulated, classified and summarized in the accounts.</p>	<p>1. Purchase Orders are based on approved requests.</p> <p>2. Purchase Orders are properly executed as to price, quantity, quality and vendor.</p> <p>3. Purchase Orders are reviewed and properly approved.</p> <p>4. Materials received and agreed to Purchase Orders.</p> <p>5. Finance Programme directly receives invoices and copies of Purchase Orders and goods received notes.</p> <p>6. Invoice quantities, prices and terms are agreed to Purchase Orders.</p> <p>7. Invoice amounts are coded to proper asset and expense accounts.</p> <p>8. Summary totals are properly developed and posted in general ledger.</p> <p>9. Batching procedures are used to ensure all documents forwarded to data processing are properly key transcribed, edited, processed and returned to the originating department.</p>	<p>1. Purchase from unauthorized vendors.</p> <p>2. Purchase are not timely.</p> <p>3. Purchases are in violation of conflicts of interest/ business practice policies.</p> <p>4. Payment in excess of optimum price.</p> <p>5. Quantities not adequate or in excess of need.</p> <p>6. Quality of goods purchased or services received is sub-standard.</p> <p>7. Damaged or missing goods not reported.</p> <p>8. Payment for goods and services not received.</p> <p>9. Payment based on improper price or terms.</p> <p>10. Accounts improperly reflect transactions.</p> <p>11. Incorrect or duplicate payments.</p> <p>12. Alteration of cheques.</p> <p>13. Improper cash and accounts payable general ledger balances.</p> <p>14. Misleading financial statements.</p> <p>15. Misleading internal financial reports.</p> <p>16. Imperative Budgetary controls.</p>

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