



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)



WORLD BANK

PROCURING CONSULTANT SERVICES

The Selection Process and Selection Methods



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Steps in the Selection Process

- (a) Preparation of the TOR of the assignment
- (b) Preparation of the cost estimate or budget of the assignment
- (c) Public invitation of consultants' expressions of interest (EOIs)
- (d) Shortlisting of consultants
- (e) Preparation and issuance of the RFP to shortlisted consultants
- (f) Preparation and submission of proposals by consultants



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Steps Continued

- (g) Evaluation of technical proposals—quality evaluation
- (h) Opening and evaluation of financial proposals— cost evaluation
- (i) Combined quality and cost evaluation to select the winning proposal (under QCBS)
- (j) Negotiations and signing of the contract between the Borrower and the consultants



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Main Considerations about Selection Procedures

- Quality, Efficiency, and Economy
- Fair Competition
- Transparency
- Participation of National Consultants

MINISTRY OF PLANNING AND
INVESTMENTPROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)

WORLD BANK

Selection Methods

- **Quality- and Cost-Based Selection (QCBS)**
- Quality-Based Selection (QBS)
- Selection under a Fixed Budget (FBS)
- Least-Cost Selection (LCS)
- Selection Based on Consultant's Qualifications (CQS)
- Single-Source Selection (SSS)
- Commercial Practices (CP)

MINISTRY OF PLANNING AND
INVESTMENTPROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)

WORLD BANK

Quality- and Cost-Based Selection

Quality- and Cost-Based Selection (QCBS) is a method based on the quality of the proposals and the cost of the services offered. It is the method most frequently used to select consultants under Bank-funded assignments.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Quality- and Cost-Based Selection

This method is appropriate when:

- the type of service required is common and not too complex;
- the scope of work of the assignment can be precisely defined and the TOR are clear and well specified;
- the Borrower and the consultants can estimate with reasonable precision the staff time, the assignment duration, and the other inputs and costs required of the consultants;



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

- the risk of undesired downstream impacts is quantifiable and manageable; and
- the capacity-building program is not too ambitious and easy to estimate in duration and staff time effort.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Quality- and Cost-Based Selection

To increase the likelihood of receiving responsive proposals, the RFP under QCBS shall indicate the level of key staff inputs (in staff time) estimated by the Borrower to carry out the assignment or the estimated cost of the services, but not both.

Under QCBS, the technical and financial proposals are submitted simultaneously in separate, sealed envelopes (two-envelope system).



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Quality- and Cost-Based Selection

Evaluation of proposals is carried out in two stages:
quality and cost.

The technical envelopes are opened by a committee of officials of the Borrower immediately after the closing time for submission; the financial proposal envelopes remain sealed and are deposited with a reputable public auditor until the technical evaluation and the evaluation report are completed (and cleared by the Bank, if required)



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Quality- and Cost-Based Selection

QCBS allows the Borrower to select a preferred trade-off between cost and quality and to benefit from price competition, even if only to a limited extent.

The main disadvantage of QCBS is its rigidity.

Discussion of the proposed remuneration rates for staff-months and for reimbursable expenses during contract negotiations is not permitted, even if those costs turn out to be above the Borrower's expectations and budget.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Quality-Based Selection

Quality-Based Selection (QBS) is based on the evaluation of the proposal quality without any initial consideration for cost.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Quality-Based Selection

QBS is appropriate when:

- the downstream impact of the assignment can be so large that the quality of the services is of overriding importance for the success of the project as a whole;
- the scope of work, the duration of the assignment, and the TOR require a degree of flexibility because of the novelty or complexity of the assignment;



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Quality-Based Selection

- the assignment itself can be carried out in substantially different ways such that cost proposals may not be easily or necessarily comparable;
- the need exists for an extensive and complex capacity building program.

MINISTRY OF PLANNING AND
INVESTMENTPROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)

WORLD BANK

Quality-Based Selection

QBS should be adopted for assignments such as the following:

- Complex sector and multidisciplinary studies of a complex nature
- Important and far-reaching strategy studies
- Complex master plans, prefeasibility and feasibility studies, or design of large and complex projects
- Assignments in which consultant organizations with different cost structures (for example, traditional consultants, nongovernmental organizations,

MINISTRY OF PLANNING AND
INVESTMENTPROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)

WORLD BANK

Quality-Based Selection

The choice between QBS and QCBS may be difficult. In situations of strong uncertainty or risk for the project, QBS should be adopted, because quality is the key element.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Quality-Based Selection

Because the TOR of assignments under QBS are generally more complex and less defined than under QCBS, contract negotiations with the winning consultants may be lengthy and complicated.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)




WORLD BANK

Effectiveness and Efficiency of the Selection Process


The main drawbacks of competitive selection methods are their complexity, the time and costs involved in the preparation, and the evaluation of proposals.

To manage the selection process well, it is important to plan each stage of the process, to establish realistic deadlines, and to stick to the timetable.



MINISTRY OF PLANNING AND INVESTMENT


PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK


Quality- and Cost-Based Selection

The Steps of the Selection Process -QCBS



MINISTRY OF PLANNING AND INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

The Steps of the Selection Process -QCBS

Step 1. Finalize the TOR

- The key document in the RFP is the Terms of Reference (TOR).
- The Bank reviews the TOR proposed by the Borrower as part of the RFP and, if satisfied, releases its “no objection.”



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Outline of the Terms of Reference

- Project background
- Objectives of the assignment
- Scope of work
- Capacity-building program
- List of reports, schedule of deliveries, and period of performance
- Data, local services, personnel, and facilities to be provided by the Borrower
- Institutional and organization arrangements



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 2. Finalize Cost Estimate and Budget

The cost estimate of a consulting assignment is prepared by adding the remuneration of consultant staff and the direct expenses to be incurred by consultants for the execution of that assignment.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 2. Finalize Cost Estimate and Budget

- Consultant staff remuneration
- Travel and transport
- Mobilization and demobilization
- Staff allowances
- Information systems
- Communications
- Office rent, supplies, equipment, shipping, and insurance
- Surveys
- Capacity building and training programs
- Report translation and printing
- Taxes and duties



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 3. Call for Expressions of Interest

Unlike in procurement of goods and works in which all interested bidders are publicly invited to present their bids, the consultant selection process is based on obtaining a few proposals from a short list prepared by the Borrower.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 3. Call for Expressions of Interest

Advertising

The request for EOIs should ask for sufficient Information:

- Core business and years in business
- Qualifications in the field of the assignment
- Technical and managerial organization of the firm
- General qualifications and number of key staff



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 4. Preparation of Short Lists

- The Borrower prepares a short list comprising not more than six firms.
- The Borrower reviews the qualifications of consultants who submitted expressions of interest and gives first consideration to those possessing the best qualifications for the proposed assignment.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 4. Preparation of Short Lists

Ensure that:

- the short list comprises six consultants, unless circumstances lead the Bank to agree to a smaller number of firms (see para. 2.6 of the *Guidelines*);
- the short-listed consultants are eligible and capable of carrying out the assignment;
- at least one of the consultants is a firm from a developing country, unless qualified firms from developing countries are not available or interested; and
- no more than two consultants from any one country are short-listed (except in those special cases in which the list comprises only local consultants).



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 5. Define Evaluation criteria and Minimum Qualifying Score

The assignment objectives and the underlying TOR determine the qualifications and experience required of the selected consultants. In adopting the evaluation criteria of technical proposals, the Borrower wants to ensure that the selected consultant is the most likely to provide the best quality for the services given.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 5. Define Evaluation criteria and Minimum Qualifying Score

The following criteria shall be used as a basis
for evaluation of the FTP:

- Specific experience of the consultants
relevant to the assignment
- Adequacy of the proposed methodology and
work plan in responding to the TOR
- Key professional staff qualifications and
competence for the assignment



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)




WORLD BANK


Step 5. Define Evaluation criteria and Minimum Qualifying Score

Depending on the particular objectives of the
assignment, two additional criteria may be
required:

- Suitability of the transfer-of-knowledge
(capacitybuilding) program
- Participation by national consultants among
proposed key staff



**PROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)**




MINISTRY OF PLANNING AND
INVESTMENT

WORLD BANK


Step 5. Define Evaluation criteria and Minimum Qualifying Score

Point Distribution of Evaluation Criteria for the FTP Evaluation criteria Points

Specific experience of the consultants	0–10
Adequacy of the proposed methodology and work plan	20–50
Key professional staff qualifications and competence	30–60
Suitability of the transfer-of- knowledge program—optional	Normally 0–10
Participation by national consultants among proposed key staff—optional	0–10
Total 100	



**PROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)**



MINISTRY OF PLANNING AND
INVESTMENT

WORLD BANK

Step 6. Prepare Request for Proposals (RFP)

The Request for Proposals (RFP)
provides all the instructions and
information necessary for the
shortlisted consultants to prepare their
proposals.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 6. Prepare Request for Proposals (RFP)

The SRFP includes the following sections:

Section 1: Letter of Invitation (LOI)

Section 2: Instructions to Consultants (ITC) (including the Data Sheet)

Section 3: Technical Proposal—Standard Forms

Section 4: Financial Proposal—Standard Forms (including the appendix on breakdown of remuneration rates)

Section 5: Terms of Reference

Section 6: Standard Form of Contract (including General Conditions of Contract [GCC], Special Conditions of Contract [SCC], and Appendixes)



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 7. Request NOL for the RFP from the Bank

Before the RFP is issued to consultants, the Bank's "no-objection" must be obtained for the Budget, Short list, TOR, Evaluation Criteria and Draft Contract.

MINISTRY OF PLANNING AND
INVESTMENTPROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)

WORLD BANK

Step 8. Issue the RFP**Step 10. Prepare Technical and Financial Proposals**

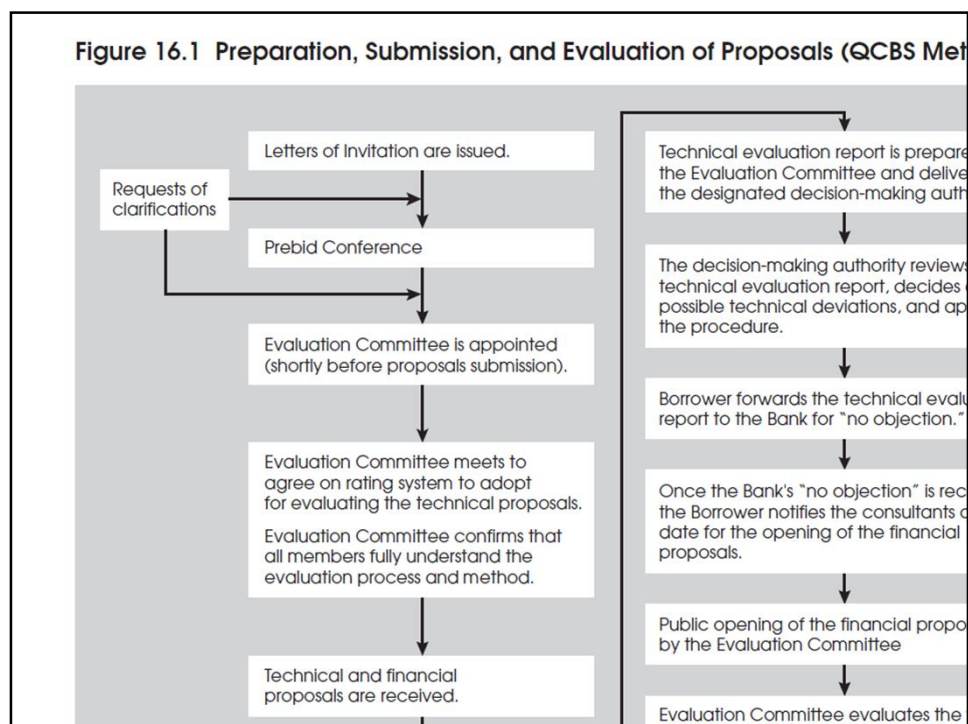
During this period, consultants may seek clarifications on the information contained in the RFP. Consultants must submit their requests for clarifications to the Borrower in writing or by standard electronic means (including facsimile [fax] or e-mail).


MINISTRY OF PLANNING AND
INVESTMENTPROJECT PREPARATION TECHNICAL
ASSISTANCE FACILITY (PPTAF)

WORLD BANK

Step 10. Prepare Technical and Financial Proposals


Now we will discuss procedures for Bank Borrowers to follow, from the issuance of the Letter of Invitation to the selection of the consultant who is invited to negotiate the contract.





MINISTRY OF PLANNING AND INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 11. Evaluation of Technical Proposals

Technical proposals for consulting services are an intellectual product; their evaluation must be based on the individual professional judgment of competent evaluators and should not be reduced to a purely arithmetical exercise.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 11. Evaluation of Technical Proposals

- The World Bank Standard RFP (SRFP) specifies the criteria and the points (or weights) given to each.
- First, the level of responsiveness of the proposals to each of the criteria or subcriteria is estimated on a percentage scale.
- Second, each percentage rating is multiplied by the maximum number of points assigned to the criterion.
- To make the scoring easier and more transparent, the rating scale of the level of responsiveness is usually divided into a number of discrete grades.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 11. Evaluation of Technical Proposals

It is a good practice to give scores based on the following grades: poor, satisfactory, good, and very good.

Before opening the technical proposals, the EC should agree on the definition of a grade for each criterion.

Scoring technical proposals by this method offers the following advantages:



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

- It provides the EC members with a shared definition of the grades, making the evaluation easier and comparable (this is particularly helpful for less experienced evaluators).
- It reduces the risk of scoring inconsistencies and discretion.
- It binds each committee member to justify his or her individual evaluation, based on a common definition of grades, discouraging intentionally biased evaluations.
- It adds transparency and fairness to the evaluation process.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Defining the grades is a difficult exercise that requires a thorough knowledge of the TOR, the main technical issues to be covered by the consultant assignment, and the qualifications expected from the consultants. It is worth allocating time and effort to this exercise because it may substantially improve the quality of the evaluation.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 12. Obtain Banks No Objection to Technical Evaluation Report

After receiving the Bank's "no objection" to the technical evaluation report, the Borrower notifies consultants and informs them of the date, time, and place set for opening the financial envelopes.

The opening date should be defined to allow sufficient time for consultants to make arrangements to attend the opening.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 13. Public Opening of Financial Proposals

- On the date, time, and place set for opening the financial proposals, the appointed Borrower's official delivers them to the Evaluation Committee.
- The name of the consultant, the technical points, and the proposed prices are read aloud and recorded as each financial proposal is opened.
- The Borrower prepares the minutes of the public opening, which should be attached to the Financial Evaluation Report.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 13. Public Opening of Financial Proposals

Evaluation Procedure for Financial Proposals

- The Evaluation Committee should first review the financial proposals for arithmetical errors and inconsistencies between the financial and technical proposals.
- Arithmetical errors should be corrected.
- Omissions and inconsistencies should also be corrected. Activities and items described in the technical proposals, but not priced, shall be assumed to be included in the prices of other activities or items.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Combined Quality and Cost Evaluation

If QCBS is the method of selection, the Evaluation Committee weighs and combines the scores of the technical and financial proposals to obtain a final ranking of the proposals and recommendation for award.

The Borrower invites the consultant whose proposal has obtained the highest combined score to negotiate, informs the other consultants that they were unsuccessful



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 14. Negotiate with Highest Scoring Proposal

After technical and financial negotiations are completed, the Borrower shall provide the Bank, with a copy of the initialed negotiated contract for “no objection.”

If the negotiated contract resulted in a substitution of key staff or any changes in the TOR and in the originally proposed contract, the Borrower shall highlight the changes and provide an explanation of the changes.



MINISTRY OF PLANNING AND
INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 15. Contract Award

The Borrower shall confirm the award of the contract only after receiving the “no objection” from the Bank.

The description and amount of the contract, together with the name and address of the firm, shall be subject to public disclosure by the Borrower after contract signing.



MINISTRY OF PLANNING AND INVESTMENT

PROJECT PREPARATION TECHNICAL ASSISTANCE FACILITY (PPTAF)



WORLD BANK

Step 16. Start Assignment

The 16 step QCBS will take about ten months from beginning to end.

Activities	Duration (months)							
	1	2	3	4	5	6	7	
Finalize TOR & Budget								
Prepare Request for Expressions of Interest								
Advertising								
Receive Expressions of Interest								
Prepare Short List								
Define Evaluation Criteria & Minimum Tech. Score								
Prepare RFP								
Receive Bank's No-Objection on RFP, and Short List								
Send LOI and RFP to Shortlisted Firms								
Preparation of Proposals by the Consultants								
Receive Technical & Financial Proposals								
Evaluate Technical Proposals								
Receive Bank's No-Objection on Tech. Evaluation								
Public Opening of Financial Proposals								
Combined Evaluation and Final Score								
Notification to the Selected Consultant								
Contract Negotiations with Selected Firm								
Receive Bank's No-Objection on Contract Award								