



**JICS GUIDELINES
FOR
THE PROCUREMENT
OF
CONSULTANT SERVICES**

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JAPAN INTERNATIONAL COOPERATION SYSTEM

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Part I Basic Principles

Section 1.01 Application

“JICS Consultant Services Procurement Guideline” is applicable to contracts which the Japan International Cooperation System (hereinafter referred to as “JICS”) concludes for employment of a consultant on behalf of the government of the recipient country in implementation of the projects stipulated in Article 4 of “The Articles of Foundations of Japan International Cooperation System (JICS)” with persons or juridical persons (including universities, NGOs, and others) with expertise and experience regarding grant aid projects utilizing funds provided for recipient countries (hereinafter referred to as “Consultants”, including candidates for the selection of Consultants as the context requires). In this Guideline, the “Contract” refers to any such contract. This Guideline shall be applied except in the case where guidelines issued by the Ministry of Foreign Affairs of Japan or other institutions prevail.

Section 1.02 Purpose

The purpose of this Guideline is to set forth the general rules to be followed by JICS when JICS requires the services procurement of a Consultant for the implementation of a project. The general rules are stipulated for the proper selection of a Consultant and the full utilization of his/her expertise, as well as ensuring the impartiality of the same.

Section 1.03 Need for Services Procurement of a Consultant

A recipient country (the government or the executing agency of the recipient country) and JICS will retain a Consultant in cases where the recipient country and JICS agree on the need to retain a Consultant, for the efficient and proper preparation and implementation of a project.

Part II Consulting Services

Section 2.01 Services of a Consultant

The services of a Consultant comprise the services related to the following as to the preparation and implementation of a project:

- (1) Studies for planning a project;
- (2) Studies and designing;
- (3) Procedures for procurement and construction work;
- (4) Supervision of procurement and construction work;
- (5) Monitoring after procurement or construction is completed; and
- (6) Others if necessary.

Section 2.02 Responsibilities of a Consultant

- 1 JICS shall ensure that a Consultant is at all times to exercise all reasonable skill, care and diligence in the discharge of their duties, and to be responsible for the quality and performance of his/her work.
- 2 JICS shall have a Consultant act as a faithful adviser to JICS on professional matters.

Section 2.03 Fairness and Impartiality of a Consultant

- 1 JICS shall request the Consultant that the goods and services used for a project are suitable and their costs are reasonable, and JICS shall also request the Consultant that designs and specifications of such project in no way limit competition, and that the Consultant on a project managed by JICS shall be fair and impartial to all the parties concerned in the competition.
- 2 JICS shall disqualify a Consultant and any of his/her associates/affiliates (inclusive of parent firms) from working in any other capacity on the same project, other than in the continuation of the Consultant's earlier consulting services as further described in Section 3.04.

Section 2.04 Misprocurement

- 1 JICS shall request that a Consultant observes the highest standards of ethics in providing services for a project financed by Japan's Official Development Assistance (ODA).
- 2 JICS shall not conclude a Contract with a Consultant who is deemed to be engaged, or have been engaged, in fraudulent or corrupt practices in ODA projects.

Part III Selection Procedures

Section 3.01 Rules for Selection of a Consultant

JICS sets forth the proper rules for selection of a Consultant for entering into a Contract for a project, for which qualifications such as special knowledge and expertise are essential, taking into consideration the competence of the Consultant and the costs needed for the performance of the services.

Section 3.02 Establishment of a Consultant Selection Committee

JICS shall establish a consultant selection committee (hereinafter referred to as the "Committee"), comprised of three or more members, for selection of a Consultant.

Section 3.03 Selection Procedures

Procedures for selecting a Consultant for the contact party are, as a rule, as follows:

- (1) Preparation of terms of reference;
- (2) Public announcement for invitation to submit proposals (technical proposals);
- (3) Prequalification;
- (4) Preparation of a short list of consultants to submit proposals;
- (5) Invitation to submit proposals;
- (6) Evaluation of proposals;
- (7) Contract negotiation; and
- (8) Award and conclusion of a Contract.

Section 3.04 Selection of a Specific Consultant

JICS may select a Specific Consultant for the contact party after evaluation by the Committee, without going through the procedures specified in Section 3.03, in any of the following cases:

- (1) Where a candidate Consultant has a special intellectual property such as a copyright or an industrial property right which is necessary for the implementation of consulting services.

- (2) Where it extends the services procurement of a Consultant who has been retained, through the stipulated selection procedures, for the provision of certain services, in the event that it requires a further period to implement the whole process of the services under the Contract with such Consultant.
- (3) Where it is necessary that a Consultant cooperates successively for the projects of the related parties and the related parties recommend such Consultant who has participated in the said project for the contract party.
- (4) Where there is a special reason such as a need for emergency procurement.

Section 3.05 Evaluation by the Committee

JICS shall have the Committee evaluate the following items for selection of a Consultant for the contract party:

- (1) Consultant selection method;
- (2) Terms of reference;
- (3) Public announcement;
- (4) Prequalification;
- (5) Evaluation method of proposals;
- (6) Presentation by Consultants on their proposals;
- (7) Preparation of a short list of Consultants for submission of proposals;
- (8) Proposal evaluation and priority ranking for contract negotiation; and
- (9) Others if necessary.

Section 3.06 Preparation of Terms of Reference

The terms of reference presented to Consultants shall describe the following.

- (1) Contents of the consulting services such as the background, purpose, target area, scope of the consulting services, procedures for preparation of reports, and others;
- (2) Conditions under which the consulting services shall be performed such as process, estimated quantity of services, convenience provided by the target country, list of materials to be rented, and others;
- (3) Evaluation method of proposals;
- (4) Method of submission of estimated prices and the basis for estimation; and
- (5) Others (procedures for submission of proposals, contract procedures, notice for submission of proposals in cases where it is deemed necessary to invite presentation of proposals from Consultants according to Section 3.05 (6)).

Section 3.07 Public Announcement for Submission of Proposals

To commence the selection procedures, JICS shall post a public announcement as regards information on such matters as the name of the project, the outline of the project, qualifications of the Consultant, the method for submitting a Letter of Intent, etc. To post the announcement, JICS shall pay due attention to establishing an adequate interval between the announcement and the deadline for submission of proposals and also to utilize proper media to reach prospective Consultant candidates.

Section 3.08 Prequalification

JICS is entitled to prequalify certain Consultants who have submitted a Letter of Intent, according to the public announcement stipulated in Section 3.07 and are registered in a list of prospective Consultants. Prequalification shall be conducted to examine whether such Consultants have the capability and resources to perform the Contract taking into account, *inter alia*, the following:

- (1) Their experience of and past performance on similar projects;
- (2) Their capabilities with respect to human resources; and
- (3) Their financial position.

Section 3.09 Preparation of a Short List of Consultants for Submission of Proposals

- 1 JICS shall register the said Consultants on a short list of Consultants for submission of proposals after conducting Prequalification as stipulated in Section 3.08.
- 2 Provided that the Committee deems it necessary, JICS may, without following the procedures of public announcement of the project, appoint Consultants who are regarded as appropriate and register them on a short list of Consultants for submission of proposals considering the following criteria as a whole:
 - (1) Technical capabilities for implementation of the project, such as knowledge, experience, and skill;
 - (2) Experience of project execution in or near the country concerned, or similar countries;
 - (3) Experience of projects similar to the project concerned; and
 - (4) Financial position and credit status.

- 3 As a rule, not less than three Consultants shall be registered on a Short List of Consultants for submission of proposals.

Section 3.10 Preparation of Letter of Invitation

- 1 The following items shall be mentioned in the letter of invitation to submit proposals:
 - (1) Items stipulated in the terms of reference;
 - (2) The selection of a Consultant to be invited to negotiate a Contract will be made on the basis of evaluation of competence of the firms and the quality of their proposals regarding approach and methodology, as well as any information on the estimated cost or financial terms of their services; and
 - (3) The details of the selection procedure to be followed, including the technical evaluation categories and an indication of the weight to be distributed to each of the technical evaluation categories and estimated cost.
- 2 The invitation shall allow an adequate interval for preparing a proposal from the date of the actual mailing of the letter of invitation to the deadline for submission of proposals.
- 3 The letter of invitation shall also request Consultants to notify JICS within a specified time whether or not they intend to submit proposals.

Section 3.11 Sending a Letter of Invitation to Consultants

After preparing a short list, a letter of invitation and the terms of reference in accordance with the provisions of the foregoing sections, JICS shall invite all the Consultants on the short list to submit proposals by mailing to each of them the letter of invitation with the terms of reference attached to it.

Section 3.12 Submission of Proposals

- 1 JICS shall ensure that proposals to be submitted by Consultants mention, but are not limited to, the following matters:
 - (1) Experience and capabilities of the Consultant
Past performance, experience of similar projects, experience of project execution in or near the country concerned, or similar countries, information on the project, technical staff information, financial position

and other information serving as a reference for implementation of the services;

(2) Policy for implementation of the services

Basic policy for implementation of the services, method for implementation of the services, work plan, staffing plan, contents of the work assigned to each staff member (domestic and overseas), support system, and equipment necessary for on-site service;

(3) Experience and capabilities of the staff members to be assigned to the work

Each staff member's experience of similar projects, experience of overseas studies, experience of project execution in or near the country concerned, or similar countries, familiarity with the language required, education, diploma, and qualification. As for a responsible person, experience and capability as the responsible person are required; and

(4) Estimated price and the calculation thereof.

2 Consultants shall submit their proposals attaching the documents stated in the foregoing paragraphs from (1) through (3), and the document stated in (4) separately put in the envelopes that are then properly sealed. A Consultant may modify or withdraw the whole or part of his/her proposal before the deadline for submission of proposals.

3 JICS shall not receive more than one proposal from a single Consultant.

Section 3.13 Evaluation of Proposals

Evaluation of proposals shall be carried out according to the documents stated in the foregoing paragraphs from (1) through (3), technical aspects; and (4), estimated price. In this case, evaluation of proposals shall be carried out based on the weight distribution of technical evaluation points and price evaluation points, which is otherwise stipulated.

Section 3.14 Ranking of Proposals for Contract Negotiation

JICS shall evaluate received proposals according to a stipulated method to establish a priority ranking order for contract negotiation starting from the proposal which obtained the highest evaluation points to the one with the lowest.

Section 3.15 Contract Negotiations

- 1 JICS shall enter into negotiations with the highest-ranked Consultant on a Contract amount and other necessary matters to conclude a Contract within the stipulated period.
- 2 In contract negotiations, the Contract amount shall be reasonable in light of the contents of the services and the terms of validity of the offered price shall be properly set.
- 3 If the two parties are unable to reach agreement on a Contract within a reasonable period of time, JICS shall terminate the negotiations with the first Consultant and invite the Consultant who ranked second in the evaluation to enter into contract negotiations. This procedure shall be followed until an agreement is reached.

Section 3.16 Informing Unsuccessful Consultants

Promptly after completion of negotiations with the selected Consultant, JICS shall notify those Consultants who submitted proposals but were not selected that they have been unsuccessful.

Section 3.17 Announcement of the Result of the Contract

After concluding a Contract with the selected Consultant, upon obtaining approval by the donor of the grant, JICS may announce the outline of the project (its name and purpose of the services etc.), the name of the contracted party, the date of conclusion, the Contract amount and other matters if necessary.

Part IV Contract

Section 4.01 General

The Contract between JICS and the Consultant shall be prepared in such detail as to adequately protect the interests of each party to the Contract.

Section 4.02 Contract

The Contract shall describe the clauses outlined below.

- (1) **Scope of the project and the consulting services**
The Contract shall describe the scope of the project and of the consulting services to be rendered by the Consultant.
- (2) **Duration of the Contract**
The Contract shall specify the dates for the beginning and the completion of the Consultant's services.
- (3) **Responsibilities of the parties**
The Contract shall clearly state the responsibilities of JICS and of the Consultant and the relationship between them. In the case where the Consultant is a joint venture, the scope of responsibilities among member companies shall also be stated.
- (4) **Contract amount**
The Contract shall state clearly the total amount to be paid to the Consultant.
- (5) **Description of contract amount**
The Contract shall describe the costs necessary for the fulfillment of the consulting services.
- (6) **Conditions of payment**
The Contract shall specify the conditions of payment such as the schedule and methods of payment. In the case where an advance payment is allowed, the Contract shall specify an advance payment bond.
- (7) **Performance bond**
JICS is entitled to collect a performance bond or other performance security in order to guarantee a faithful performance and completion of the Contract. When the Contract is completed, the performance bond or other performance security shall be immediately returned to the Consultant.
- (8) **Ownership and disposal of equipment**
The Contract shall describe the ownership of equipment to be procured, and the manner of disposal of any equipment remaining after the services have been completed.
- (9) **Privileges and immunities of the Consultant**

The Contract shall describe clearly what privileges and immunities the Consultant will be accorded, especially as regards visas and work permits, corporate and personal income taxes and other dues, customs duties, etc.

(10) Reports

The Contract shall specify the scope, number, type (reports such as monthly reports and overall reports) and frequency of the reports to be submitted by the Consultant to JICS.

(11) Confidentiality

The Consultant shall not disclose confidential information obtained during the term of the Contract and thereafter.

(12) Protection of personal information

The Consultant shall not disclose personal information obtained during the term of the Contract and thereafter.

(13) Copyright

JICS shall retain copyrights in all drawings, specifications and other documents prepared by the Consultant under the Contract.

(14) Force majeure

The Contract shall clearly establish JICS's and the Consultant's rights and obligations under the conditions of force majeure, and the procedures to be followed by the Consultant regarding determination and notification of any such conditions.

(15) Examination by JICS

JICS shall examine whether the project is completed in accordance with the Contract or other related documents.

(16) Settlement of disputes

The Contract shall describe the procedures to be followed in the event of a dispute arising between the parties in connection with the Contract.

(17) Cancellation of the Contract

The Contract shall describe the conditions and procedures to be taken for cancellation of the Contract.

(18) Applicable laws

The Contract shall specify the law which governs the Contract between the parties.

(19) Language

The Contract shall be prepared in English. If another language is used in the Contract, a full English text shall be incorporated in the Contract and it shall be clearly stipulated that such language governs.

Part V Supervision of Consulting Services

Section 5.01 Supervision of Consulting Services

- 1 JICS shall supervise the consulting services, through close communication with the parties concerned during the contract period, to make sure that the consulting services stipulated in the Contract are properly executed.
- 2 JICS shall request the Consultant to submit reports such as monthly reports and overall reports.

Section 5.02 Examination of Consulting Services

JICS shall conduct the following examination within the scope stipulated in the Contract:

- (1) Confirmation of completion of the services as described in the Contract or other relevant documents;
- (2) Confirmation of delivery period, delivery site, quantity and other things based on the Contract or other relevant documents; and
- (3) Other things if necessary.