



REQUEST FOR PROPOSALS (RFP)



Odisha PVTG Empowerment & Livelihoods Improvement Programme (OPELIP)

Programme Management Unit(PMU)

ST & SC Development Department, Govt. of Odisha

2nd Floor, TDCC Building, Bhoi Nagar, Rupali Square, Bhubaneswar-751022

OPELIP, a programme of ST & SC Development Department, Govt. of Odisha supported by IFAD intends to engage CAG empanelled CA Firm for **"Internal audit"** in OPELIP. The procurement method is Quality and cost based selection.

REQUEST FOR PROPOSALS (RFP) is invited from CAG empanelled CA Firm for **"Internal audit"** in OPELIP

Interested

CA Firms may download further details from www.opelip.org. RFP with required documents as attachments shall be sent through speed post/ registered post only in a closed envelope super-scribed as "Internal audit" in OPELIP to the Office of the PMU, OPELIP, 2nd Floor, TDCC Building, Bhoi Nagar, Rupali Square, Bhubaneswar-751022. The last date of receipt of application is 21.10.2017 up to 03.00PM. The Programme Director reserves the right to accept or reject any or all bids without assigning any reason thereof.

Date: 21.09.2017

Place: Bhubaneswar

Sd/-

Programme Director, OPELIP

REQUEST FOR PROPOSALS
RFP #1 [insert: RFP number]

***Country* [Republic of India]**

***Project Name* [ODISHA PARTICULARLY VULNERABLE TRIBAL
GROUP EMPOWERMENT AND LIVELIHOODS IMPROVEMENTS
PROGRAMME (OPELIP)]**

***Loan #* [200000695-IN]**

***Title of Consulting Services*[INTERNAL AUDIT IN OPELIP]**

Section 1. Letter of Invitation

[if applicable, insert: Invitation N°4.....; Loan N° 200000695-IN]

[insert: Location and Date]Bhubaneswar, 21.09.2017

[insert: Name and Address of Consultant]

Dear Mr./Ms.:

1. The State of Odisha has received financing from the International Fund for Agricultural Development (hereinafter called “loan”) toward the cost of Odisha PVTG Empowerment and Livelihoods Improvement Programme (OPELIP). The State of Odisha intends to apply a portion of the funds to eligible payments under the contract for which this Request for Proposals is issued.
2. The Programme Management Unit of OPELIP now invites proposals to provide the following consulting services: **“INTERNAL AUDIT IN OPELIP”**. More details on the services are provided in the Terms of Reference.
3. Proposals are invited from reputed organizations/CA Firms empanelled by CAG with experience in carrying out the audit of Central/state Government/externally aided projects /development projects. Criteria for qualifying the Service Providers are :
 - Should be legally registered and provide a self-attested copy of registration, PAN number and self-attested copy of PAN card
 - Should not have been blacklisted by Central/State Govt./Govt. agencies and provide a self-declaration by the authorized representative.
 - Should have a minimum of 5 years of audit experience as per the ToR
 - Should have empanelled by CAG and provide self-attested copy of the CAG empanelled order/proof.
4. A Service Provider will be selected under Quality and cost based selection and procedures described in this RFP, in accordance with the policies of the International Fund for Agricultural Development
5. The RFP includes the following documents:
 - Section 1 - Letter of Invitation
 - Section 2 - Instructions to Consultants (including Data Sheet)
 - Section 3 - Technical Proposal - Standard Forms
 - Section 4 - Financial Proposal - Standard Forms
 - Section 5 - Terms of Reference
 - Section 6 –IFAD Policy on Fraud and Corruption
 - Section 7 Standard Forms of Contract

Yours sincerely

[insert: Signature, name, and title of Client's representative]

[Note to the Borrower: this Section 2 - Instructions to Consultants shall not be modified. Any necessary changes, acceptable to the IFAD, to address specific country and project issues, shall be introduced only through the Data Sheet (e.g., by adding new reference paragraphs)]

Definitions

- (a) “IFAD” means the International Fund for Agricultural Development.
- (b) “Client” means the agency with which the selected Consultant signs the Contract for the Services.
- (c) “Consultant” means any entity or person that may provide or provides the Services to the Client under the Contract.
- (d) “Contract” means the Contract signed by the Parties and all the attached documents listed in its Clause 1, that are the General Conditions (GC), the Special Conditions (SC), and the Appendices.
- (e) “Data Sheet” means such part of the Instructions to Consultants used to reflect specific country and assignment conditions.
- (f) “Day” means calendar day.
- (g) “Government” means the government of the Client’s country.
- (h) “Instructions to Consultants” (Section 2 of the RFP) means the document which provides shortlisted Consultants with all information needed to prepare their Proposals.
- (i) “LOI” (Section 1 of the RFP) means the Letter of Invitation being sent by the Client to the shortlisted Consultants.
- (j) “Personnel” means professionals and support staff provided by the Consultant or by any Sub-Consultant and assigned to perform the Services or any part thereof; “Foreign Personnel” means such professionals and support staff who at the time of being so provided had their domicile outside the Government’s country; “Local Personnel” means such professionals and support staff who at the time of being so provided had their domicile inside the Government’s country.
- (k) “Proposal” means the Technical Proposal and the Financial Proposal.

- (l) “RFP” means the Request For Proposal to be prepared by the Client for the selection of Consultants, based on the SRFP.
- (m) “SRFP” means the Standard Request for Proposals, which must be used by the Client as a guide for the preparation of the RFP.
- (n) “Services” means the work to be performed by the Consultant pursuant to the Contract.
- (o) “Sub-Consultant” means any person or entity with whom the Consultant subcontracts any part of the Services.
- (p) “Terms of Reference” (TOR) means the document included in the RFP as Section 5 which explains the objectives, scope of work, activities, tasks to be performed, respective responsibilities of the Client and the Consultant, and expected results and deliverables of the assignment.

1. Introduction

- 1.1 The Client named in the Data Sheet will select a consulting firm/organization (the Consultant) from those listed in the Letter of Invitation, in accordance with the method of selection specified in the Data Sheet.
- 1.2 The shortlisted Consultants are invited to submit a Technical Proposal and a Financial Proposal, or a Technical Proposal only, as specified in the Data Sheet, for consulting services required for the assignment named in the Data Sheet. The Proposal will be the basis for contract negotiations and ultimately for a signed Contract with the selected Consultant.
- 1.3 Consultants should familiarize themselves with local conditions and take them into account in preparing their Proposals. To obtain first-hand information on the assignment and local conditions, Consultants are encouraged to visit the Client before submitting a proposal and to attend a pre-proposal conference if one is specified in the Data Sheet. Attending the pre-proposal conference is optional. Consultants should contact the Client’s representative named in the Data Sheet to arrange for their visit or to obtain additional information on the pre-proposal conference. Consultants should ensure that these officials are advised of the visit in adequate time to allow them to make appropriate arrangements.
- 1.4 The Client will timely provide at no cost to the Consultants the inputs and facilities specified in the Data Sheet, assist the firm in obtaining licenses and permits needed to carry out the services, and make available relevant project data and reports.

Conflict of Interest

1.5 Consultants shall bear all costs associated with the preparation and submission of their proposals and contract negotiation. The Client is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultants.

1.6 IFAD policy requires that Consultants provide professional, objective, and impartial advice and at all times hold the Client's interests paramount, strictly avoid conflicts with other assignments or their own corporate interests and act without any consideration for future work.

1.6.1 Without limitation on the generality of the foregoing, Consultants, and any of their affiliates, shall be considered to have a conflict of interest and shall not be recruited, under any of the circumstances set forth below:

Conflicting activities

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

Conflicting assignments

(ii) A Consultant (including its Personnel and Sub-Consultants) or any of its affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant to be executed for the same or for another Client. For example, a Consultant hired to prepare engineering design for an infrastructure project shall not be engaged to

Conflicting relationships

prepare an independent environmental assessment for the same project, and a Consultant assisting a Client in the privatization of public assets shall not purchase, nor advise purchasers of, such assets. Similarly, a Consultant hired to prepare Terms of Reference for an assignment should not be hired for the assignment in question.

- (iii) A Consultant (including its Personnel and Sub-Consultants) that has a business or family relationship with a member of the Client's staff who is directly or indirectly involved in any part of (i) the preparation of the Terms of Reference of the assignment, (ii) the selection process for such assignment, or (iii) supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the IFAD throughout the selection process and the execution of the Contract.

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

1.6.3 No agency or current employees of the Client shall work as Consultants under their own ministries, departments or agencies. Recruiting former government employees of the Client to work for their former ministries, departments or agencies is acceptable provided no conflict of interest exists. When the Consultant nominates any government employee as Personnel in their technical proposal, such Personnel must have written certification from their government or employer confirming that they are on leave without pay from their official position and allowed to work full-time outside of their previous official position. Such certification shall be provided to the Client by the Consultant as part of his technical proposal.

**Unfair
Advantage**

1.6.4 If a shortlisted Consultant could derive a competitive advantage from having provided consulting services related to the assignment in question, the Client shall make available to all shortlisted Consultants together with this RFP all information that would in that respect give such Consultant any competitive advantage over competing Consultants.

**Fraud
and Corruption**

1.7 It is the IFAD's policy to require that Borrowers (including beneficiaries of IFAD loans), as well as consultants and their agents (whether declared or not), personnel, sub-contractors, sub-consultants, service providers and suppliers, under IFAD-financed contracts, observe the highest standard of ethics during the selection and execution of such contracts.¹ In pursuance of this policy, the IFAD:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
 - (i) “corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party²;
 - (ii) “fraudulent practice” is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation³;
 - (iii) “collusive practices” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party⁴;
 - (iv) “coercive practices” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence

¹ In this context, any action taken by a consultant or a sub-consultant to influence the selection process or contract execution for undue advantage is improper.

² “Another party” refers to a public official acting in relation to the selection process or contract execution. In this context “public official” includes IFAD staff and employees of other organizations taking or reviewing selection decisions.

³ A “party” refers to a public official; the terms “benefit” and “obligation” relate to the selection process or contract execution; and the “act or omission” is intended to influence the selection process or contract execution.

⁴ “Parties” refers to participants in the procurement or selection process (including public officials) attempting to establish contract prices at artificial, non competitive levels.

improperly the actions of a party⁵;

- (v) “obstructive practice” is
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a IFAD investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or
 - (bb) acts intended to materially impede the exercise of the IFAD’s inspection and audit rights provided for under paragraph 1.7.1 below.
- (b) will reject a proposal for award if it determines that the consultant recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;
- (c) will cancel the portion of the Loan allocated to a contract if it determines at any time that representatives of the Borrower or of a beneficiary of the Loan were engaged in corrupt, fraudulent, collusive, or coercive practices during the selection process or the execution of that contract, without the Borrower having taken timely and appropriate action satisfactory to the IFAD to address such practices when they occur; and
- (d) will sanction a firm or an individual at any time, in accordance with prevailing IFAD’s sanctions procedures^a, including by publicly declaring such firm or individual ineligible, either indefinitely or for a stated period of time: (i) to be awarded a IFAD-financed contract, and (ii)

⁵ “Party” refers to a participant in the selection process or contract execution.

^aA firm or an individual may be declared ineligible to be awarded a IFAD-financed contract upon completion of the IFAD’s sanctions proceedings as per its sanctions procedures,.

to be a nominated sub-consultant^b, sub-contractor, supplier, or service provider of an otherwise eligible firm being awarded a IFAD-financed contract.

1.7.1. In further pursuance of this policy, Consultants shall permit the IFAD to inspect their accounts and records and other documents relating to the submission of proposals and contract performance, and to have them audited by auditors appointed by the IFAD.

1.8 Consultants, their agents (whether declared or not), personnel, sub-contractors, sub-consultants, service providers and suppliers shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by the IFAD in accordance with the above para. 1.7. Furthermore, the Consultants shall be aware of the provisions on fraud and corruption stated in the specific clauses in the General Conditions of Contract.

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

Eligibility 1.10 A firm or an individual sanctioned by the IFAD in accordance with the IFAD Policy on Anticorruption and Fraud shall be ineligible to be awarded a IFAD-financed contract, or to benefit from a IFAD-financed contract, financially or otherwise, during such period of time as the IFAD shall determine.

Eligibility of Sub-Consultants 1.11 In case a shortlisted Consultant intends to associate with Consultants who have not been shortlisted and/or individual expert(s), such other Consultants and/or individual expert(s) shall be subject to the eligibility criteria set forth in the Guidelines.

Origin of Goods and Consulting Services 1.12 Goods supplied and Consulting Services provided under the Contract may originate from any country except if:

(i) as a matter of law or official regulation, the Borrower's country prohibits commercial relations with that country; or

^b A nominated sub-consultant, supplier, or service provider is one which either has been (i) included by the Consultant in its proposal because it brings specific and critical experience and know-how that are accounted for in the technical evaluation of the Consultant's proposal for the particular services; or (ii) appointed by the Client.

- (ii) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any imports of goods from that country or any payments to persons or entities in that country.
- Only One Proposal** 1.13 Shortlisted Consultants may only submit one proposal. If a Consultant submits or participates in more than one proposal, such proposals shall be disqualified. However, this does not limit the participation of the same Sub-Consultant, including individual experts, to more than one proposal.
- Proposal Validity** 1.14 The Data Sheet indicates how long Consultants' Proposals must remain valid after the submission date. During this period, Consultants shall maintain the availability of Professional staff nominated in the Proposal. The Client will make its best effort to complete negotiations within this period. Should the need arise, however, the Client may request Consultants to extend the validity period of their proposals. Consultants who agree to such extension shall confirm that they maintain the availability of the Professional staff nominated in the Proposal, or in their confirmation of extension of validity of the Proposal, Consultants could submit new staff in replacement, who would be considered in the final evaluation for contract award. Consultants who do not agree have the right to refuse to extend the validity of their Proposals.
- 2. Clarification and Amendment of RFP Documents** 2.1 Consultants may request a clarification of any of the RFP documents up to the number of days indicated in the Data Sheet before the proposal submission date. Any request for clarification must be sent in writing, or by standard electronic means to the Client's address indicated in the Data Sheet. The Client will respond in writing, or by standard electronic means and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all Consultants. Should the Client deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure under para. 2.2.
- 2.2 At any time before the submission of Proposals, the Client may amend the RFP by issuing an addendum in writing or by standard electronic means. The addendum shall be sent to all Consultants and will be binding on them. Consultants shall acknowledge receipt of all amendments. To give Consultants reasonable time in which to take an amendment into account

in their Proposals the Client may, if the amendment is substantial, extend the deadline for the submission of Proposals.

3. Preparation of Proposals

- 3.1 The Proposal (see para. 1.2), as well as all related correspondence exchanged by the Consultants and the Client, shall be written in the language (s) specified in the Data Sheet.
- 3.2 In preparing their Proposal, Consultants are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.
- 3.3 While preparing the Technical Proposal, Consultants must give particular attention to the following:
- (a) If a shortlisted Consultant considers that it may enhance its expertise for the assignment by associating with other Consultants in a joint venture or sub-consultancy, it may associate with either (a) non-shortlisted Consultant(s), or (b) shortlisted Consultants if so indicated in the Data Sheet. A shortlisted Consultant must first obtain the approval of the Client if it wishes to enter into a joint venture with non-shortlisted or shortlisted Consultant(s). In case of association with non-shortlisted Consultant(s), the shortlisted Consultant shall act as association leader. In case of a joint venture, all partners shall be jointly and severally liable and shall indicate who will act as the leader of the joint venture.
 - (b) The estimated number of Professional staff-months or the budget for executing the assignment shall be shown in the Data Sheet, but not both. However, the Proposal shall be based on the number of Professional staff-months or budget estimated by the Consultants.

For fixed-budget-based assignments, the available budget is given in the Data Sheet, and the Financial Proposal shall not exceed this budget, while the estimated number of Professional staff-months shall not be disclosed.
 - (c) Alternative professional staff shall not be proposed, and only one curriculum vitae (CV) may be submitted

for each position.

Language	(d) Documents to be issued by the Consultants as part of this assignment must be in the language(s) specified in the Reference Paragraph 3.1 of the Data Sheet. If Reference Paragraph 3.1 indicates two languages, the language in which the proposal of the successful Consultant will be submitted shall govern for the purpose of interpretation. It is desirable that the firm's Personnel have a working knowledge of the Client's national language.
Technical Proposal Format and Content	<p>3.4 Depending on the nature of the assignment, Consultants are required to submit a Full Technical Proposal (FTP), or a Simplified Technical Proposal (STP). The Data Sheet indicates the format of the Technical Proposal to be submitted. Submission of the wrong type of Technical Proposal will result in the Proposal being deemed non-responsive. The Technical Proposal shall provide the information indicated in the following paras from (a) to (g) using the attached Standard Forms (Section 3). Paragraph (c) (ii) indicates the recommended number of pages for the description of the approach, methodology and work plan of the STP. A page is considered to be one printed side of A4 or letter size paper.</p> <p>(a) (i) For the FTP only: a brief description of the Consultants' organization and an outline of recent experience of the Consultants and, in the case of joint venture, for each partner, on assignments of a similar nature is required in Form TECH-2 of Section 3. For each assignment, the outline should indicate the names of Sub-Consultants/ Professional staff who participated, duration of the assignment, contract amount, and Consultant's involvement. Information should be provided only for those assignments for which the Consultant was legally contracted by the client as a corporation or as one of the major firms within a joint venture. Assignments completed by individual Professional staff working privately or through other consulting firms cannot be claimed as the experience of the Consultant, or that of the Consultant's associates, but can be claimed by the Professional staff themselves in their CVs. Consultants should be prepared to substantiate the</p>

claimed experience if so requested by the Client.

- (ii) For the STP the above information is not required and Form TECH-2 of Section 3 shall not be used.
- (b)
 - (i) For the FTP only: comments and suggestions on the Terms of Reference including workable suggestions that could improve the quality/ effectiveness of the assignment; and on requirements for counterpart staff and facilities including: administrative support, office space, local transportation, equipment, data, etc. to be provided by the Client (Form TECH-3 of Section 3).
 - (ii) For the STP Form TECH-3 of Section 3 shall not be used; the above comments and suggestions, if any, should be incorporated into the description of the approach and methodology (refer to following sub-para. 3.4 (c) (ii)).
- (c)
 - (i) For the FTP, and STP: a description of the approach, methodology and work plan for performing the assignment covering the following subjects: technical approach and methodology, work plan, and organization and staffing schedule. Guidance on the content of this section of the Technical Proposals is provided under Form TECH-4 of Section 3. The work plan should be consistent with the Work Schedule (Form TECH-8 of Section 3) which will show in the form of a bar chart the timing proposed for each activity.
 - (ii) For the STP only: the description of the approach, methodology and work plan should normally consist of 10 pages, including charts, diagrams, and comments and suggestions, if any, on Terms of Reference and counterpart staff and facilities.
- (d) The list of the proposed Professional staff team by area of expertise, the position that would be assigned to each staff team member, and their tasks (Form TECH-5 of Section 3).
- (e) Estimates of the staff input (staff-months of foreign and local professionals) needed to carry out the assignment (Form TECH-7 of Section 3). The staff-months input should be indicated separately for home

- office and field activities, and for foreign and local Professional staff.
- (f) CVs of the Professional staff signed by the staff themselves or by the authorized representative of the Professional Staff (Form TECH-6 of Section 3).
 - (g) For the FTP only: a detailed description of the proposed methodology and staffing for training, if the Data Sheet specifies training as a specific component of the assignment.
- 3.5 The Technical Proposal shall not include any financial information. A Technical Proposal containing financial information may be declared non responsive.
- Financial Proposals**
- 3.6 The Financial Proposal shall be prepared using the attached Standard Forms (Section 4). It shall list all costs associated with the assignment, including (a) remuneration for staff (foreign and local, in the field and at the Consultants' home office), and (b) reimbursable expenses indicated in the Data Sheet. If appropriate, these costs should be broken down by activity and, if appropriate, into foreign and local expenditures. All activities and items described in the Technical Proposal must be priced separately; activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items.
- Taxes**
- 3.7 The Consultant may be subject to local taxes (such as: value added or sales tax, social charges or income taxes on nonresident Foreign Personnel, duties, fees, levies) on amounts payable by the Client under the Contract. The Client will state in the Data Sheet if the Consultant is subject to payment of any local taxes. Any such amounts shall not be included in the Financial Proposal as they will not be evaluated, but they will be discussed at contract negotiations, and applicable amounts will be included in the Contract.
- 3.8 Consultants may express the price of their services in a maximum of three freely convertible currencies, singly or in combination. The Client may require Consultants to state the portion of their price representing local cost in the national currency if so indicated in the Data Sheet.
- 3.9 Commissions and gratuities, if any, paid or to be paid by Consultants and related to the assignment will be listed in the

Financial Proposal Form FIN-1 of Section 4.

**4. Submission,
Receipt, and
Opening of
Proposals**

- 4.1 The original proposal (Technical Proposal and, if required, Financial Proposal; see para. 1.2) shall contain no interlineations or overwriting, except as necessary to correct errors made by the Consultants themselves. The person who signed the proposal must initial such corrections. Submission letters for both Technical and Financial Proposals should respectively be in the format of TECH-1 of Section 3, and FIN-1 of Section 4.
- 4.2 An authorized representative of the Consultants shall initial all pages of the original Technical and Financial Proposals. The authorization shall be in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been duly authorized to sign. The signed Technical and Financial Proposals shall be marked “ORIGINAL”.
- 4.3 The Technical Proposal shall be marked “ORIGINAL” or “COPY” as appropriate. The Technical Proposals shall be sent to the addresses referred to in para. 4.5 and in the number of copies indicated in the Data Sheet. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original governs.
- 4.4 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked “TECHNICAL PROPOSAL” Similarly, the original Financial Proposal (if required under the selection method indicated in the Data Sheet) shall be placed in a sealed envelope clearly marked “FINANCIAL PROPOSAL” followed by the Loan/TA number and the name of the assignment, and with a warning “**DO NOT OPEN WITH THE TECHNICAL PROPOSAL.**” The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title of the Loan, and be clearly marked “**DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED, BEFORE***[insert the time and date of the submission deadline indicated in the Data Sheet]*”. The Client shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Proposal rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute

grounds for declaring the Proposal non-responsive.

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| | 4.5 | The Proposals must be sent to the address/addresses indicated in the Data Sheet and received by the Client no later than the time and the date indicated in the Data Sheet, or any extension to this date in accordance with para. 2.2. Any proposal received by the Client after the deadline for submission shall be returned unopened. |
| | 4.6 | The Client shall open the Technical Proposal immediately after the deadline for their submission. The envelopes with the Financial Proposal shall remain sealed and securely stored. |
| 5. Proposal Evaluation | 5.1 | From the time the Proposals are opened to the time the Contract is awarded, the Consultants should not contact the Client on any matter related to its Technical and/or Financial Proposal. Any effort by Consultants to influence the Client in the examination, evaluation, ranking of Proposals, and recommendation for award of Contract may result in the rejection of the Consultants' Proposal. |
| Evaluation of Technical Proposals | 5.2 | The evaluation committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria, and point system specified in the Data Sheet. Each responsive Proposal will be given a technical score (St). A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Data Sheet. |
| Financial Proposals for QBS | 5.3 | Following the ranking of technical Proposals, when selection is based on quality only (QBS), the first ranked Consultant is invited to negotiate its proposal and the Contract in accordance with the instructions given under para. 6 of these Instructions. |
| Public Opening and Evaluation of Financial Proposals (only for QCBS, FBS, and LCS) | 5.4 | After the technical evaluation is completed and the IFAD has issued its no objection (if applicable), the Client shall inform the Consultants who have submitted proposals the technical scores obtained by their Technical Proposals, and shall notify those Consultants whose Proposals did not meet the minimum qualifying mark or were considered non responsive to the RFP and TOR, that their Financial Proposals will be returned unopened after completing the selection process. The Client shall simultaneously notify in writing Consultants that have secured the minimum qualifying mark, the date, time and |

location for opening the Financial Proposals. The opening date should allow Consultants sufficient time to make arrangements for attending the opening. Consultants' attendance at the opening of Financial Proposals is optional.

- 5.5 Financial Proposals shall be opened publicly in the presence of the Consultants' representatives who choose to attend. The name of the Consultants, and the technical scores of the Consultants shall be read aloud. The Financial Proposal of the Consultants who met the minimum qualifying mark will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened, and the total prices read aloud and recorded. Copy of the record shall be sent to all Consultants and the IFAD.
- 5.6 The Evaluation Committee will correct any computational errors. When correcting computational errors, in case of discrepancy between a partial amount and the total amount, or between word and figures the formers will prevail. In addition to the above corrections, as indicated under para. 3.6, activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items. In case an activity or line item is quantified in the Financial Proposal differently from the Technical Proposal, (i) if the Time-Based form of contract has been included in the RFP, the Evaluation Committee shall correct the quantification indicated in the Financial Proposal so as to make it consistent with that indicated in the Technical Proposal, apply the relevant unit price included in the Financial Proposal to the corrected quantity and correct the total Proposal cost, (ii) if the Lump-Sum form of contract has been included in the RFP, no corrections are applied to the Financial Proposal in this respect. Prices shall be converted to a single currency using the selling rates of exchange, source and date indicated in the Data Sheet.
- 5.7 In case of QCBS, the lowest evaluated Financial Proposal (Fm) will be given the maximum financial score (Sf) of 100 points. The financial scores (Sf) of the other Financial Proposals will be computed as indicated in the Data Sheet. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; T + P = 1) indicated in the Data Sheet: $S = St \times T\% + Sf \times P\%$. The firm achieving the highest combined technical and financial score will be invited

for negotiations.

- 5.8 In the case of Fixed-Budget Selection, the Client will select the firm that submitted the highest ranked Technical Proposal within the budget. Proposals that exceed the indicated budget will be rejected. In the case of the Least-Cost Selection, the Client will select the lowest proposal among those that passed the minimum technical score. In both cases the evaluated proposal price according to para. 5.6 shall be considered, and the selected firm is invited for negotiations.

6. Negotiations

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

Technical negotiations

- 6.2 Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan, and organization and staffing, and any suggestions made by the Consultant to improve the Terms of Reference. The Client and the Consultants will finalize the Terms of Reference, staffing schedule, work schedule, logistics, and reporting. These documents will then be incorporated in the Contract as “Description of Services”. Special attention will be paid to clearly defining the inputs and facilities required from the Client to ensure satisfactory implementation of the assignment. The Client shall prepare minutes of negotiations which will be signed by the Client and the Consultant.

Financial negotiations

- 6.3 If applicable, it is the responsibility of the Consultant, before starting financial negotiations, to contact the local tax authorities to determine the local tax amount to be paid by the Consultant under the Contract. The financial negotiations will include a clarification (if any) of the firm’s tax liability in the Client’s country, and the manner in which it will be reflected in the Contract; and will reflect the agreed technical modifications in the cost of the services. In the cases of QCBS, Fixed-Budget Selection, and the Least-Cost Selection methods, unless there are exceptional reasons, the financial negotiations will involve neither the remuneration rates for staff nor other proposed unit rates. For other methods, Consultants will provide the Client with the information on remuneration rates described in the Appendix attached to

Section 4 - Financial Proposal - Standard Forms of this RFP.

- | | | |
|---|-----|---|
| Availability of Professional staff/experts | 6.4 | Having selected the Consultant on the basis of, among other things, an evaluation of proposed Professional staff, the Client expects to negotiate a Contract on the basis of the Professional staff named in the Proposal. Before contract negotiations, the Client will require assurances that the Professional staff will be actually available. The Client will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or for reasons such as death or medical incapacity. If this is not the case and if it is established that Professional staff were offered in the proposal without confirming their availability, the Consultant may be disqualified. Any proposed substitute shall have equivalent or better qualifications and experience than the original candidate and be submitted by the Consultant within the period of time specified in the letter of invitation to negotiate. |
| Conclusion of the negotiations | 6.5 | Negotiations will conclude with a review of the draft Contract. To complete negotiations the Client and the Consultant will initial the agreed Contract. If negotiations fail, the Client will invite the Consultant whose Proposal received the second highest score to negotiate a Contract. |
| 7. Award of Contract | 7.1 | After completing negotiations the Client shall award the Contract to the selected Consultant, publish in UNDB on line and in the Development Gateway the award of the Contract, and promptly notify all Consultants who have submitted proposals. After Contract signature, the Client shall return the unopened Financial Proposals to the unsuccessful Consultants. |
| | 7.2 | The Consultant is expected to commence the assignment on the date and at the location specified in the Data Sheet. |
| 8. Confidentiality | 8.1 | Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Consultants who submitted the Proposals or to other persons not officially concerned with the process, until the publication of the award of Contract. The undue use by any Consultant of confidential information related to the process may result in the rejection of its Proposal and may be subject to the provisions of the IFAD's antifraud and corruption policy. |

Instructions to Consultants

DATA SHEET

[Comments in brackets provide guidance for the preparation of the Data Sheet; they should not appear on the final RFP to be delivered to the shortlisted Consultants]

Paragraph Reference	
1.1	Name of the Client: <u>Programme Management Unit (PMU), Odisha</u> Particularly Vulnerable Tribal Group Empowerment and Livelihoods Improvement Programme(OPELIP) Method of selection: <u>Quality and cost based selection.</u>
1.2	Financial Proposal to be submitted together with Technical Proposal: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Name of the assignment is: Internal audit for OPELIP
1.3	A pre-proposal conference will be held: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <i>[If yes, indicate date, time, and venue]</i> The Client's representative is: Prasana Kumar Nayak, Manager (Finance) Address: PMU, OPELIP, TDCCOL Building, 2 nd Floor, Bhoi Nagar, Bhubaneswar Telephone: (+91) 674-2542709, 2547535, 2546150 Facsimile: (+91) 674-2541772 E-mail: support@opelip.org
1.4	<ul style="list-style-type: none"> - Official documents required for conducting the internal audit and authorization from State authorities if required. - List of Micro Project Agencies (MPAs) under different Districts for internal audit - VDA/VDC of OPELIP area
1.6.1 (a)	The Client envisages the need for continuity for downstream work: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <i>[If yes, outline in the TOR the scope, nature, and timing of future work]</i>

1.14	Proposals must remain valid <i>90 days</i> after the submission date, i.e. until: _____XX.XX.2017 [<i>Insert date</i>]
-------------	---

2.1	<p>Clarifications may be requested not later than 7 days before the submission date.</p> <p>The address for requesting clarifications is: Programme Director, PMU, OPELIP, 2nd Floor, TDCCOL Building, Bhoi, Nagar, Bhubaneswar-751022 Facsimile: (+91) 674-2541772 E-mail: support@opelip.org</p>
3.1	Proposals shall be submitted in the following language: English
3.3 (a)	Shortlisted Consultants may associate with other shortlisted Consultants: Yes ____ No <input checked="" type="checkbox"/>
3.3 (b)	The estimated number of professional staff-months required for the assignment is: As per the ToR
3.4	The format of the Technical Proposal to be submitted is: FTP ____, or STP <input checked="" type="checkbox"/> [<i>check the applicable format</i>]
3.4 (g)	Training is a specific component of this assignment: Yes <input checked="" type="checkbox"/> No [<i>If yes, provide appropriate information</i>]:
3.6	<p>(1) a per diem allowance in respect of Personnel of the Consultant for every day in which the Personnel shall be absent from the home office;</p> <p>(2) cost of necessary travel, including transportation of the Personnel by the most appropriate means of transport and the most direct practicable route;</p> <p>(3) other allowances where applicable and provisional or fixed sums (if any); and</p> <p>(4) cost of such further items required for purposes of the Services not covered in the foregoing.</p>
3.7	<p>Amounts payable by the Client to the Consultant under the contract to be subject to local taxation: Yes <input checked="" type="checkbox"/> No</p> <p>If affirmative, the Client will:</p> <p>(a) reimburse the Consultant for any such taxes paid by the Consultant: YES; or</p>

3.8	Consultant to state local cost in the national currency: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>																						
4.3	Consultant must submit the original and Two (<u>2</u>) <i>[Insert number]</i> photocopy of the Technical Proposal, and the original of the Financial Proposal.																						
4.5	<p>The Proposal submission address is: Programme Management Unit (PMU), Odisha PVTG Empowerment & Livelihoods Improvement Programme (OPELIP), 2nd Floor, TDCCOL Building, Bhoi Nagar, Rupali Square, Bhubaneswar-751022</p> <p>Proposals must be submitted no later than the following date and time: By 3.00 PM, 21.10.2017</p>																						
4.6	The technical proposal will be opened on 21.10.2017 at 4.00 pm at the proposal submission address.																						
5.2 (b)	<p>Criteria, sub-criteria, and point system for the evaluation of Simplified Technical Proposals, for Service Providers that comply with the eligibility criteria, are:</p> <table border="0"> <thead> <tr> <th></th><th style="text-align: right;"><u>Points</u></th></tr> </thead> <tbody> <tr> <td>(i) Adequacy of the proposed technical approach, methodology and work plan in responding to the Terms of Reference⁶:</td><td style="text-align: right;">[20]</td></tr> <tr> <td>(ii) Key professional staff qualifications and competence for the assignment:</td><td></td></tr> <tr> <td> a) Audit Manager</td><td style="text-align: right;">[35 points]</td></tr> <tr> <td> b) Audit Team Leader</td><td style="text-align: right;">[15 points]</td></tr> <tr> <td> c) Senior Audit Asst.</td><td style="text-align: right;">[15 points]</td></tr> <tr> <td> d) Junior Audit Asst.</td><td style="text-align: right;">[15 points]</td></tr> <tr> <td style="text-align: right;">Total points for criterion (ii):</td><td style="text-align: right;">[80]</td></tr> <tr> <td colspan="2"> <p>The number of points to be assigned to each of the above positions or disciplines shall be determined considering the following three sub-criteria and relevant percentage weights:</p> <table border="0"> <tbody> <tr> <td>1) General qualifications</td><td style="text-align: right;">[30%]</td></tr> <tr> <td>2) Adequacy for the assignment</td><td style="text-align: right;">[60%]</td></tr> </tbody> </table> </td></tr> </tbody> </table>		<u>Points</u>	(i) Adequacy of the proposed technical approach, methodology and work plan in responding to the Terms of Reference ⁶ :	[20]	(ii) Key professional staff qualifications and competence for the assignment:		a) Audit Manager	[35 points]	b) Audit Team Leader	[15 points]	c) Senior Audit Asst.	[15 points]	d) Junior Audit Asst.	[15 points]	Total points for criterion (ii):	[80]	<p>The number of points to be assigned to each of the above positions or disciplines shall be determined considering the following three sub-criteria and relevant percentage weights:</p> <table border="0"> <tbody> <tr> <td>1) General qualifications</td><td style="text-align: right;">[30%]</td></tr> <tr> <td>2) Adequacy for the assignment</td><td style="text-align: right;">[60%]</td></tr> </tbody> </table>		1) General qualifications	[30%]	2) Adequacy for the assignment	[60%]
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⁶ Consideration may also be given to the number of pages submitted as compared to the number recommended under para. 3.4 (c) (ii) of these Instructions.

	<p>3) Experience in region and language</p> <p style="text-align: right;">Total weight: [10%] 100%</p> <p style="text-align: right;">Total points for the two criteria: 100</p> <p>The minimum technical score S_t required to pass is: 75 Points [<i>Seventy Five Points</i>]</p>
5.6	<p>The single currency for price conversions is: <u>N/A</u> The financial proposals will be submitted in <u>INR</u></p> <p>The source of official selling rates is: <u>N/A</u></p> <p>The date of exchange rates is: <u>N/A</u></p>
5.7	<p>The formula for determining the financial scores is the following: [<i>Insert either the following formula</i>] $S_f = 100 \times F_m / F$, in which S_f is the financial score, F_m is the lowest price and F the price of the proposal under consideration. [<i>or insert another inversely proportional formula acceptable to the IFAD</i>]</p> <p>The weights given to the Technical and Financial Proposals are: $T = 0.8$, and $P = 0.2$</p>
6.1	<p>Expected date and address for contract negotiations: PMU, OPELIP, TDCCOL Building, 2nd Floor, Bhoi Nagar, Bhubaneswar</p> <hr/>
7.2	<p>Expected date for commencement of consulting services 01.11.2017 _____ [<i>Insert date</i>] at: _____ [<i>Insert location</i>]</p>

Section 3. Technical Proposal - Standard Forms

Form TECH-1: Technical Proposal Submission Form

[Location, Date]

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope¹.

We are submitting our Proposal in association with: [Insert a list with full name and address of each associated Consultant]²

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in Paragraph Reference 1.14 of the Data Sheet, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in Paragraph Reference 7.2 of the Data Sheet.

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

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

- 1 *[In case Paragraph Reference 1.2 of the Data Sheet requires to submit a Technical Proposal only, replace this sentence with: “We are hereby submitting our Proposal, which includes this Technical Proposal only.”]*
- 2 *[Delete in case no association is foreseen.]*

Form TECH-2: Consultant's Organization and Experience

A - Consultant's Organization

A - Consultant's Company/Firm Profile:

1. **Organizational:** Provide a brief description of the background and organization of your firm/entity. The brief description should include ownership details, date and place of incorporation of the firm, objectives of the firm etc.
- 2.

Brief Data Sheet of CA Firm for Internal Audit		
Sl. No.	Particulars	To be filled up by CA firms
1	Name of Firm	
2	CAG Empanelment Number (Please attach Empanelment Certificate as per instructions)	
3	CAG Empanelment Year	
4	Registration No. & Date: (Please attach Registration Certificate)	
5	Year of incorporation	
6	Total number of years of Experience from the incorporation of the Firm.	

2. **Financial:** Provide previous three financial years turn over and net worth of the firm on the basis of the audited accounts of the previous three financial years as follows.

Particulars	Amount in Lakh (INR)
Turnover 2013-14	
Turnover 2014-15	
Turnover 2015-16	
Average Turnover	

B - Consultant's Experience

[Using the format below, provide information on each assignment for which your firm, and each associate for this assignment, was legally contracted either individually as a corporate entity or as one of the major companies within an association, for carrying out consulting services similar to the ones requested under this assignment. Use 20 pages.]

Internal Audit consultancy Assignments of Central/state Government/externally aided projects in odisha.
Information of at least last 5 years before 2016-17

Financial Year	Sl.No	Name of Assignment	Type of Assignment	Fees Received
2015-16	1.			
	2.			
2014-15	1.			
	2.			
2013-14	1.			
	2.			
2012-13	1.			
	2.			
2011-12	1.			
	2.			

The Sl.No in the table may be extended as per the number of assignment completed by the CA Firm

Internal Audit consultancy Assignments of Central/state Government/externally aided projects in States other than Odisha
Information of at least last 5 years

Financial Year	Sl.No	Name of Assignment	Type of Assignment	Fees Received
2015-16	1.			
	2.			
2014-15	1.			
	2.			
2013-14	1.			
	2.			
2012-13	1.			
	2.			
2011-12	1.			
	2.			

The Sl.No in the table may be extended as per the number of assignment completed by the CA Firm

Form TECH-4: Team Composition and Task Assignments

Team Composition proposed (please attach CVs of the team proposed as per the form in Tech -5)

Sl. No.	Team position	Name of key staff proposed for the assignment	No. of days of engagement for the assignment per quarter
1.	Internal Audit Manager		
2.	Audit Team Leader 1		
3	Audit Team Leader 2		
4	Audit Team Leader 3		
5	Senior Audit Assistant 1		
6	Senior Audit Assistant 2		
7	Senior Audit Assistant 3		
8	Junior Audit Assistant 1		
9	Junior Audit Assistant 2		
10	Junior Audit Assistant 3		

Form TECH-5: Curriculum Vitae (CV) for Proposed Professional Staff

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

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

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

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

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

6. Membership of Professional Associations: _____

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

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

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

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

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

Employer: _____

Positions held: _____

11. Detailed Tasks Assigned <i>[List all tasks to be performed under this assignment]</i>	12. Work Undertaken that Best Illustrates Capability to Handle the Tasks Assigned <i>[Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under point 11.]</i> Name of assignment or project: _____ Year: _____ Location: _____ Client: _____ Main project features: _____ Positions held: _____ Activities performed: _____
---	---

13. Certification:

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

[Signature of staff member or authorized representative of the staff]

Date: _____
Day/Month/Year

Full name of authorized representative: _____

Section 4. Financial Proposal - Standard Forms

Form FIN-1: Financial Proposal Submission Form

[Location, Date]

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures¹]. This amount is exclusive of the local taxes, which shall be identified during negotiations and shall be added to the above amount.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Paragraph Reference 1.14 of the Data Sheet.

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

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

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

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

Form FIN-2: Summary of Costs

Summary of Costs			
Item	Costs		
	Unit rate/day	No. of days	Total(In INR)
Total Costs of Financial Proposal ¹			

Note-The summary of cost is sum of subtotals cost of all professional staff ,i.e Professional Fees, including reimbursable travel and accommodation, other incidental costs and tax if any.

Form FIN-3: Breakdown of Costs(ProfessionalStaff¹)

Breakdown of Costs by Professional Staff (Internal Audit Manager)			
Cost component	Unit rate/day	No. of days	Total(In INR)
Professional Fees			
Reimbursable including travel and accommodation, other incidental costs			
Tax if any			
Subtotals			

Breakdown of Costs by Professional Staff (Audit Team Leader)			
Cost component	Unit rate/day	No. of days	Total(In INR)
Professional Fees			
Reimbursable including travel and accommodation, other incidental costs			
Tax if any			
Subtotals			

Breakdown of Costs by Professional Staff (Senior Audit Assistant)			
Cost component	Unit rate/day	No. of days	Total(In INR)
Professional Fees			
Reimbursable including travel and accommodation, other incidental costs			
Tax if any			
Subtotals			

Breakdown of Costs by Professional Staff (Junior Audit Assistant)			
Cost component	Unit rate/day	No. of days	Total(In INR)
Professional Fees			
Reimbursable including travel and accommodation, other incidental costs			
Tax if any			
Subtotals			

Section 5.

Terms of Reference for engagement of the Internal Auditor for OPELIP

Odisha PVTG Empowerment and Livelihoods Improvement Programme (OPELIP)

Project Background

The Odisha PVTG Empowerment and Livelihoods Improvement Programme (OPELIP) goal is to achieve enhanced living conditions and reduced poverty of the PVTGs and other poor communities. This is sought to be achieved through realizing the development objective of enabling improved livelihoods and food and nutrition security primarily for a total of 62,356 households (comprising 32,090 PVTGs, 13,970 other Scheduled Tribe (ST) households, 5,486 Scheduled Caste(SC) households and 10,810 others) would directly benefit from the programme. The Ministry of Tribal Affairs (MoTA) at the National level is the nodal agency for this programme and the Scheduled Tribes and Scheduled Castes Development Department (STSCDD), Government of Odisha at the state level will be the Lead Programme Agency responsible for the functions relating to planning, funds flow, monitoring and evaluation, gender mainstreaming and knowledge management through a dedicated Project Management Unit. A programme steering committee under the chairmanship of Chief Secretary,GoO will provide overall policy guidance to the Programme.

The Government of Odisha with the learning from the implementation of Odisha Tribal Empowerment and Livelihoods Programme (OTELP) in 30 backward blocks of 7 districts in south west Odisha lead to a decision to scale up OTELP to the most challenging areas of Odisha-the Particularly Vulnerable Tribal Groups (PVTG) areas in 17 MPAs in 12 Districts under OPELIP. This programme is funded from the state budget and by dovetailing funds from mainstream developmental programmes like MGNREGA, IAY, NHM, SCA to TSP, Article 275, CCD etc. and IFAD Loan Project. The project will have 8 years project cycle. The programme will adopt the institutional setup as well as implementation modalities of present externally aided OTELP, ensuring community participation in project planning, execution, monitoring and review.

The OPELIP approach relies on building the capacity of the target households, securing them their entitlements over land and forest, improving their agricultural practices for enhanced production, promoting income-generating micro-enterprises for alternate livelihoods and ensuring access to education, health and other services and improving community infrastructure. The implementation will be on the basis of inclusive approach and this would mean that all communities and households residing within selected villages will form the target groups but special emphasis will be given to the development of PVTGs.

The project has 4 main components as follows:

Component 1: Community Empowerment: This component will have two sub-components: (i) promotion of village development associations for the planning and execution of need-based activities of the community that cover natural resources management, community-based paralegal services, community-based health, hygiene and nutrition

education and community infrastructure; and (ii) promotion of SHGs and rural finance services to enable social development of the SHG members through facilitating group savings and credit and through building their capacity.

Component 2: Natural Resources Management and Livelihoods Enhancement: This component will have three sub-components: (i) NRM, (ii) Food and nutrition security and (iii) livelihoods improvement. This component will also have facilities for vocational training for the PVTG youth and promoting PVTG culture and values. As a critical first step under this component, the OPELIP will facilitate identification and assignment of eligible revenue lands to the landless for homestead and agriculture under relevant Government laws and settlement of individual rights under Forest Rights Act (FRA). Land titles will be issued in the joint names husband and wife. To implement this activity, the programme will engage the services of a specialist NGO, with the experience to train the FNGOs and MPAs in the implementation of this activity.

Component 3: Community Infrastructure and drudgery reduction: Interventions under this component will include inter alia: building critical social infrastructure such as schools, health clinics, child-care centres (that are not included under any of the mainstream infrastructure development programmes), storage structures along with drying yards, threshing floors, provision of weighing scales, household storage bins for promoting value-addition and fair trade in villages, small market yards and aggregation centres, facilities for food and NTFP processing units including small rice hullers, upgrading village link roads, rural water supply, supply of smokeless wood-stoves and support to operations and maintenance of village fuel-wood reserves.

Component 4: Programme Management: This component will have three sub-components as follows: (i) a Programme Management Unit (PMU) within the ST and SC Development Department, Government of Odisha in Bhubaneswar, (ii) the programme will strengthen the 17 existing MPAs with staff and facilities; and (iii) a Programme Monitoring and Evaluation and Knowledge Management unit to be housed within the PMU. The policy initiatives aspects of the programme will be part of PMU responsibilities. The PMU recruited Facilitating NGOs to implement the project at community level, in each of the 17 MPA.

The project area covers the 17 Micro-Project Agencies as described in the table below:

Micro-Project Agency	No of villages	Total Population	Of which PVTGs (in %)
PBDA, Jamardihi, Anugul	43	16624	57.41
PBDA, Rugudapadar, Baragarh	94	43847	54.82
LSDA, Serongo, Gajapati	34	13981	100
SDA, Chandragiri, Gajapati	121	39515	99.49
TDA, Tumbo, Ganjam	110	15479	60.69
KKDA, Lanjigarh, Kalahandi	62	18739	16.40
KKDA, Belgarh, Kandhamal	63	11365	55.71
JDA, Gonasika, Keonjhar	57	25920	34.89
BDA, Mudulipada, Malkangiri	62	17448	44.89
DDA, Kudumulgumma,	73	19467	100

Malkangiri			
HKMDA, Jashipur, Mayurbhanj	156	61734	3.89
LDA, Morada., Mayurbhanj	105	51190	6.91
CBDA, Sunabeda, Nuapada	31	10173	23.61
DKDA, Chatikona, Rayagada	124	30651	22.07
DKDA, Parsali, Rayagada	48	8450	11.32
LSDA, Puttasing, Rayagada	8	5170	100
PBDA, Khuntagaon, Sundergarh	52	23285	18.92

The above list is prepared as per the Programme Design Completion Report (PDCR) but during implementation there may be slightly variation in village and population as per detailed baseline survey being conducted.

A total of 62,356 households (comprising 32,090 PVTGs, 13,970 other Scheduled Tribe (ST) households, 5,486 SC households and 10,810 others) would directly benefit from the programme.

Objectives of internal audit

The objectives of the internal audit are to enable the auditor to express a professional opinion on the effectiveness of the overall financial management and procurement arrangements. It has to be ensured that the overall financial management and arrangements including the system of internal controls as documented as per the Financial Management & Procurement Plan. It is expected that the process of audit shall be in position to provide to programme management with timely information on financial management aspects of the programme, including internal controls and compliance with financing agreements, to enable follow-up action.

The main aim of Internal Audit work is to provide the PMU and MPA, an independent and objective assurance and consulting services, evaluate the adequacy and effectiveness of the OPELIP program's internal controls, operations and governance processes, thus adding value by helping the PMU and MPA to accomplish OPELIP objectives

In addition, it is expected that internal audit should play a role in assisting management with misutilization of fund, including the prevention, detection and investigation of fraud as part of **“Bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”**.

Coverage and Standards for the Internal Audit:

The Audit will cover 17 Micro Project Agencies (MPA) in 20 blocks and spread over 12 districts in Odisha. Internal Auditor will also cover 25% of VDAs/VDCs in each of the Quarter and at least 10% of the VDAs/VDCs in subsequent 3 quarters. VDAs/VDCs will be

selected mutually. The audit will also cover all Statement of Expenditures and progress reports submitted by the MPAs/NGOs and release of management fee to them as per the prescribed guidelines. Internal audit should be carried out in accordance with the Auditing & Assurance Standards prescribed by the Institute of Chartered Accountants of India and will include such tests and controls, as the auditor considers necessary under the circumstances.

In conducting the audit, special attention should be paid to assessing whether adequate controls have been established and complied with to ensure that:

- i. All funds have been used in accordance with the conditions of the relevant legal agreements and only for the purposes for which the financing was provided. Relevant legal agreement includes the Financing Agreement, the Project Agreement and the agreement and contracts with MPAs and NGOs.
- ii. The monthly expenditure Statement submitted by the MPA indicating the approved budget provision and expenditure during the month, cumulative expenditure against the component, sub-component, activity / sub-activity during the year should be reviewed in the internal audit.
- iii. The procurement procedure adopted for civil works, goods and consultancy services should be reviewed by the internal auditors and it should be ensured that correct procedures as per the IFAD procurement guidelines and Procurement Handbook have been followed, for each procurement or as per the community procurement guidelines included in the PIM.
- iv. It should be ensured that the records of all procurement, agreements, work/purchase orders, invoices, receipts, stock registers etc. are properly maintained, duly linked and retained including expenditures reported. The auditor should also review contract management and whether business standards for payment to contractors are being adhered to.
- v. The programme accounts have been prepared in accordance with consistently applied accounting standards and as per the Chart of accounts of the project.
- vi. The auditor should ensure the efficiency and timeliness of the funds flow mechanism at the State and MPA level and whether there are delays and which could impact the timely implementation of project. The auditor should also identify and report the reasons for such delays and possible remedial measures.
- vii. The auditor should ensure all funds received under the programme have been used with due attention to economy, efficiency and effectiveness, and only for the purposes for which the financing was provided;
- viii. The auditor should ensure that all necessary supporting documents, records, have been separately filed in respect of all programme activities and that clear linkages exist between the supporting documents, accounting books and records and the periodic financial reports from the respective spending units.

- ix. The internal auditor should ensure that the adequate records are maintained regarding the assets created and assets acquired by the project, including description, details of cost, identification and location of assets. The internal auditor should carry out physical verification of a sample of assets created out of the programme and comment on its utilization.
- x. Whether the accounting for the advances to NGOs and concern units are properly recorded in the accounting books; whether systems are in place for monitoring the receipt of periodic financial reports & follow up on overdue reports are adequate. Exceptions should be identified and reported.
- xi. Bank reconciliations have been carried out on a monthly basis.
- xii. While conducting internal audit in a subsequent phase the auditor will ensure that the compliance report on previous audit observations pointed out in the reports relating to earlier audit is made and corrective actions taken on those points are furnished in the Audit Report of the subsequent phase.
- xiii. Routine errors of omission or commission noted during the course of internal audit may be rectified on the spot.
- xiv. The auditor should ensure that project assets exist; adequate records are maintained and assets are adequately safeguarded and are actually used for their intended purposes.

Coverage of audit extends to

- An assessment of the adequacy of the programme financial management systems, including internal controls. This would include aspects such as adequacy and effectiveness of accounting, financial and operational controls and any needs for revision; level of compliance with established policies, plan and procedures; reliability of accounting systems, data and financial reports; creating controls mechanism in areas where they are lacking; verification of assets and liabilities, security and effectiveness of the operation of the computerized system and,
- Efficiency and timeliness of the funds flow mechanism at the PMU and MPAs and to the Community Institutions. (Through compilation and consolidation of report.)
- Whether the accounts of the programme are compiled in a timely manner and the expenditures consolidated on a monthly/quarterly basis at the PMU level.
- Whether the computerized accounting system is in place, regular entries are being made in the system and reports are generated through the computerized accounting system.
- Verify payment to the consultants/partners as per agreement.
- All necessary supporting documents, records, and accounts have been kept in respect of all programme activities and that clear synchronizations exist between accounting records, accounts books and the periodic financial reports (internal and external i.e. Interim unaudited Financial Reports)

- The auditor is expected to obtain and satisfactorily document sufficient audit evidence to support audit conclusions.
- Internal auditors to summarize key issues and risks from a review of MPA audit report.
- Auditor will also provide variance report as per approved annual action plan and budget.

In conducting the audit of MPAs, special attention should be paid to assessing whether adequate controls have been established and complied in respect to following.

☐ Risk assessment report is to be prepared by the auditor in the first Quarterly report: Identifying what are the risks in the project. Assessment of risk (High, Medium, Low). Ensure that there is an appropriate response to all risks.

☐ Informing the PMU about the risks which are outside acceptable limits, usually those which are to be tolerated or taken for the potential risk.

☐ Efficiency and timeliness of the funds flow mechanism at the MPAs and to the Community Institutions. (Through compilation and consolidation of report up to VDAs level.)

☐ Whether the fund/ tranche released to the Community Institutions are properly recommended by the officer in MPA and approved by the Special Officer/Project Managers having the necessary authority, and the conditions for tranche release have been complied and are in line with the programme guidelines. Whether milestones have been reached before release of fund to VDAs/ VDCs

☐ Whether the MPA is accounting for the tranche release properly in the subsidiary records and is monitoring the receipt of periodic reports and utilization certificates from the VDAs/VDCs& systems to follow up on overdue reports are adequate. Quantify (number and amount) of the funds transferred to the Community Institutions for which the reports and/or UCs are overdue.

☐ The reports and other documents submitted by VDAs/VDCs to the MPA, form the basis of providing funds by the Programme, provide clear linkages with the books/records and reflect the correct position.

☐ The auditor or his representative shall be required to put the certificate with date on all manual records and books of accounts of being verified. Any record not found to have the stamp shall be considered as not verified and deficiency in audit on the part of auditor.

☐ Auditor will verify the no. of VDAs/VDCs to whom fund transferred during the quarter and no. of VDAs/VDCs reported in IUFR.

Data, services and facilities to be provided by OPELIP

- a) All the programme documents, copy of agreements and relevant papers needed for Audit will be provided by the PMU. The auditor would be given access to all

documents, correspondence, and any other information relating to the programme and deemed necessary by the auditor for carrying out audit.

- b) The auditor would be provided copies of the Programme Implementation Manual, Financial Management Manuals, Procurement Manual, guidelines, Government Resolutions, minutes of executive committee meeting, policies and procedures issued by PMU.
- c) One day briefing meeting will be organized by PMU for giving details of the programme and the implementation arrangements. It should be attended by all the members of audit team.

Final Output & Reporting

a. Quarterly Reporting & Annual reporting to PMU: The Auditor will provide **separate consolidated** reports on PMU and MPAs. The reports will be provided **quarterly** and a summary of the key findings, implications and recommendations to enable the Programme Director, OPELIP to take timely action. The reports should be structured in a manner giving the observations, the implications of the observations, the suggested recommendation and the management comments/ agreed actions. The audit observations should be supported by instances and quantified, as far as practicable. **Quarterly** audit reports and annual audit report to be submitted each financial year. Discussion notes duly signed by the both parties will be part of audit Report.

The audit report to be submitted will be as per the template in Annexure 1.

The audit reports should be submitted within 15 days after completion of quarterly audit.

Period of Internal Audit.

Initially contract with the firm will be for two years which will be extended further one year based on the performance. The selected firm will submit audit plan in consultation with PMU in advance and agree with PMU a Schedule of Audit. The contract shall be renewed financial year wise after assessing the pace of implementation, requirement of the programme and performance of the consultant for next year on same terms and condition subject to decision and approval at appropriate level.

KEY PERSONNEL

The list of key personnel's required for this assignments;

Sl. No	Key Professionals	Description of Services to be provided	Experience	No. of persons

1	Audit Manager	Overall coordination, & planning, team leadership, reporting, liaison with client	Qualified Chartered Accountant with at least 7 years' experience as a partner with expertise in the area of internal audit planning, execution and reporting.	1 (One)
2	Audit Team Leader	Responsibility to lead the audit teams in the field, planning and execution of the audits, discussion with heads of offices, consolidation/co compilation	Qualified Chartered Accountants with at least 5 years' experience in internal audit with ability to lead the team.	3 (Three)
3	Senior Audit Asst.	Vouching and verification of PMU and MPA books of accounts	CA (Inter) with 3 years of experience in Accounting, audit and report writing.	3 (Three)
4	Junior Audit Asst.	Vouching and verification of PMU and MPAs/VDA/VD C books of accounts	Graduate/ CA (Inter) with 1 years of experience in Accounting, audit and report writing.	3 (Three)

Annexure - 1**Annexure to Main Audit Report****Part A: Serious Observations**

In this part, give details of serious audit observations such as ineligible expenses, major lapses in internal controls, systemic weaknesses, procurement procedures not followed etc.

Part B: Other Observations

Observations that are not serious in nature, but nonetheless require the attention of the Project should be detailed in this part.

The Observation should also mention the best practices and how the error can be minimized at every level.

Part C: Executive Summary to the project and Suggestions/Recommendations

Provide an Executive Summary of the observations in Part A and B along with suggestions/recommendations. Only those observations that are dealt with in either Part A or Part B should be included in this section Provide specific recommendations on internal control and systemic weaknesses.

Part D: Matters Requiring Immediate Attention

1. Matter requiring Immediate Attention

Auditor should point out the serious issue like cash defalcation, payment made without any approval and beyond the limit of devolution of powers, blank cheque signed, and any other matter which auditor deemed serious in nature.

2. Persisting Irregularities

Under this Para, Auditor should report the persisting irregularities which have been raised earlier but not complied.

3. Books of Account

Under this, Auditor should verify all the books of account maintained by the unit, identify the discrepancies in the books of accounts and also suggest their improvement.

4. Internal Control System

Under this Para, auditor should report on discrepancies of current internal control system and suggest remedial measures.

5. Compliance with Finance Agreement, Project agreement, PIM, and FM Manual / delegation of power

Under this Para, auditor should comment on deviation from Finance Agreement, Project agreement, PIM, and FM Manual.

6. Procurement Procedures

Under this paragraph auditor should report on procurement process which deviate from procurement guidelines.

7. Computerized financial Management system (Tally)

- ☐ ☐ Data entries in tally are up to date or not
- ☐ ☐ Payroll accounting in tally or not
- ☐ ☐ Verification of group, sub – group, head, sub head and ledger in tally and make suggestions on proper classification of accounts, if any.
- ☐ ☐ Cost Centre
- ☐ ☐ Chart of accounts and upload of approved annual budget in tally
- ☐ ☐ Verify the computerized balance with Manual Books of accounts (cash Books, Cheque register etc.)

8. Advance to staff and others and its periodicity

- ☐ ☐ Age of advance
- ☐ ☐ Settlement of advance within stipulated period with proper voucher
- ☐ ☐ Pending bill for settlement of advance
- ☐ ☐ Action on bills submitted for settlement against advance after one month.

- ☐ ☐ Statutory deduction/ payments like TDS/GST, Professional Tax etc and its compliance
- ☐ ☐ Deduction and date of deposit with any irregularities
- ☐ ☐ Employee benefit as per PIM
- ☐ ☐ Verify and certify the IUFR from available books of records

9. Check the accuracy of Quarterly IUFR from tally data / BRS etc.

10. Tracking of financial variance – Variance showing physical and financial achievement in the light of approved action plan and budget.

11. Any other matter:

Any other matter which auditor deemed fit for notice to the management.

12. Suggestion with specific case for improvement

13. TA & DA

- a) TA & DA submission by the Staff within stipulated time
- b) Settlement of TA & DA within stipulated time with proper voucher
- c) Settlement of TA & DA Advance.

14. Fund Transfer to MPAs

- a) Observation on the Time taken by the PMU in transfer of funds.
- b) Whether a system has been developed for the fund transfer.
- c) Whether the MPAs are clear about the Fund Mechanism

SUGGESTIVE QUESTIONNAIRE FOR PMU/MPA

(GIVE SHORT DETAILS OF DIVERGENCE):

1. Whether Office has maintained proper records showing full particulars including quantitative details and situation of fixed assets?
2. Whether fixed assets have been physically verified during the year?
3. Whether the cash book is properly maintained and whether it conforms to computerized system of accounting?
4. Cash balance as on the date of audit
5. Whether expenditure has been made as per the delegation of financial power in PIM? Details of any divergence should be mentioned.
6. Whether bank book is properly prepared and whether the balance as per the pass book conforms to the balance as per the bank book?
7. Whether proper training programs are being conducted?
8. Whether the training expenditure is as per the Budget and whether the training report is submitted with each residential training or not?
9. Whether the books of accounts reconciled between PMUs and MPA ? If not, then reason and amount of such difference.
10. Whether any advance is given to the staff? If yes, whether advance register is maintained and updated till the date of audit and whether it is properly sanctioned and settled within specified days?
11. Whether there is proper internal control system followed?
12. Whether the office is paying TDS, VAT/GST, Professional Tax etc regularly and on time?

13. Whether any fraud on or by any office or person has been noticed or reported during the year? If yes, the nature and amount involved.
14. Whether log book of Vehicle hiring has been properly maintained or not?
15. Whether stock register is maintained? If yes, last entry of goods number/voucher page number of stock register and particulars of goods.
16. Whether 100% vouching is done? If yes, then give the total number of vouchers, component wise total expenditure during the reporting period and its variance from budget.
17. Whether all expenditure is made as per the budget? If not, amount of variance.

Eligibility Criteria for Prequalification of CA Firms/Organisation

- Should be registered and provide a self-attested copy of registration, PAN number and self-attested copy of PAN card
- Should not have been blacklisted by Central/State Govt./Govt. agencies and provide a self-declaration by the authorized representative.
- CAG Empanelment Number (self attested copy of Empanelment Certificate)
- Minimum 5 years of experience of audit
- Having trained audit staff as per ToR

I. Selection criteria for the Service Provider

The Consultancy Services for the OPELIP “**Internal Audit**” will be procured following the Quality and Cost Based Selection method. The Service Providers will be required to submit a Simplified technical proposal and a financial proposal as per the information in the Instruction to the Service Provider in the Request for Proposal.

The Simplified technical proposal will contain the following information:

- Details or profile of the Service Provider, internal structure and CVs of key staff in the organization.
- The relevant experience in this regard must be included in the proposal.
- Description of the audit plan related to the Services described in this Terms of Reference will have to be provided as part of the proposal.
- Reference letters or contracts from previous clients /organisation

- Any other documents which may support your Proposal.

The Simplified technical proposal will be evaluated taking into consideration the criteria below:

- Should be legally registered and provide a self-attested copy of registration, PAN number and self-attested copy of PAN card
- Should not have been blacklisted by Central/State Govt./Govt. agencies and provide a self-declaration by the authorized representative.
- CAG Empanelment Number (self attested copy of Empanelment Certificate)
- Minimum 5 years of experience of audit
- The relevant experience in this regard must be included in the proposal.
- Description of the audit plan related to the Services described in this Terms of Reference will have to be provided as part of the proposal.
- Qualification of the key professionals/staff is aligned with the job description indicated in the present terms of reference.
- Prior work experience of key staff in working in audit and knowledge in the Oriya language.

Section 6. IFAD Policy – Corrupt and Fraudulent Practices

“Fraud and Corruption

It is IFAD’s policy to require that Borrowers (including beneficiaries of IFAD loans), consultants, and their agents (whether declared or not), sub-contractors, sub-consultants, service providers, or suppliers, and any personnel thereof, observe the highest standard of ethics during the selection and execution of IFAD-financed contracts [footnote: In this context, any action taken by a consultant or any of its personnel, or its agents, or its sub-consultants, sub-contractors, services providers, suppliers, and/or their employees, to influence the selection process or contract execution for undue advantage is improper.]. In pursuance of this policy, the Fund:

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

- (i) “corrupt practice” is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party⁷;
- (ii) “fraudulent practice” is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation⁸;
- (iii) “collusive practices” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party⁹;
- (iv) “coercive practices” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party¹⁰;
- (v) “obstructive practice” is

⁷ For the purpose of this sub-paragraph, “another party” refers to a public official acting in relation to the selection process or contract execution. In this context “public official” includes IFAD staff and employees of other organizations taking or reviewing selection decisions.

⁸ For the purpose of this sub-paragraph, “party” refers to a public official; the terms “benefit” and “obligation” relate to the selection process or contract execution; and the “act or omission” is intended to influence the selection process or contract execution.

⁹ For the purpose of this sub-paragraph, “parties” refers to participants in the procurement or selection process (including public officials) attempting either themselves, or through another person or entity not participating in the procurement or selection process, to simulate competition or to establish prices at artificial, non-competitive levels, or are privy to each other’s bid prices or other conditions.

¹⁰For the purpose of this sub-paragraph, “party” refers to a participant in the selection process or contract execution.

- (aa) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an IFAD investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or
 - (bb) acts intended to materially impede the exercise of the IFAD's inspection and audit rights;
- (b) will reject a proposal for award if it determines that the consultant recommended for award or any of its personnel, or its agents, or its sub-consultants, sub-contractors, services providers, suppliers, and/or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;
- (c) will declare misprocurement and cancel the portion of the Loan allocated to a contract if it determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the Loan were engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the selection process or the implementation of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Fund to address such practices when they occur, including by failing to inform the Fund in a timely manner they knew of the practices;
- (d) will sanction a firm or an individual at any time, in accordance with prevailing IFAD's sanctions procedures, including by publicly declaring such firm or an ineligible, either indefinitely or for a stated period of time: (i) to be awarded an IFAD-financed contract, and (ii) to be a nominated¹¹ sub-consultant, supplier, or service provider of an otherwise eligible firm being awarded an IFAD-financed contract.

¹¹ A nominated sub-consultant, supplier, or service provider is one which has been either (i) included by the consultant in its proposal because it brings specific and critical experience and know-how that are accounted for in the technical evaluation of the consultant's proposal for the particular services; or (ii) appointed by the Borrower.

Section 7. Standard Forms of Contract

The attached Form of Contract shall be used.

Lump-Sum Payments

Draft

Contract Agreement for Consulting Services

(Lump-Sum/Time based Payments)

Between the

And

Country: **INDIA**

Project Name:

Description of Services:

Funding: **IFAD Loan Number:**

Reference: **No.**

Date:

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I. Form of Contract

(LUMP-SUM)

This CONTRACT (hereinafter called the “Contract”) is made on **XXX**, between, on the one hand, **the Odisha Particularly Vulnerable Tribal Group Empowerment and Livelihoods Programme**, (hereinafter called the “Client”) and, on the other hand, **XXXX**, having its principal address at **XXXXXX**, (hereinafter called the “Consultant”).

WHEREAS

- (a) The Client has requested the Consultant to provide certain consulting services as defined in this Contract (hereinafter called the “Services”);
- (b) The Consultant, having represented to the Client that it has the required professional skills, expertise and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;
- (c) the Client has received Loan Proceeds of SDR 36.4 million from the International Fund for Agricultural Development (IFAD) for the **XXXX** and intends to apply a portion of the proceeds of this loan to eligible payments under this Contract, it being understood that (i) payments by the IFAD will be made only at the request of the Client and upon approval by the IFAD, (ii) such payments will be subject, in all respects, to the terms and conditions of the financing agreement, including prohibitions of withdrawal from the loan and grant account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the IFAD, is prohibited by the decision of the United Nations Security council taken under Chapter VII of the Charter of the United Nations; and (iii) no party other than the Client shall derive any rights from the financing agreement or have any claim to the loan and grant proceeds;

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:

- (a) The General Conditions of Contract (including Attachment 1 “IFAD Policy – Corrupt and Fraudulent Practices);
- (b) The Special Conditions of Contract;
- (c) Appendices:

Appendix A: Terms of Reference

Appendix B: Key Experts

Appendix C: Breakdown of Contract Price

Appendix D: Form of Advance Payments Guarantee

In the event of any inconsistency between the documents, the following order of precedence shall prevail: the Special Conditions of Contract; the General Conditions of Contract, including Attachment 1; Appendix A; Appendix B; Appendix C; Appendix D. Any reference to this Contract shall include, where the context permits, a reference to its Appendices.

2. The mutual rights and obligations of the Client and the Consultant shall be as set forth in the Contract, in particular:

- (a) The Consultant shall carry out the Services in accordance with the provisions of the Contract; and
- (b) The Client shall make payments to the Consultant in accordance with the provisions of the Contract.

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

For and on behalf of

Project Director, XXXX

For and on behalf of

Name
Designation

II. General Conditions of Contract

A. GENERAL PROVISIONS

1. Definitions

- 1.1. Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:
- (a) “Applicable Guidelines” means Guidelines for Selection and Employment of Consultants under the XXX, in consistent with the IFAD Procurement Guidelines.
 - (b) “Applicable Law” means the laws and any other instruments having the force of law in the Client’s country, or in such other country as may be specified in the **Special Conditions of Contract (SCC)**, as they may be issued and in force from time to time.
 - (c) “IFAD” means the International Fund for Agricultural Development.
 - (d) “Borrower” means the Government, Government agency or other entity that signs the financing agreement with the IFAD.
 - (e) “Client” means the implementing agency that signs the Contract for the Services with the Selected Consultant.
 - (f) “Consultant” means a legally-established professional consulting firm or entity selected by the Client to provide the Services under the signed Contract.
 - (g) “Contract” means the legally binding written agreement signed between the Client and the Consultant and which includes all the attached documents listed in its paragraph 1 of the Form of Contract (the General Conditions (GCC), the Special Conditions (SCC), and the Appendices).
 - (h) “Day” means a working day unless indicated otherwise.
 - (i) “Effective Date” means the date on which this Contract comes into force and effect pursuant to Clause GCC 11.
 - (j) “Experts” means, collectively, Key Experts, Non-Key Experts, or any other personnel of the Consultant, Sub-consultant or JV member(s) assigned by the Consultant to perform the Services or any part thereof under the Contract.
 - (k) “Foreign Currency” means any currency other than the currency of the Client’s country.
 - (l) “GCC” means these General Conditions of Contract.

- (m) “Government” means the government of the Client’s country.
- (n) “Joint Venture (JV)” means an association
- (o) with or without a legal personality distinct from that of its members, of more than one entity where one member has the authority to conduct all businesses for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Client for the performance of the Contract.
- (p) “Key Expert(s)” means an individual professional whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract and whose Curricula Vitae (CV) was taken into account in the technical evaluation of the Consultant’s proposal.
- (q) “Local Currency” means the currency of the Client’s country.
- (r) “Non-Key Expert(s)” means an individual professional provided by the Consultant or its Sub-consultant to perform the Services or any part thereof under the Contract.
- (s) “Party” means the Client or the Consultant, as the case may be, and “Parties” means both of them.
- (t) “SCC” means the Special Conditions of Contract by which the GCC may be amended or supplemented but not over-written.
- (u) “Services” means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A hereto.
- (v) “Sub-consultants” means an entity to whom/which the Consultant subcontracts any part of the Services while remaining solely liable for the execution of the Contract.
- (w) “Third Party” means any person or entity other than the Government, the Client, the Consultant or a Sub-consultant.

2. Relationship
between the Parties

2.1. Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the Client and the Consultant. The Consultant, subject to this Contract, has complete charge of the Experts and Sub-consultants, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.

3. Law Governing Contract	3.1. This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.
4. Language	4.1. This Contract has been executed in the language specified in the SCC , which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.
5. Headings	5.1. The headings shall not limit, alter or affect the meaning of this Contract.
6. Communications	<p>6.1. Any communication required or permitted to be given or made pursuant to this Contract shall be in writing in the language specified in Clause GCC 4. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the SCC.</p> <p>6.2. A Party may change its address for notice hereunder by giving the other Party any communication of such change to the address specified in the SCC.</p>
7. Location	7.1. The Services shall be performed at such locations as are specified in Appendix A hereto and, where the location of a particular task is not so specified, at such locations, whether in the Government's country or elsewhere, as the Client may approve.
8. Authority of Member in Charge	8.1. In case the Consultant is a Joint Venture, the members hereby authorize the member specified in the SCC to act on their behalf in exercising all the Consultant's rights and obligations towards the Client under this Contract, including without limitation the receiving of instructions and payments from the Client.
9. Authorized Representatives	9.1. Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Client or the Consultant may be taken or executed by the officials specified in the SCC .
10. Corrupt and Fraudulent Practices	10.1. The IFAD requires compliance with its policy in regard to corrupt and fraudulent practices as set forth in Attachment 1 to the GCC.
a. Commissions and Fees	10.2. The Client requires the Consultant to disclose any commissions, gratuities or fees that may have been paid or are to be paid to agents or any other party with respect to the selection process or execution of the Contract. The information disclosed must include at least the name and address of the agent or other party, the amount and currency, and the purpose of the commission, gratuity or fee. Failure to disclose such commissions, gratuities or fees may result in

termination of the Contract and/or sanctions by the IFAD.

B. COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT

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| 11. Effectiveness of Contract | 11.1. This Contract shall come into force and effect on the date (the “Effective Date”) of the Client’s notice to the Consultant instructing the Consultant to begin carrying out the Services. This notice shall confirm that the effectiveness conditions, if any, listed in the SCC have been met. |
| 12. Termination of Contract for Failure to Become Effective | 12.1. If this Contract has not become effective within such time period after the date of Contract signature as specified in the SCC, either Party may, by not less than twenty two (22) days written notice to the other Party, declare this Contract to be null and void, and in the event of such a declaration by either Party, neither Party shall have any claim against the other Party with respect hereto. |
| 13. Commencement of Services | 13.1. The Consultant shall confirm availability of Key Experts and begin carrying out the Services not later than the number of days after the Effective Date specified in the SCC. |
| 14. Expiration of Contract | 14.1. Unless terminated earlier pursuant to Clause GCC 19 hereof, this Contract shall expire at the end of such time period after the Effective Date as specified in the SCC. |
| 15. Entire Agreement | 15.1. This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein. |
| 16. Modifications or Variations | <p>16.1. Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.</p> <p>16.2. In cases of substantial modifications or variations, the prior written consent of the IFAD is required.</p> |
| 17. Force Majeure | |
| a. Definition | 17.1. For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable, and makes a Party’s performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible under the circumstances, and subject to those requirements, includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, |

strikes, lockouts or other industrial action confiscation or any other action by Government agencies.

17.2. Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such Party's Experts, Sub-consultants or agents or employees, nor (ii) any event which a diligent Party could reasonably have been expected to both take into account at the time of the conclusion of this Contract, and avoid or overcome in the carrying out of its obligations hereunder.

17.3. Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

b. No Breach of Contract

17.4. The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

c. Measures to be Taken	<p>17.5. A Party affected by an event of Force Majeure shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall take all reasonable measures to minimize the consequences of any event of Force Majeure.</p> <p>17.6. A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than fourteen (14) calendar days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible.</p> <p>17.7. Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.</p> <p>17.8. During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultant, upon instructions by the Client, shall either:</p> <ul style="list-style-type: none">(a) demobilize, in which case the Consultant shall be reimbursed for additional costs they reasonably and necessarily incurred, and, if required by the Client, in reactivating the Services; or(b) continue with the Services to the extent reasonably possible, in which case the Consultant shall continue to be paid under the terms of this Contract and be reimbursed for additional costs reasonably and necessarily incurred. <p>17.9. In the case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clauses GCC 44& 45.</p>
18. Suspension	<p>18.1. The Client may, by written notice of suspension to the Consultant, suspend all payments to the Consultant hereunder if the Consultant fails to perform any of its obligations under this Contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall request the Consultant to remedy such failure within a period not exceeding thirty (30) calendar days after receipt by the Consultant of such notice of suspension.</p>
19. Termination	<p>19.1. This Contract may be terminated by either Party as per provisions set up below:</p> <ul style="list-style-type: none">a. By the Client<ul style="list-style-type: none">19.1.1. The Client may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause. In such an occurrence the Client shall give at least thirty (30) calendar days' written notice of termination to the

Consultant in case of the events referred to in (a) through (d); at least sixty (60) calendar days' written notice in case of the event referred to in (e); and at least five (5) calendar days' written notice in case of the event referred to in (f):

- (a) If the Consultant fails to remedy a failure in the performance of its obligations hereunder, as specified in a notice of suspension pursuant to Clause GCC 18;
- (b) If the Consultant becomes (or, if the Consultant consists of more than one entity, if any of its members becomes) insolvent or bankrupt or enter into any agreements with their creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;
- (c) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GCC 45.1;
- (d) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days;
- (e) If the Client, in its sole discretion and for any reason whatsoever, decides to terminate this Contract;
- (f) If the Consultant fails to confirm availability of Key Experts as required in Clause GCC 13.

19.1.2. Furthermore, if the Client determines that the Consultant has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices, in competing for or in executing the Contract, then the Client may, after giving fourteen (14) calendar days written notice to the Consultant, terminate the Consultant's employment under the Contract.

**b. By the
Consultant**

19.1.3. The Consultant may terminate this Contract, by not less than thirty (30) calendar days' written notice to the Client, in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause.

- (a) If the Client fails to pay any money due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause GCC 45.1 within forty-five (45) calendar days after receiving written notice from the Consultant that such payment is overdue.
- (b) If, as the result of Force Majeure, the Consultant is

unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days.

- (c) If the Client fails to comply with any final decision reached as a result of arbitration pursuant to Clause GCC 45.1.
- (d) If the Client is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Consultant may have subsequently approved in writing) following the receipt by the Client of the Consultant's notice specifying such breach.

c. Cessation of Rights and Obligations

19.1.4. Upon termination of this Contract pursuant to Clauses GCC 12 or GCC 19 hereof, or upon expiration of this Contract pursuant to Clause GCC 14, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, (ii) the obligation of confidentiality set forth in Clause GCC 22, (iii) the Consultant's obligation to permit inspection, copying and auditing of their accounts and records set forth in Clause GCC 25, and (iv) any right which a Party may have under the Applicable Law.

d. Cessation of Services

19.1.5. Upon termination of this Contract by notice of either Party to the other pursuant to Clauses GCC 19a or GCC 19b, the Consultant shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the Consultant and equipment and materials furnished by the Client, the Consultant shall proceed as provided, respectively, by Clauses GCC 27 or GCC 28.

e. Payment upon Termination

19.1.6. Upon termination of this Contract, the Client shall make the following payments to the Consultant:

- (a) payment for Services satisfactorily performed prior to the effective date of termination; and
- (b) in the case of termination pursuant to paragraphs (d) and (e) of Clause GCC 19.1.1, reimbursement of any reasonable cost incidental to the prompt and orderly termination of this Contract, including the cost of the return travel of the Experts.

C. OBLIGATIONS OF THE CONSULTANT

20. General

a. Standard of Performance

20.1 The Consultant shall perform the Services and carry out the Services with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as a faithful adviser to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with the third parties.

20.2. The Consultant shall employ and provide such qualified and experienced Experts and Sub-consultants as are required to carry out the Services.

20.3. The Consultant may subcontract part of the Services to an extent and with such Key Experts and Sub-consultants as may be approved in advance by the Client. Notwithstanding such approval, the Consultant shall retain full responsibility for the Services.

b. Law Applicable to Services

20.4. The Consultant shall perform the Services in accordance with the Contract and the Applicable Law and shall take all practicable steps to ensure that any of its Experts and Sub-consultants, comply with the Applicable Law.

20.5. Throughout the execution of the Contract, the Consultant shall comply with the import of goods and services prohibitions in the Client's country when

- (a) as a matter of law or official regulations, the Borrower's country prohibits commercial relations with that country; or
- (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any import of goods from that country or any payments to any country, person, or entity in that country.

20.6. The Client shall notify the Consultant in writing of relevant local customs, and the Consultant shall, after such notification, respect such customs.

21. Conflict of Interests

21.1. The Consultant shall hold the Client's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.

a. Consultant

21.1.1 The payment of the Consultant pursuant to GCC

Not to Benefit from Commissions, Discounts, etc.	<p>F (Clauses GCC 38 through 42) shall constitute the Consultant's only payment in connection with this Contract and, subject to Clause GCC 21.1.3, the Consultant shall not accept for its own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or in the discharge of its obligations hereunder, and the Consultant shall use its best efforts to ensure that any Sub-consultants, as well as the Experts and agents of either of them, similarly shall not receive any such additional payment.</p> <p>21.1.2 Furthermore, if the Consultant, as part of the Services, has the responsibility of advising the Client on the procurement of goods, works or services, the Consultant shall comply with the IFAD's Applicable Guidelines, and shall at all times exercise such responsibility in the best interest of the Client. Any discounts or commissions obtained by the Consultant in the exercise of such procurement responsibility shall be for the account of the Client.</p>
b. Consultant and Affiliates Not to Engage in Certain Activities	<p>21.1.3 The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, as well as any Sub-consultants and any entity affiliated with such Sub-consultants, shall be disqualified from providing goods, works or non-consulting services resulting from or directly related to the Consultant's Services for the preparation or implementation of the project, unless otherwise indicated in the SCC.</p>
c. Prohibition of Conflicting Activities	<p>21.1.4 The Consultant shall not engage, and shall cause its Experts as well as its Sub-consultants not to engage, either directly or indirectly, in any business or professional activities that would conflict with the activities assigned to them under this Contract.</p>
d. Strict Duty to Disclose Conflicting Activities	<p>21.1.5 The Consultant has an obligation and shall ensure that its Experts and Sub-consultants shall have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Client, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of its Contract.</p>
22. Confidentiality	<p>22.1 Except with the prior written consent of the Client, the Consultant and the Experts shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Consultant and the Experts make public the recommendations formulated in the course of, or as a result of, the Services.</p>
23. Liability of the	<p>23.1 Subject to additional provisions, if any, set forth in the</p>

Consultant	SCC, the Consultant's liability under this Contract shall be provided by the Applicable Law.
24. Insurance to be taken out by the Consultant	<p>24.1 The Consultant (i) shall take out and maintain, and shall cause any Sub-consultants to take out and maintain, at its (or the Sub-consultants', as the case may be) own cost but on terms and conditions approved by the Client, insurance against the risks, and for the coverage specified in the SCC, and (ii) at the Client's request, shall provide evidence to the Client showing that such insurance has been taken out and maintained and that the current premiums therefore have been paid. The Consultant shall ensure that such insurance is in place prior to commencing the Services as stated in Clause GCC 13.</p>
25. Accounting, Inspection and Auditing	<p>25.1 The Consultant shall keep, and shall make all reasonable efforts to cause its Sub-consultants to keep, accurate and systematic accounts and records in respect of the Services and in such form and detail as will clearly identify relevant time changes and costs.</p> <p>25.2 The Consultant shall permit and shall cause its Sub-consultants to permit, the IFAD and/or persons appointed by the Bank to inspect the Site and/or all accounts and records relating to the performance of the Contract and the submission of the Proposal to provide the Services, and to have such accounts and records audited by auditors appointed by the IFAD if requested by the IFAD. The Consultant's attention is drawn to Clause GCC 10 which provides, inter alia, that acts intended to materially impede the exercise of the IFAD's inspection and audit rights provided for under this Clause GCC25.2 constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility under the IFAD's prevailing sanctions procedures.)</p>
26. Reporting Obligations	<p>26.1 The Consultant shall submit to the Client the reports and documents specified in Appendix A, in the form, in the numbers and within the time periods set forth in the said Appendix.</p>
27. Proprietary Rights of the Client in Reports and Records	<p>27.1 Unless otherwise indicated in the SCC, all reports and relevant data and information such as maps, diagrams, plans, databases, other documents and software, supporting records or material compiled or prepared by the Consultant for the Client in the course of the Services shall be confidential and become and remain the absolute property of the Client. The Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Client, together with a detailed inventory thereof. The Consultant may retain a copy of such documents, data and/or software but shall not use the same for purposes unrelated to this Contract without prior written approval of the Client.</p> <p>27.2 If license agreements are necessary or appropriate between the Consultant and third parties for purposes of</p>

development of the plans, drawings, specifications, designs, databases, other documents and software, the Consultant shall obtain the Client's prior written approval to such agreements, and the Client shall be entitled at its discretion to require recovering the expenses related to the development of the program(s) concerned. Other restrictions about the future use of these documents and software, if any, shall be specified in the SCC.

28. Equipment,
Vehicles and
Materials

28.1 Equipment, vehicles and materials made available to the Consultant by the Client, or purchased by the Consultant wholly or partly with funds provided by the Client, shall be the property of the Client and shall be marked accordingly. Upon termination or expiration of this Contract, the Consultant shall make available to the Client an inventory of such equipment, vehicles and materials and shall dispose of such equipment, vehicles and materials in accordance with the Client's instructions. While in possession of such equipment, vehicles and materials, the Consultant, unless otherwise instructed by the Client in writing, shall insure them at the expense of the Client in an amount equal to their full replacement value.

28.2 Any equipment or materials brought by the Consultant or its Experts into the Client's country for the use either for the project or personal use shall remain the property of the Consultant or the Experts concerned, as applicable.

D. CONSULTANT'S EXPERTS AND SUB-CONSULTANTS

29. Description of Key
Experts

29.1 The title, agreed job description, minimum qualification and estimated period of engagement to carry out the Services of each of the Consultant's Key Experts are described in **Appendix B**.

30. Replacement of Key
Experts

30.1 Except as the Client may otherwise agree in writing, no changes shall be made in the Key Experts.

30.2 Notwithstanding the above, the substitution of Key Experts during Contract execution may be considered only based on the Consultant's written request and due to circumstances outside the reasonable control of the Consultant, including but not limited to death or medical incapacity. In such case, the Consultant shall forthwith provide as a replacement, a person of equivalent or better qualifications and experience, and at the same rate of remuneration.

31. Removal of Experts
or Sub-consultants

31.1 If the Client finds that any of the Experts or Sub-consultant has committed serious misconduct or has been charged with having committed a criminal action, or shall the Client determine that Consultant's Expert or Sub-consultant have engaged in corrupt, fraudulent, collusive, coercive or obstructive practice while performing the

Services, the Consultant shall, at the Client's written request, provide a replacement.

31.2 In the event that any of Key Experts, Non-Key Experts or Sub-consultants is found by the Client to be incompetent or incapable in discharging assigned duties, the Client, specifying the grounds therefore, may request the Consultant to provide a replacement.

31.3 Any replacement of the removed Experts or Sub-consultants shall possess better qualifications and experience and shall be acceptable to the Client.

31.4 The Consultant shall bear all costs arising out of or incidental to any removal and/or replacement of such Experts.

E. OBLIGATIONS OF THE CLIENT

32. Assistance and Exemptions

32.1 Unless otherwise specified in the SCC, the Client shall use its best efforts to:

- (a) Assist the Consultant with obtaining work permits and such other documents as shall be necessary to enable the Consultant to perform the Services.
- (b) Assist the Consultant with promptly obtaining, for the Experts and, if appropriate, their eligible dependents, all necessary entry and exit visas, residence permits, exchange permits and any other documents required for their stay in the Client's country while carrying out the Services under the Contract.
- (c) Facilitate prompt clearance through customs of any property required for the Services and of the personal effects of the Experts and their eligible dependents.
- (c) Issue to officials, agents and representatives of the Government all such instructions and information as may be necessary or appropriate for the prompt and effective implementation of the Services.
- (d) Assist the Consultant and the Experts and any Sub-consultants employed by the Consultant for the Services with obtaining exemption from any requirement to register or obtain any permit to practice their profession or to establish themselves either individually or as a corporate entity in the Client's country according to the applicable law in the Client's country.
- (e) Assist the Consultant, any Sub-consultants and the Experts of either of them with obtaining the privilege, pursuant to the applicable law in the Client's country, of bringing into the Client's country reasonable amounts of foreign

	<p>currency for the purposes of the Services or for the personal use of the Experts and of withdrawing any such amounts as may be earned therein by the Experts in the execution of the Services.</p> <p>(f) Provide to the Consultant any such other assistance as may be specified in the SCC.</p>
33. Access to Project Site	<p>33.1 The Client warrants that the Consultant shall have, free of charge, unimpeded access to the project site in respect of which access is required for the performance of the Services. The Client will be responsible for any damage to the project site or any property thereon resulting from such access and will indemnify the Consultant and each of the experts in respect of liability for any such damage, unless such damage is caused by the willful default or negligence of the Consultant or any Sub-consultants or the Experts of either of them.</p>
34. Change in the Applicable Law Related to Taxes and Duties	<p>34.1 If, after the date of this Contract, there is any change in the applicable law in the Client's country with respect to taxes and duties which increases or decreases the cost incurred by the Consultant in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Consultant under this Contract shall be increased or decreased accordingly by agreement between the Parties hereto, and corresponding adjustments shall be made to the Contract price amount specified in Clause GCC 38.1</p>
35. Services, Facilities and Property of the Client	<p>35.1 The Client shall make available to the Consultant and the Experts, for the purposes of the Services and free of any charge, the services, facilities and property described in the Terms of Reference (Appendix A) at the times and in the manner specified in said Appendix A.</p>
36. Counterpart Personnel	<p>36.1 The Client shall make available to the Consultant free of charge such professional and support counterpart personnel, to be nominated by the Client with the Consultant's advice, if specified in Appendix A.</p> <p>36.2 Professional and support counterpart personnel, excluding Client's liaison personnel, shall work under the exclusive direction of the Consultant. If any member of the counterpart personnel fails to perform adequately any work assigned to such member by the Consultant that is consistent with the position occupied by such member, the Consultant may request the replacement of such member, and the Client shall not unreasonably refuse to act upon such request.</p>
37. Payment Obligation	<p>37.1 In consideration of the Services performed by the Consultant under this Contract, the Client shall make such payments to the Consultant for the deliverables specified in Appendix A and in such manner as is provided by GCC F below.</p>

F. PAYMENTS TO THE CONSULTANT

38. Contract Price
- 38.1 The Contract price is fixed and is set forth in the **SCC**. The Contract price breakdown is provided in **Appendix C**.
- 38.2 Any change to the Contract price specified in Clause 38.1 can be made only if the Parties have agreed to the revised scope of Services pursuant to Clause GCC 16 and have amended in writing the Terms of Reference in **Appendix A**.
39. Taxes and Duties
- 39.1 The Consultant, Sub-consultants and Experts are responsible for meeting any and all tax liabilities arising out of the Contract unless it is stated otherwise in the **SCC**.
- 39.2 As an exception to the above and as stated in the **SCC**, all local identifiable indirect taxes (itemized and finalized at Contract negotiations) are reimbursed to the Consultant or are paid by the Client on behalf of the Consultant.
40. Currency of Payment
- 40.1 Any payment under this Contract shall be made in the currency (ies) of the Contract.
41. Mode of Billing and Payment
- 41.1 The total payments under this Contract shall not exceed the Contract price set forth in Clause GCC 38.1.
- 41.2 The payments under this Contract shall be made in lump-sum installments against deliverables specified in **Appendix A**. The payments will be made according to the payment schedule stated in the **SCC**.
- 41.2.1 Advance payment: Unless otherwise indicated in the **SCC**, an advance payment shall be made against an advance payment bank guarantee acceptable to the Client in an amount (or amounts) and in a currency (or currencies) specified in the **SCC**. Such guarantee (i) is to remain effective until the advance payment has been fully set off, and (ii) is to be in the form set forth in **Appendix D**, or in such other form as the Client shall have approved in writing. The advance payments will be set off by the Client in equal portions against the lump-sum installments specified in the **SCC** until said advance payments have been fully set off.
- 41.2.2 The Lump-Sum Installment Payments. The Client shall pay the Consultant within sixty (60) days after the receipt by the Client of the deliverable(s) and the cover invoice for the related lump-sum installment payment. The payment can be withheld if the Client does not approve the submitted deliverable(s) as satisfactory in which case the Client shall provide comments to the Consultant within the same sixty (60) days period. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the

foregoing process shall be repeated.

41.2.3 *The Final Payment* .The final payment under this Clause shall be made only after the final report I have been submitted by the Consultant and approved as satisfactory by the Client. The Services shall then be deemed completed and finally accepted by the Client. The last lump-sum installment shall be deemed approved for payment by the Client within ninety (90) calendar days after receipt of the final report by the Client unless the Client, within such ninety (90) calendar day period, gives written notice to the Consultant specifying in detail deficiencies in the Services, the final report. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated. 41.2.4 All payments under this Contract shall be made to the accounts of the Consultant specified in the SCC.

41.2.4 With the exception of the final payment under 41.2.3 above, payments do not constitute acceptance of the whole Services nor relieve the Consultant of any obligations hereunder.

42. Interest on Delayed Payments

42.1 If the Client had delayed payments beyond fifteen (15) days after the due date stated in Clause GCC 41.2.2 , interest shall be paid to the Consultant on any amount due by, not paid on, such due date for each day of delay at the annual rate stated in the SCC.

G. FAIRNESS AND GOOD FAITH

43. Good Faith

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

H. SETTLEMENT OF DISPUTES

44. Amicable Settlement

44.1 The Parties shall seek to resolve any dispute amicably by mutual consultation.

44.2 If either Party objects to any action or inaction of the other Party, the objecting Party may file a written Notice of Dispute to the other Party providing in detail the basis of the dispute. The Party receiving the Notice of Dispute will consider it and respond in writing within fourteen (14) days after receipt. If that Party fails to respond within fourteen (14) days, or the dispute cannot be amicably settled within fourteen (14) days following the response of that Party, Clause GCC 49.1 shall apply.

45. Dispute Resolution 45.1 Any dispute between the Parties arising under or related to this Contract that cannot be settled amicably may be referred to by either Party to the adjudication/arbitration in accordance with the provisions specified in the **SCC**.

II. General Conditions

Attachment 1: IFAD's Policy – Corrupt and Fraudulent Practices

(The text in this Attachment 1 shall not be modified)

Good Governance and Accountability Policies under the IFAD Procurement Guideline:

“Prohibited Practice”

4.2.1 It is IFAD policy to require that EAs and oversight agencies, as well as bidders, potential bidders, suppliers, contractors and consultants under externally financed contracts, observe the highest standard of ethics during the selection and execution of such contracts.

Pursuant to this policy, the Government and the IFAD:

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

- (i) “Corrupt Practices” mean the offering, giving, receiving, or soliciting directly or indirectly of anything of value to influence improperly the actions of another party.
- (ii) “Fraudulent Practices” is any act or omission including misrepresentation that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation. ;
- (iii) “Collusive Practices” is an arrangement between two or more parties, designed to achieve an improper purpose, including to influence improperly the actions of another party;
- (iv) “Coercive Practices” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party, or the property of the party to influence improperly the actions of a party.
- (v) “Obstructive Practices” mean:deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an IFAD investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or acts intended to materially impede the exercise of the IFAD's inspection and audit rights provided for under sub-clause (e) below.

(b) will reject a proposal for award if it determines that the bidder or consultant recommended for award, or any of its personnel. Or its agents, or its sub-

consultants, subcontractors, service providers, suppliers and/or their employees has directly or indirectly engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question;

- (c) The IFAD will declare mis-procurement and cancel the portion of the loan allocated to the contract if it determines at any time that representatives of the borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, coercive, collusive or obstructive practices during the procurement or implementation of the contract in question without the borrower having taken timely and appropriate action satisfactory to the IFAD to address such practices when they occur, including failing to inform the IFAD in a timely manner at the time they knew of the practices.
- (d) will declare a consultant or firm ineligible, either indefinitely or for a stated period of time, to be awarded an IFAD's financed contract if it at any time determines that the bidder, supplier, contractor, service provider or consultant has engaged in corrupt, fraudulent, coercive, collusive or obstructive practices in competing for, or in executing, an IFAD financed contract; and
- (e) will have the right to require that, in contracts financed by IFAD, a provision be included requiring supplier, contractor or consultants to permit both the Government and the IFAD to inspect their accounts and records relating to the performance of the contract and to have them audited by auditors appointed by the either the IFAD or Government.

III. Special Conditions of Contract

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.1(b) and 3.1	The Contract shall be construed in accordance with the law of the Republic of India.
4.1	The language is: English
6.1 and 6.2	<p>The addresses are:</p> <p>Client : Odisha Particularly Vulnerable Tribal Groups Empowerment and Livelihoods Improvement Programme TDCCOL Building , 2nd Floor, Rupali Square Bhoi Nagar, Bhubaneswar - 751022</p> <p>E-mail: support@opelip.org Fax: 91+674-2541772 Phone: 91+674-2541772, 2542709</p> <p>Consultant :</p> <p>Facsimile : E-mail</p>
8.1	Not Applicable
9.1	<p>The Authorized Representatives are:</p> <p>For the Client: Prasana Kumar Nayak, Manager (Finance)</p> <p>For the Consultant:</p>
11.1	The Effective date is the date on which the contract is signed by both parties.
12.1	<p>Termination of Contract for Failure to Become Effective:</p> <p>The time period shall be 30 calendar days.</p>

13.1	The Consultant shall confirm availability of Key Experts and begin carrying out the Services not later than 14 days after the Effective Date
14.1	Expiration of Contract: The time period shall be 1 year
21 b.	The Client reserves the right to determine on a case-by-case basis whether the Consultant should be disqualified from providing goods, works or non-consulting services due to a conflict of a nature described in Clause GCC 21.1.3 N/A
23.1	No additional provisions.
24.1	The insurance coverage against the risks shall be as follows: (d) employer's liability and workers' compensation insurance in respect of the experts and Sub-consultants in accordance with the relevant provisions of the applicable law in the Client's country, as well as, with respect to such Experts, any such life, health, accident, travel or other insurance as may be appropriate; and (e) insurance against loss of or damage to (i) equipment purchased in whole or in part with funds provided under this Contract, (ii) the Consultant's property used in the performance of the Services, and (iii) any documents prepared by the Consultant in the performance of the Services.
27.1	No exception.
27.2	The Consultant shall not use these documents and software for purposes unrelated to this Contract without the prior written approval of the Client.
32.1 (a) through (e)	No additional assistance.
32.1(f)	No additional assistance.

38.1	<p>The Contract price is:XXXXXX, inclusive of</p> <p>The contract amount, exclusive of all local Taxes Duties and VAT, is XXXX</p>
39.1 and 39.2	<p>The Consultants shall be responsible for all taxes and duties in related to costs of goods and services to perform the assignment under this contract.</p> <p>All local identifiable indirect taxes are reimbursed to the Consultant as specified in Clause SCC 41.2.</p>
41.2	<p>The payment schedule:</p> <p>The payment schedule will be in quarterly basis. Payments shall be made in INR according to the following schedules:</p> <ul style="list-style-type: none"> - 100% of the contract amount after submission of final quarterly audit report <p>All amounts of local taxes, duties and VAT charged under this contract will be reimbursed on Actual Basis</p> <p>All bank charges for Contract Payment transfers due for the consulting service fees would be borne by the Consultant.</p>
41.2.1	<p>The following provisions shall apply to the advance payment and the advance bank payment guarantee:NA</p> <ol style="list-style-type: none"> (1) An advance payment of 30%, net of all local taxes, duties XXX shall be made within 14 days after the receipt of an advance bank payment guarantee by the Client. (2) The advance bank payment guarantee shall be in the amount and in the currency of the currency of the advance payment. (3) The bank guarantee will be released when the advance payment has been fully offset.
41.2.4	<p>The accounts are:</p> <ul style="list-style-type: none"> - Bank name: - Account name: - Account number:

	- Bank address:
42.1	The interest rate is: N/A
45.1	<p>Disputes shall be settled by arbitration in accordance with the following provisions:</p> <ol style="list-style-type: none"> 1. <u>Selection of Arbitrators.</u> Each dispute submitted by a Party to arbitration shall be heard by a sole arbitrator or an arbitration panel composed of three (3) arbitrators, in accordance with the following provisions: <ol style="list-style-type: none"> (a) Where the Parties agree that the dispute concerns a technical matter, they may agree to appoint a sole arbitrator or, failing agreement on the identity of such sole arbitrator within thirty (30) days after receipt by the other Party of the proposal of a name for such an appointment by the Party who initiated the proceedings. (b) Where the Parties do not agree that the dispute concerns a technical matter, the Client and the Consultant shall each appoint one (1) arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall chair the arbitration panel. If the arbitrators named by the Parties do not succeed in appointing a third arbitrator within thirty (30) days after the latter of the two (2) arbitrators named by the Parties has been appointed, the third arbitrator shall, at the request of either Party, be appointed by XXXX (c) If, in a dispute subject to paragraph (b) above, one Party fails to appoint its arbitrator within thirty (30) days after the other Party has appointed its arbitrator, the Party which has named an arbitrator may apply to the XXXXXX, to appoint a sole arbitrator for the matter in dispute, and the arbitrator appointed pursuant to such application shall be the sole arbitrator for that dispute.
	<ol style="list-style-type: none"> 2. <u>Rules of Procedure.</u> Except as otherwise stated herein, arbitration proceedings shall be conducted in accordance with the rules of procedure for arbitration of XXXXXX as in force on the date of this Contract. 3. <u>Substitute Arbitrators.</u> If for any reason an arbitrator is unable to perform his/her function, a substitute shall be appointed in the same manner as the original arbitrator.

	<p>5. <u>Miscellaneous</u>. In any arbitration proceeding hereunder:</p> <p class="list-item-l1">(a) proceedings shall, unless otherwise agreed by the Parties, be held in XXXX;</p> <p class="list-item-l1">(b) the English language shall be the official language for all purposes; and</p> <p class="list-item-l1">(c) the decision of the sole arbitrator or of a majority of the arbitrators (or of the third arbitrator if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction, and the Parties hereby waive any objections to or claims of immunity in respect of such enforcement.</p>

IV. Appendices

APPENDIX A – TERMS OF REFERENCE

Agreed TERMS OF REFERENCE

Attachment to the Agreed Terms of Reference

Ref: **Technical Proposal of XXXXXX**

APPENDIX D - FORM OF ADVANCE PAYMENTS GUARANTEE

[See Clause GCC 41.2.1 and SCC 41.2.1]

Bank Guarantee for Advance Payment

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

Beneficiary: _____ *[Name and Address of Client]*

Date: _____

ADVANCE PAYMENT GUARANTEE No.: _____

We have been informed that _____ *[name of Consultant or a name of the Joint Venture, same as appears on the signed Contract]* (hereinafter called "the Consultant") has entered into Contract No. _____ *[reference number of the contract]* dated _____ with you, for the provision of _____ *[brief description of Services]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of _____ *[amount in figures]* () *[amount in words]* is to be made against an advance payment guarantee.

At the request of the Consultant, we _____ *[name of bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of _____

[amount in figures] () *[amount in words]*¹ upon receipt by us of your first demand in writing accompanied by a written statement stating that the Consultant are in breach of their obligation under the Contract because the Consultant have used the advance payment for purposes other than toward providing the Services under the Contract.

It is a condition for any claim and payment under this guarantee to be made that the advance payment referred to above must have been received by the Consultant on their account number _____ at _____ *[name and address of bank]*.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Consultant as indicated in copies of certified monthly statements which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of the monthly payment certificate indicating that the Consultant has made full repayment of the amount of the advance payment, or on the ___ day of _____, 2____,² whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

[signature(s)]

Note: All italicized text is for indicative purposes only to assist in preparing this form and shall be deleted from the final product.

¹ The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency (ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Client.

² Insert the expected expiration date. In the event of an extension of the time for completion of the Contract, the Client would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Client might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Client's written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee."