

Public Procurement: consulting services

PPP Projects course



- **Law of the Kyrgyz Republic (KR) “On Public Procurement”, No 72 of 03.04.2015**
- **Resolution of the Government of the KR “On Approval of the Standard Tender Documentation on Consulting Services”, No. 136 of 06.03.2020**
- **Order of the Ministry of Finance of the KR “On Approval of Laws and Regulations/Normative Legal Acts in Public Procurement Sector” No. 175-p of 14.10.2015**
- other regulations.

Kyrgyz Legislation on Public Procurement

Public Procurement Website:

- <http://zakupki.gov.kg/popp/home.xhtml>

Department for Public Procurement under the Ministry of Finance of the KR – the authorized state body for public procurement. Contacts:

- <http://zakupki.gov.kg/popp/view/services/contacts.xhtml>

Public Procurement

- **Public Procurement** – acquisition/purchase/buying by a procuring entity of goods, works, services and consulting services by methods established by the Law on Public Procurement, which is financed in whole or in part at the expense/out of the state funds.
- **State funds:** republican and municipal budget funds, extrabudgetary funds of joint-stock companies with 50% or more of shares belonging to the state; foundations and other business entities created at the expense of state funds; self-financing institutions and enterprises; as well as foreign aid received under treaties/international agreements.

Public Procurement: concepts

- **Procuring entity (employer, (ordering) customer)** – state body, local self-government body, budget organization (state and municipal institutions and enterprises), joint-stock companies with 50% or more of shares belonging to the state; foundations and other business entities created at the expense of state funds, state bodies' funds and local self-government bodies' funds; self-financing institutions and enterprises.
- **Consultant** – an individual or a legal entity providing consulting services.

Public Procurement: concepts

- **Consulting services** – services of intellectual and consulting nature provided by consultants who have relevant special professional knowledge, experience and relevant qualification for carrying out of supervision in construction, assembling and other types of works funded by the Government of the Kyrgyz Republic, international financial institutions and other donors.

Public Procurement: concepts

Who may provide consulting services?

- **Legal entities** and
- **Individuals** with relevant qualification.

**Procurement of consulting services, Chapter 3
of the Law on Public Procurement**

- **Qualification and cost-based selection**
- Qualification-based selection
- Selection under conditions of fixed budget
- Selection on the lowest price
- Selection by direct conclusion of contract

Methods of procurement of consulting services

- Preparation of terms of reference (ToR)/technical specifications (requirements)
- Preparation of cost sheet/budget
- Announcement placement
- Compiling/Making of a consultants' shortlist based on the information provided on the experience in relevant area
- Preparation of tender documents

Procurement Procedure

- Receipt of proposals
- Evaluation of technical proposals
- Evaluation of financial proposals
- Final evaluation of quality and cost
- Negotiations and conclusion of contract

Procurement Procedure

- Objectives, tasks and scope of assignment
- Requirements and deadlines for reports submission
- Support/background information (including list of relevant research)
- Information on transfer of knowledge or training of specialists (if applicable)
- Services and research to be provided/conducted
- Preliminary final documents/deliverables
- Obligations of procuring entity and consultants.

Terms of reference: contents

The cost sheet/budget includes expenses needed for the assignment: time period of services; organizational and technical support; initial material and technical resources.

The cost sheet/budget consists of three (3) sections:

- Payment for services or remuneration
- Recoverable expenses (international/local)
- Expenses for material and technical support.

Cost Sheet/Budget

- **The announcement shall be published on the public procurement website:**
<http://zakupki.gov.kg/popp/view/services/donorsOrder/preview.xhtml?cid=3>
- **The period for receipt of expression of interest is not less than ten (10) business days from the day of the announcement.**
- **The procuring entity shall prepare consultants' shortlist.**

Announcement on procurement of consulting services. Consultants' Shortlist

Using the standard tender documentation the procuring entity shall prepare its **tender documentation, which shall include the following:**

- **Invitation letter with the information on procurement, duration of proposals, date, time and address for submission of proposals**
- Information for consultants
- Terms of reference
- General and specific terms of tender documentation (including draft contract).

Tender Documents

- Brief description of the assignment, model forms of technical and financial proposals;
- Names and contacts of specialists of a procuring entity responsible for procurement of consulting services;
- Detailed description of the selection procedure applied, including criteria for technical evaluation, description of financial evaluation, minimum quality-based passing score and information on opening of envelopes with financial proposals;
- Estimated time expenditures for performance of tasks/assignments by main employees;
- Deadline/period for submission of proposals;
- Other information (**Article 41, Law on Public Procurement**).

Information for consultants

- The procuring entity shall establish the date and time for submission of proposals, but not less than four (4) weeks from the day of delivery of the invitation letter.
- Consultants may request clarifications of information in the invitation letter.
- **Envelopes with technical proposals shall be opened upon expiration of the period for submission of proposals at the place specified in the tender documentation.**
- **Financial proposals shall be kept sealed and delivered to the procurement department until the date of their opening.**

Submission and opening of envelopes with proposals

Evaluation of Technical Proposals
(consultant's experience, quality of services' methods, personnel's qualification, transfer of knowledge, availability of Kyrgyz citizens among consultant's personnel)



Opening and Evaluation of Financial Proposals (with cost of services) of those bidders who have passed the minimum passing score after the evaluation of the Technical Proposals



- **JOINT EVALUATION OF TECHNICAL AND FINANCIAL PROPOSALS:**
(scores for the Technical Proposal + scores for the Financial Proposal);
- Minutes of the procurement procedure to be prepared and published on the public procurement website: <http://zakupki.gov.kg/popp/view/services/donorsOrder/winner-preview.xhtml?cid=4>
- The consultant with the highest score will be invited to negotiations on the procurement contract.

Evaluation of proposals

The procuring entity shall invite the consultant with the highest score to the negotiations within three (3) days after the evaluation process.

The procuring entity and the consultant shall discuss the following issues:

- Methods, personnel/staff and periods for services;
- Material and technical resources provided by the procuring entity;
- Terms of contract.

Negotiations on the procurement contract

- The procuring entity and the consultant shall not discuss the consultant's remuneration (cost of services).
- The negotiations shall not result in essential modification of the original terms of reference or terms of contract, in order to exclude any impact on the quality of services, their cost and purpose of the initial evaluation.

What cannot be negotiated?

- The final terms of reference and agreed methods shall be included into the scope of tasks (part of contract).
- The procuring entity and the winning bidder shall conclude the contract within 10-30 days from the day of determination of the winning bidder.
- The procuring entity shall publish the information on the concluded contract on the public procurement website.
- **E.g. Contract for consulting services between [PE] and [C]: Project “Feasibility Study and Design for the Implementation of Public-Private Partnership Models for the Health Sector of the Kyrgyz Republic”.**

Conclusion of contract