



Regulating Energy for Sustainable Development

Government of the Republic of Malawi

MALAWI ENERGY REGULATORY AUTHORITY

Request for Proposals Documents For the Procurement of Consultancy Services (Small Time-Based Contracts)

Subject of Procurement : Consultancy to Review/ Develop Performance Management System

**Procurement Reference Number :
MERA2/082024/RFP/Consultancy/PMS/PME/01**

Procurement Method : National Competitive Bidding

Basis of Selection : Least Cost

Date of Issue of Request for Proposals Document : 29 August 2024

Part 1: Proposal Procedures

PART 1: PROPOSAL PROCEDURES

1.1 Procurement Reference Number: _____

1.2 Preparation of Proposals: You are requested to quote for these services by submitting separate technical and financial proposals, as detailed below. The standard forms in this Request for Proposals (RFP) may be retyped for completion but the Bidder is responsible for their accurate reproduction.

You are advised to carefully read the complete RFP document, including the Form of Contract in Part 3: Contract, before preparing your proposal.

1.3 Preparation of Technical Proposals: Technical proposals should contain the following documents and information:

1. the Technical Proposal Submission Sheet in this Part.
2. a brief methodology for performing the services.
3. a workplan, showing the inputs of all key staff.
4. CVs of key staff.
5. a summary of your experience in similar assignments.

1.4 Preparation of Financial Proposals: Financial proposals should contain the following documents and information:

1. the Financial Proposal Submission Sheet in this Part.
2. the Breakdown of Contract Price form in this Part for each currency of your proposal, showing all costs for the assignment, broken down into fees and reimbursable costs.
- 3.

1.5 Basis of Pricing and Payment: The contract price shall be an estimated amount. Payment shall be made for the time actually spent and for reimbursable expenses actually incurred by the Consultant in the performance of the Services, using the rates specified in the Breakdown of Contract Price.

1.6 Validity of Proposals: The proposal validity required is _____ days.

1.7 Sealing and marking of Proposals: The technical and financial proposals should be sealed in separate envelopes, both clearly marked with the Procurement Reference Number above, the Bidder's name, the name of the Procuring Entity and either "Technical Proposal" or "Financial Proposal" as appropriate.

Both envelopes should be enclosed in a single outer envelope, clearly marked with the Procurement Reference Number above, the Bidder's name and the name of the Procuring Entity. All three envelopes should be sealed in such a manner that opening and resealing cannot be achieved undetected.

1.8 Submission of Proposals: Proposals should be submitted to the address below, no later than the date and time of the deadline below. Late proposals will be rejected.

Deadline: Tuesday, 10/09/2024 (day, month and year).

Time : 14:00 Hours (local time).

Address: The Internal Procurement and Disposal of Assets Committee
 Private Bag B – 496
 Lilongwe 3

Part 1: Proposal Procedures

1.9 Opening of Proposals: Only the technical proposals will be opened in public at the time, date and address shown below by the Procuring Entity. Financial proposals will be kept unopened, and the evaluation committee shall have no access to financial information until the detailed evaluation is concluded.

Date of opening: Tuesday, 10/09/2024 (day, month and year).

Time of opening: 14:00 Hours (local time).

Address: The Chairperson
 The Internal Procurement and Disposal of Assets Committee
 Malawi Energy Regulatory Authority
 Private Bag B – 496
 Lilongwe 3

1.10 Evaluation of Proposals: The evaluation of proposals will use the Quality & Cost Based Selection/Least Cost Selection/Quality Based selection procedure as detailed below:

A) Preliminary examination to confirm that all documents required have been provided, to confirm the eligibility of bidders and to confirm that the supplier has accepted all terms and conditions without material deviation or reservation.

B) Technical evaluation _____.

C) Financial evaluation _____.

Proposals failing any stage will be eliminated and not considered in subsequent stages.

1.11 Eligibility Criteria: You are required to meet the following criteria to be eligible to participate in public procurement:

- a have the legal capacity to enter into a contract.
- b not be insolvent, in receivership, bankrupt or being wound up, not have had your business activities suspended and not be the subject of legal proceedings for any of the foregoing.
- c have fulfilled your obligations to pay taxes according to the tax laws of your country of registration.
- d are not suspended or excluded from participation in any public procurement exercise by the Office of the Director of Public Procurement in Malawi.
- e have not been convicted, or any of your directors or officers been convicted, of any criminal offence relating to obtaining or attempting to obtain a contract or subcontract.
- f are not under investigation by the Anti-Corruption Bureau or any other law enforcement body in Malawi relating to participation in any public procurement tender exercise or execution of any public procurement contract relating to the purchase of goods, works and services by any Procuring Entity.

In order to demonstrate compliance with these criteria, you should submit with the technical proposal appropriate documentary evidence.

Government-owned enterprises in the Republic of Malawi may only participate if they are legally and financially autonomous, operate under commercial law, and are not a dependent agency to the Procuring Entity.

Part 1: Proposal Procedures

1.12 Conflict of Interest: The Government of the Republic of Malawi (hereinafter called “the Government”) requires that Consultants provide professional, objective, and impartial advice and at all times hold the Procuring Entity’s interest’s paramount, strictly avoid conflicts with other assignments or their own corporate interests and act without any consideration for future work. 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:

A) A firm that has been engaged by the Procuring Entity 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 Consultant 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.

B) 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 Procuring Entity. For example, a Consultant hired to prepare engineering design for an infrastructure project shall not be engaged to prepare an independent environmental assessment for the same project, and a Consultant assisting a Procuring Entity 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.

C) A Consultant (including its Personnel and Sub-Consultants) that has a business or family relationship with a member of the Procuring Entity’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 (iii) a member of the Procuring Entity’s Internal Procurement Committee, or (iv) 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 Government throughout the procurement process and the execution of the Contract.

Consultants have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of the Procuring Entity, 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.

No agency or current employees of the Procuring Entity shall work as consultants under their own ministries, departments or agencies. Recruiting former government employees of the Procuring Entity to work for their former ministries, departments or agencies is acceptable provided no conflict of interest exists. Bidders should be aware that existing government employees can only be nominated as personnel in Technical Proposals in accordance with the Government of Malawi’s current regulations concerning external employment for government employees.

Part 1: Proposal Procedures

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

1.13 Corrupt Practices: The Government requires that Procuring Entities, as well as Bidders and Consultants under government-financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, the Government:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
 - i. "Corrupt practice" means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution.
 - ii. "Fraudulent practice" means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract.
 - iii. "Collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish prices at artificial, noncompetitive levels; and
 - iv. "Coercive practices" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process or affect the execution of a contract.
- (b) will reject a recommendation for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the contract in question; and
- (c) will debar a Bidder from participation in public procurement for a specified period of time if it at any time determines that the firm has engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a contract.

1.14 Technical Criteria:

Proposals shall be awarded scores out of the maximum number of points indicated below for each of the following criteria:

NO.	CRITERIA	WEIGHTING/%
1	Experience of the firm in similar assignments	15 points
2	Adequacy of the proposed methodology and workplan for the assignment	25 points
3	Staff composition, qualifications, and experience in similar works.	60 points
TOTAL		100 points

Part 1: Proposal Procedures

The minimum technical score required to pass the technical evaluation is _____ points.

1.15 Financial Criteria:

1.16 Currency: Proposals may be priced in Malawi Kwacha or any other freely convertible currency and in up to two currencies. The currency of evaluation will be Malawi Kwacha. Proposals in other currencies will be converted to this currency for evaluation purposes only, using the exchange rates published by the Reserve Bank of Malawi 14 calendar days prior to the date of the submission deadline.

1.17 Recommendation for Award: The proposal _____ shall be recommended for award of contract, subject to any negotiations required.

1.18 Award of contract: Award of contract shall be by placement of a Contract in accordance with Part 3: Contract, or any other formal notice to the bidder

1.19 Right to Reject: The Procuring Entity reserves the right to accept or reject any proposal or to cancel the bidding process and reject all proposals at any time prior to contract award.

Part 1: Proposal Procedures

Technical Proposal Submission Sheet

Note to Bidder: Complete this form with all the requested details and submit it as the first page of your technical proposal, with the documents requested above attached. Ensure that your proposal is authorised in the signature block below. A signature and authorisation on this form will confirm that the terms and conditions of this RFP prevail over any attachments. If your proposal is not authorised, it may be rejected.

Procurement Reference Number:	
Subject of Procurement:	
Name of Bidder:	
Bidder's Reference Number:	
Date of Technical Proposal:	

We offer to provide the services described in the Schedule of Requirements, in accordance with the terms and conditions stated in your Request for Proposals referenced above.

We confirm that we are eligible to participate in public procurement and meet the eligibility criteria specified in Part 1: Proposal Procedures of your Request for Proposals.

The validity period of our proposal is: _____ days/weeks/months from the time and date of the submission deadline.

We enclose a separately sealed financial proposal.

Technical Proposal Authorised By:

Signature: _____ Name: _____

Position: _____ Date: _____

(DD/MM/YY)

Authorised for and on behalf of:

Company: _____

Address: _____

Part 1: Proposal Procedures

Financial Proposal Submission Sheet

Note to Bidders: Complete this form with all the requested details and submit it as the first page of your financial proposal, with the documents requested above attached. Ensure that your proposal is authorised in the signature block below. A signature and authorisation on this form will confirm that the terms and conditions of this RFP prevail over any attachments. If your proposal is not authorised, it may be rejected. The total price of the proposal should be expressed in the currency or currencies permitted in the instructions above.

Procurement Reference Number:	
Subject of Procurement:	
Name of Bidder:	
Bidder's Reference Number:	
Date of Financial Proposal:	

The total price of our proposal is: _____ and _____.

We confirm that the rates quoted in our Financial Proposal are fixed and firm for the duration of the validity period and will not be subject to revision or variation.

Financial Proposal Authorised By:

Signature: _____ Name: _____

Position: _____ Date: _____
(DD/MM/YY)

Authorised for and on behalf of:

Company: _____

Address: _____

Part 1: Proposal Procedures

TOTAL:				

TOTAL PRICE: _____

Breakdown of Contract Price Authorised By:

Signature: _____ Name: _____

Position: _____ Date: _____

(DD/MM/YY)

Authorised for and on behalf of:

Company: _____

Part 2: Schedule of Requirements

PART 2: SCHEDULE OF REQUIREMENTS

Terms of Reference

Procurement Reference Number: _____

TERMS OF REFERENCE TO REVIEW MERA PERFORMANCE MANAGEMENT SYSTEM

1.0 INTRODUCTION

MERA is a body corporate established under the Energy Regulation Act No. 20 of 2004 as the Energy Sector-wide Regulator with the mandate to regulate the energy sector in Malawi in a fair, transparent, efficient, and cost-effective manner for the benefit of the consumers and operators. MERA draws its mandate from various Energy Laws, including the Electricity Act (2004), the Electricity Amendment Act (2016), the Rural Electrification Act (2004), and the Liquid Fuels and Gas (Production and Supply) Act (2004). The Energy Act outlines seventeen functions grouped into seven categories: Licensing of energy undertakings, energy price review and approval, setting and enforcement of performance standards, commercial dispute arbitration and consumer complaint mediation, consumer awareness promotion and education, collection of fees and levies, and assessment of gaps in energy laws with recommendations for reforms.

2.0 BACKGROUND

In 2017, the Malawi Energy Regulatory Authority (MERA) introduced the traditional Performance Management System (PMS), which primarily focuses on evaluating individual employee performance through predetermined objectives and competencies. It places significant emphasis on linking rewards and sanctions to the outcomes of performance appraisals. The system was designed with the expectation that it would continually enhance the skills, knowledge, and attitudes of its workforce, thereby empowering employees in the execution of their duties. The specific objectives of the PMS encompass a range of critical aspects, including: Clarifying individual roles and responsibilities; Promoting effective communication between supervisors and supervisees; Establishing constructive performance feedback; Recognizing outstanding performance; Encouraging professional development and training opportunities for employees; Influencing decisions related to job placement and promotion; Contributing to comprehensive career planning for employees; Ensuring the defensibility of Human Resource actions; and Establishing and maintaining a fair, transparent, and objective appraisal system.

3.0 OBJECTIVE OF THE ASSIGNMENT

During the implementation of the traditional Performance Management System, MERA identified several challenges and shortcomings. Notably, the existing PMS lacks a holistic approach required for a thorough evaluation of both MERA as an organization and its employees from various perspectives. Furthermore, the assessment of certain competencies relied heavily on the subjective judgment of supervisors, which introduces the potential for bias and inconsistencies in the evaluation process. In response to these challenges, MERA has initiated a review of its Performance Management System. The goal is to establish a more robust and objective performance evaluation framework that effectively addresses the identified obstacles and enhances overall performance.

Part 2: Schedule of Requirements

4.0 SCOPE OF WORK

The scope of work encompasses a detailed assessment and restructuring of the existing system to align it to the Balanced Score Card approach. Specifically, the works include:

- (i) Needs Assessment and Gap Analysis: Conduct an assessment to identify the specific challenges and limitations of the current system.
- (ii) Design and Development of a Revised PMS:
 - a. Propose a revised performance management framework using Balanced Scorecard Theory that incorporates best practices and addresses the identified challenges.
 - b. Propose a revised reward and sanction mechanism that enhances performance both at Institutional and Individual level; and
 - c. Recommend a system for tracking and documenting performance data.
- (iii) Training and Capacity Building: Provide training on conducting performance appraisals and aligning individual performance with organizational objectives.
- (iv) Pilot Testing: Conduct a pilot test of the revised PMS to assess its functionality, user-friendliness, and effectiveness; and
- (v) Documentation and Reporting: Prepare comprehensive documentation of the revised PMS, including manuals, guidelines, and templates for performance appraisals and feedback.

5.0 METHODOLOGY

The Consultant will design and implement the most suitable, efficient, and cost-effective methodology for this assignment. The approach must be participatory, ensuring that Management is informed of developments at each stage of the process. The proposed methodology will be reviewed and approved by MERA prior to implementation.

6.0 DELIVERABLES

The Consultant is responsible for providing the following deliverables:

- (i) Inception Report: A report outlining the consultant's understanding of the scope of work, including the methodology, work plan and questionnaires/tools to be employed throughout the process.
- (ii) Needs Assessment and Gap Analysis Report: A report identifying the existing shortcomings, challenges, and gaps within the current Performance Management System.
- (iii) Draft Design/Handbook of the Revised Performance Management System: A preliminary design or handbook presenting the proposed framework for the revised Performance Management System.
- (iv) Training Report: A report detailing the training approach, participants and outcomes.
- (v) Pilot Test Report: A report on findings and analysis from the pilot testing; and
- (vi) Final Design/Handbook of the Revised Performance Management System: Documentation of the finalized and revised Performance Management System.

Part 2: Schedule of Requirements

7.0 QUALIFICATION AND SKILLS

The consultant must possess the requisite professional and academic qualifications and skills to conduct the assignment. The successful consultant should have the following attributes:

- (i) The consultant must have a proven record of conducting at least three (3) similar assignments in organizations comparable to MERA.
- (ii) The consultant team should comprise at least three (3) experts with the following qualifications: a master's degree or PhD in Strategic Management, Human Resource Management, Public Administration, Social Science, or a related field; and
- (iii) The team leader must have proven experience in at least two (2) similar assignments, and the rest of the team members must have experience in at least one (1) similar assignment.

8.0 EVALUATION CRITERIA

The following criteria shall be used in the selection of the successful Consultant:

NO	CRITERIA	WEIGHTING
1	Experience of the firm in similar assignments	15%
2	Adequacy of the proposed methodology and work plan for the assignment.	25%
3	Staff composition, qualifications, and experience in similar works	60%
	TOTAL	100%

9.0 DURATION

The Consultancy duration is between **sixty (60) to ninety (90) calendar days** from the date of commencement of the contract.

10.0 SUBMISSION OF PROPOSALS

Those that have the requisite qualifications to carry out this assignment are invited to submit separate **TECHNICAL** and **FINANCIAL** proposals in sealed envelopes clearly marked "**PROPOSAL TO UNDERTAKE REVIEW OF THE PERFORMANCE MANAGEMENT SYSTEM FOR THE MALAWI ENERGY REGULATORY AUTHORITY (MERA)**". It should be addressed to:

Chief Executive Officer
Malawi Energy Regulatory Authority (MERA)
MERA Complex
Next to Civic Offices
Capital City
Private Bag B 496
LILONGWE 3

{Entity or Project Crest or Logo}

Government of the Republic of Malawi

{Name of Procuring Entity and/or Project}

CONTRACT FOR CONSULTING SERVICES

Small Assignments

Time Based Payments

[Title of the Assignment]

between

[Name of the Procuring Entity]

and

[Name of the Supplier]

Procurement Number: _____

Dated: _____

Part 3

CONTRACT FOR CONSULTING SERVICES SMALL ASSIGNMENTS TIME-BASED PAYMENTS

CONTRACT

THIS CONTRACT ("Contract") is entered into this _____, by and between _____ ("the Procuring Entity" hereinafter known as "the Client") having its principal place of business at _____, and _____ ("the Supplier" hereinafter known as "the Consultant") having its principal office located at _____.

WHEREAS the Client wishes the Consultant to perform the services hereinafter referred to, and

WHEREAS the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

- 1. Services**
- (i) The Consultant shall perform the services specified in Annex A, "Terms of Reference and Scope of Services," which is made an integral part of this Contract ("the Services").
 - (ii) The Consultant shall provide the reports listed in Annex B, "Consultant's Reporting Obligations," within the time periods listed in such Annex, and the personnel listed in Annex C, "Cost Estimate of Services, List of Personnel and Schedule of Rates" to perform the Services.

- 2. Term**
- The Consultant shall perform the Services during the period commencing _____ and continuing until _____ or any other period as may be subsequently agreed by the parties in writing.

- 3. Payment**
- A. Ceiling

For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed a ceiling of _____. This amount has been established based on the understanding that it includes all of the Consultant's costs and profits as well as any tax obligation that may be imposed on the Consultant. The payments made under the Contract consist of the Consultant's remuneration as defined in sub-paragraph B below and of the reimbursable expenditures as defined in sub-paragraph C below.

- B. Remuneration

The Client shall pay the Consultant for Services rendered at the rate(s) per _____ in accordance with the rates agreed and specified in Annex C, "Cost Estimate of

Part 3

Services, List of Personnel and Schedule of Rates.”

C. Reimbursables

The Client shall pay the Consultant for reimbursable expenses, which shall consist of and be limited to:

- (i) normal and customary expenditures for official travel, accommodation, printing, and telephone charges; official travel will be reimbursed at cost and will need to be authorised by the Client’s co-ordinator;
- (ii) such other expenses as approved in advance by the Client’s co-ordinator.

D. Payment Conditions

Payment shall be made in _____ not later than 45 days following submission of invoices in duplicate to the Co-ordinator designated in paragraph 4.

4. Project Administration

A. Co-ordinator

The Client designates _____ as the Client’s Co-ordinator; the Co-ordinator shall be responsible for the co-ordination of activities under the Contract, for receiving and approving invoices for payment, and for acceptance of the deliverables by the Client.

B. Timesheets

During the course of their work under this Contract, including fieldwork, the Consultant’s employees providing services under this Contract may be required to complete timesheets or any other document used to identify time spent, as well as expenses incurred, as instructed by the Project Co-ordinator.

C. Records and Accounts

The Consultant shall keep accurate and systematic records and accounts in respect of the Services, which will clearly identify all charges and expenses. The Client reserves the right to audit, or to nominate a reputable accounting firm to audit, the Consultant’s records relating to amounts claimed under this Contract during its term and any extension, and for a period of six months thereafter.

5. Performance Standard

The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees assigned under this

Part 3

Contract that the Client considers unsatisfactory.

- 6. Confidentiality** The Consultant shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client.
- 7. Ownership of Material** Any studies, reports or other material, graphic, software or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client. The Consultant may retain a copy of such documents and software.
- 8. Consultant Not to be Engaged in Certain Activities** The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than the Services or any continuation thereof) for any project resulting from or closely related to the Services.
- 9. Insurance** The Consultant will be responsible for taking out any appropriate insurance coverage.
- 10. Assignment** The Consultant shall not assign this Contract or Subcontract any portion of it without the Client's prior written consent.
- 11. Law Governing Contract and Language** The laws of the Republic of Malawi shall govern the Contract, and the language of the Contract shall be English.
- 12. Resolution of Disputes** Any dispute arising out of this Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Republic of Malawi.

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FOR THE CLIENT

Signed by _____

Title: _____

WITNESS

Signed by _____

Name _____

FOR THE CONSULTANT

Signed by _____

Title: _____

WITNESS

Signed by _____

Name _____

Part 3

LIST OF ANNEXES

Annex A: Terms of Reference and Scope of Services

Annex B: Consultant's Reporting Obligations

Annex C: Cost Estimate of Services, List of Personnel and Schedule of Rates

Part 3

ANNEX C

Cost Estimate of Services, List of Personnel and Schedule of Rates

(1) Remuneration of Staff

	Name	Rate (per month/day/ hour in currency)	Time spent (number of month/day/hour)	Total (currency)
(a)	Team Leader			
(b)				
(c)				
				Sub-Total (1)

(2) Reimbursables

	Rate	Days	Total
(a)	International Travel		
(b)	Local Transportation		
(c)	Per Diem		
			Sub-total (2)

TOTAL COST _____

CONTRACT CEILING _____