



KENYA SEED COMPANY LIMITED

REQUEST FOR PROPOSAL

FOR

PROVISION OF CONSULTANCY SERVICES FOR

DEVELOPING A

TRANSFER PRICING (TP) POLICY

TENDER NO. KSC/RFP/TPP/01/2020/2021

TENDER CLOSING & OPENING DATE:

21st OCTOBER 2020

KENYA SEED COMPANY LIMITED

P.O, BOX 553

KITALE

TEL. 054 31909-14, 0722 205 144

www.kenyaseed.com

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28th September 2020

SECTION I - LETTER OF INVITATION

**TENDER NAME: REQUEST FOR PROPOSAL FOR PROVISION OF
CONSULTANCY SERVICES FOR DEVELOPING A TRANSFER
PRICING (TP) POLICY**

TENDER REF: TENDER NO. KSC/RFP/TPP/01/2020/2021

TO: All eligible consultancy firms

Dear Sir/Madam,

- 1.1 Kenya Seed Company requires Transfer Pricing (TP) services for preparation of the TP documentation for the entities in Kenya, Uganda, Tanzania and Rwanda. In addition, it requires an advisory report on the tax matters arising from the intercompany transactions and recommendations to address the tax risks identified during the TP review. Details of the scope of service are included in the terms of reference as indicated in section V of the tender document.
- 1.2 Interested eligible candidates may obtain further information from and inspect the tender documents in **Procurement Department, Kenya Seed Company Limited, Mbegu Plaza, Ground Floor, Kitale** during normal working hours.
- 1.3 A complete set of tender documents may be obtained by interested candidates from the **Kenya Seed Company Limited** website www.kenyaseed.com free of charge. Interested bidders who download the Tender Document shall be required to submit their contact details to procurement@kenyaseed.co.ke for recording and any further clarification and addenda.
- 1.4 Completed tender documents properly bound, serialized/paginated in all printed pages including all the attachments from the first page, in the correct sequence and in the format 1,2,3,4... to the last page are to be enclosed in plain sealed envelopes marked with tender reference number and tender name addressed to Managing Director, Kenya Seed Company Limited, Mbegu Plaza, Kijana Wamalwa Road, P.O Box 553 - 30200, Kitale and deposited in the Tender Box at **Kenya Seed Company Limited, Mbegu Plaza, Ground Floor, Reception Area, Kijana Wamalwa Road, Kitale** so as to be received on or before **21st October, 2020 at 11.00 a.m.** Kenyan time.
- 1.5 Prices quoted should be **net inclusive of all taxes** and delivery must be in Kenya Shillings and shall remain valid for **120 days** from the closing date of the tender.

- 1.6 Tenders will be opened immediately thereafter in the presence of the Candidates or their representatives who choose to attend at **Kenya Seed Company Limited, Mbegu Plaza, Ground Floor, Conference Room, Kijana Wamalwa Road, Kitale.**

MANAGING DIRECTOR

SECTION II – INFORMATION TO CONSULTANTS (ITC)

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SECTION II: - INFORMATION TO CONSULTANTS (ITC)

2.1 Introduction

- 2.1.1 The Client named in the Appendix to “ITC” will select a firm among those invited to submit a proposal, in accordance with the method of selection detailed in the appendix. The method of selection shall be as indicated by the procuring entity in the Appendix.
- 2.1.2 The consultants are invited to submit a Technical Proposal and a Financial Proposal, or a Technical Proposal only, as specified in the Appendix “ITC” for consulting services required for the assignment named in the said Appendix. A Technical Proposal only may be submitted in assignments where the Client intends to apply standard conditions of engagement and scales of fees for professional services which are regulated as is the case with Building and Civil Engineering Consulting services. In such a case the highest ranked firm of the technical proposal shall be invited to negotiate a contract on the basis of scale fees. The proposal will be the basis for Contract negotiations and ultimately for a signed Contract with the selected firm.
- 2.1.3 The consultants must familiarize themselves with local conditions and take them into account in preparing their proposals. To obtain first hand information on the assignment and on the local conditions, consultants are encouraged to liaise with the Client regarding any information that they may require before submitting a proposal and to attend a pre-proposal conference where applicable. Consultants should contact the officials named in the Appendix “ITC” to arrange for any 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.
- 2.1.4 The Procuring entity will provide the inputs specified in the Appendix “ITC”, assist the firm in obtaining licenses and permits needed to carry out the services and make available relevant project data and reports.
- 2.1.5 Please note that (i) the costs of preparing the proposal and of negotiating the Contract, including any visit to the Client are not reimbursable as a direct cost of the assignment; and (ii) the Client is not bound to accept any of the proposals submitted.
- 2.1.6 The procuring entity’s employees, committee members, board members and their relative (spouse and children) are not eligible to participate.
- 2.1.7 The price to be charged for the tender document shall not exceed Kshs.1,000/=
- 2.1.8 The procuring entity shall allow the tenderer to review the tender document free of charge before purchase.

2.2 Clarification and Amendment of RFP Documents

- 2.2.1 Consultants may request a clarification of any of the RFP documents only up to seven [7] days before the proposal submission date. Any request for clarification must be sent in writing by paper mail, cable, telex, facsimile or electronic mail to the Client's address indicated in the Appendix "ITC". The Client will respond by cable, telex, facsimile or electronic mail to such requests and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all invited consultants who intend to submit proposals.
- 2.2.2 At any time before the submission of proposals, the Client may for any reason, whether at his own initiative or in response to a clarification requested by an invited firm, amend the RFP. Any amendment shall be issued in writing through addenda. Addenda shall be sent by mail, cable to all invited consultants and will be binding on them. The Client may at his discretion extend the deadline for the submission of proposals.

2.3 Preparation of Technical Proposal

- 2.3.1 The Consultants proposal shall be written in English language
- 2.3.2 In preparing the Technical Proposal, consultants are expected to examine the documents constituting this RFP in detail. Material deficiencies in providing the information requested may result in rejection of a proposal.
- 2.3.3 While preparing the Technical Proposal, consultants must give particular attention to the following:
- (i) If a firm considers that it does not have all the expertise for the assignment, it may obtain a full range of expertise by associating with individual consultant(s) and/or other firms or entities in a joint venture or sub-consultancy as appropriate. Consultants shall not associate with the other consultants who have submitted their RFP for this assignment. Any firms associating in contravention of this requirement shall automatically be disqualified.
 - (ii) For assignments on a staff-time basis, the estimated number of professional staff-time is given in the Appendix. The proposal shall however be based on the number of professional staff-time estimated by the firm.
 - (iii) It is desirable that the majority of the key professional staff proposed be permanent employees of the firm or have an extended and stable working relationship with it.

- (iv) Proposed professional staff must as a minimum, have the experience indicated in Appendix, preferably working under conditions similar to those prevailing in Kenya.
- (v) Alternative professional staff shall not be proposed and only one Curriculum Vitae (CV) may be submitted for each position.

2.3.4 The Technical Proposal shall provide the following information using the attached Standard Forms;

- (i) A brief description of the firm's organization and an outline of recent experience on assignments of a similar nature. For each assignment the outline should indicate *inter alia*, the profiles of the staff proposed, duration of the assignment, contract amount and firm's involvement.
- (ii) Any comments or suggestions on the Terms of Reference, a list of services and facilities to be provided by the Client.
- (iii) A description of the methodology and work plan for performing the assignment.
- (iv) The list of the proposed staff team by specialty, the tasks that would be assigned to each staff team member and their timing.
- (v) CVs recently signed by the proposed professional staff and the authorized representative submitting the proposal. Key information should include number of years working for the firm/entity and degree of responsibility held in various assignments during the last ten (10) years.
- (vi) Estimates of the total staff input (professional and support staff staff-time) needed to carry out the assignment supported by bar chart diagrams showing the time proposed for each professional staff team member.
- (vii) A detailed description of the proposed methodology, staffing and monitoring of training, if Appendix "A" specifies training as a major component of the assignment.
- (viii) Any additional information requested in Appendix "A".

2.3.5 The Technical Proposal shall not include any financial information.

2.4 Preparation of Financial Proposal

2.4.1 In preparing the Financial Proposal, consultants are expected to take into account the requirements and conditions outlined in the RFP documents. The

Financial Proposal should follow Standard Forms (Section D). It lists all costs associated with the assignment including; (a) remuneration for staff (in the field and at headquarters), and; (b) reimbursable expenses such as subsistence (per diem, housing), transportation (international and local, for mobilization and demobilization), services and equipment (vehicles, office equipment, furniture, and supplies), office rent, insurance, printing of documents, surveys, and training, if it is a major component of the assignment. If appropriate these costs should be broken down by activity.

- 2.4.2 The Financial Proposal should clearly identify as a separate amount, the local taxes, duties, fees, levies and other charges imposed under the law on the consultants, the sub-consultants and their personnel, unless Appendix "A" specifies otherwise.
- 2.4.3 Consultants shall express the price of their services in Kenya Shillings.
- 2.4.4 Commissions and gratuities, if any, paid or to be paid by consultants and related to the assignment will be listed in the Financial Proposal submission Form.
- 2.4.5 The Proposal must remain valid for 60 days after the submission date. During this period, the consultant is expected to keep available, at his own cost, the professional staff proposed for the assignment. The Client will make his best effort to complete negotiations within this period. If the Client wishes to extend the validity period of the proposals, the consultants shall agree to the extension.

2.5 **Submission, Receipt, and Opening of Proposals**

- 2.5.1 The original proposal (Technical Proposal and, Financial Proposal; see para. 1.2) shall be prepared in indelible ink. It shall contain no interlineation or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be initialed by the persons or person authorised to sign the proposals.
- 2.5.2 For each proposal, the consultants shall prepare the number of copies indicated in Appendix "A". Each Technical Proposal and Financial Proposal shall be marked "**ORIGINAL**" or "**COPY**" as appropriate. If there are any discrepancies between the original and the copies of the proposal, the original shall govern.
- 2.5.3 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "**TECHNICAL PROPOSAL**," and the original and all copies of the Financial Proposal in a sealed envelope clearly marked "**FINANCIAL PROPOSAL**" and warning: "**DO NOT OPEN WITH THE TECHNICAL PROPOSAL**". Both envelopes shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission

address and other information indicated in the Appendix "ITC" and be clearly marked, **"DO NOT OPEN BEFORE 21ST OCTOBER 2020 AT 11:00AM**

2.5.4 The completed Technical and Financial Proposals must be delivered at the submission address on or before the time and date stated in the Appendix "ITC". Any proposal received after the closing time for submission of proposals shall be returned to the respective consultant unopened.

2.5.5 After the deadline for submission of proposals, the Technical Proposal shall be opened immediately by the opening committee. The Financial Proposal shall remain sealed and deposited with a responsible officer of the client department up to the time for public opening of financial proposals.

2.6 Proposal Evaluation General

2.6.1 From the time the bids are opened to the time the Contract is awarded, if any consultant wishes to contact the Client on any matter related to his proposal, he should do so in writing at the address indicated in the Appendix "ITC". Any effort by the firm to influence the Client in the proposal evaluation, proposal comparison or Contract award decisions shall result in the rejection of the consultant's proposal.

2.6.2 Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.

2.7 Evaluation of Technical Proposal

2.7.1 The evaluation committee appointed by the Client shall evaluate the proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria as follows

	Points
(i) Specific experience of the consultant related to the assignment	(5-10)
(ii) Adequacy of the proposed work plan and methodology in responding to the terms of reference	(20-40)
(iii) Qualifications and competence of the key staff for the assignment	(30-40)
(iv) Suitability to the transfer of Technology Programme (Training)	<u>(0-10)</u>

Total Points 100

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 Terms of Reference or if it fails to achieve the minimum technical score indicated in the Appendix "ITC".

2.8 Public Opening and Evaluation of Financial Proposal

- 2.8.1 After Technical Proposal evaluation, the Client shall notify those consultants whose proposals did not meet the minimum qualifying mark or were considered non-responsive to the RFP and Terms of Reference, indicating that their Financial Proposals will be returned after completing the selection process. The Client shall simultaneously notify the consultants who have secured the minimum qualifying mark, indicating the date and time set for opening the Financial Proposals and stating that the opening process is open to those consultants who choose to attend. The opening date shall not be sooner than seven (7) days after the notification date. The notification may be sent by registered letter, cable, telex, facsimile or electronic mail.
- 2.8.2 The Financial Proposals shall be opened publicly in the presence of the consultants' representatives who choose to attend. The name of the consultant, the technical. Scores and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened. The Client shall prepare minutes of the public opening.
- 2.8.3 The evaluation committee will determine whether the financial proposals are complete (i.e. whether the consultant has costed all the items of the corresponding Technical Proposal and correct any computational errors. The cost of any unpriced items shall be assumed to be included in other costs in the proposal. In all cases, the total price of the Financial Proposal as submitted shall prevail.
- 2.8.4 While comparing proposal prices between local and foreign firms participating in a selection process in financial evaluation of Proposals, firms incorporated in Kenya where indigenous Kenyans own 51% or more of the share capital shall be allowed a 10% preferential bias in proposal prices. However, there shall be no such preference in the technical evaluation of the tenders. Proof of local incorporation and citizenship shall be required before the provisions of this sub-clause are applied. Details of such proof shall be attached by the Consultant in the financial proposal.
- 2.8.5 The formulae for determining the Financial Score (Sf) shall be as follows:-
$$Sf = 100 \times \frac{Fm}{F}$$
 where Sf is the financial score; Fm is the lowest priced financial proposal and F is the price of the proposal under consideration. 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 Appendix. The combined technical and financial score, S, is calculated as follows: - $S = St \times T \% + Sf \times P \%$. The firm achieving the highest combined technical and financial score will be invited for negotiations.
- 2.8.6 The tender evaluation committee shall evaluate the tender within 30 days of from the date of opening the tender.
- 2.8.7 Contract price variations shall not be allowed for contracts not exceeding one year (12 months).

2.8.8 Where contract price variation is allowed, the variation shall not exceed 10% of the original contract price

2.8.9 Price variation requests shall be processed by the procuring entity within 30 days of receiving the request.

2.9 Negotiations

2.9.1 Negotiations will be held at the same address as “address to send information to the Client” indicated in the Appendix “ITC”. The aim is to reach agreement on all points and sign a contract.

2.9.2 Negotiations will include a discussion of the Technical Proposal, the proposed methodology (work plan), staffing and any suggestions made by the firm to improve the Terms of Reference. The Client and firm will then work out final Terms of Reference, staffing and bar charts indicating activities, staff periods in the field and in the head office, staff-months, logistics and reporting. The agreed work plan and final Terms of Reference will then be incorporated in the “Description of Services” and form part of the Contract. Special attention will be paid to getting the most the firm can offer within the available budget and to clearly defining the inputs required from the Client to ensure satisfactory implementation of the assignment.

2.9.3 Unless there are exceptional reasons, the financial negotiations will not involve the remuneration rates for staff (no breakdown of fees).

2.9.4 Having selected the firm on the basis of, among other things, an evaluation of proposed key professional staff, the Client expects to negotiate a contract on the basis of the experts named in the proposal. Before contract negotiations, the Client will require assurances that the experts 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 that such changes are critical to meet the objectives of the assignment. If this is not the case and if it is established that key staff were offered in the proposal without confirming their availability, the firm may be disqualified.

2.9.5 The negotiations will conclude with a review of the draft form of the Contract. To complete negotiations the Client and the selected firm will initial the agreed Contract. If negotiations fail, the Client will invite the firm whose proposal received the second highest score to negotiate a contract.

2.9.6 The procuring entity shall appoint a team for the purpose of the negotiations.

2.10 Award of Contract

- 2.10.1 The Contract will be awarded following negotiations. After negotiations are completed, the Client will promptly notify other consultants on the shortlist that they were unsuccessful and return the Financial Proposals of those consultants who did not pass the technical evaluation.
- 2.10.2 The selected firm is expected to commence the assignment on the date and at the location specified in Appendix "A".
- 2.10.3 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.
- 2.10.4 The procuring entity may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.
- 2.10.5 The procuring entity shall give prompt notice of the termination to the tenderers and on request give its reasons for termination within 14 days of receiving the request from any tenderer.
- 2.10.6 To qualify for contract awards, the tenderer shall have the following:
- (a) Necessary qualifications, capability experience, services, equipment and facilities to provide what is being procured.
 - (b) Legal capacity to enter into a contract for procurement
 - (c) Shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
 - (d) Shall not be debarred from participating in public procurement.

2.11 Confidentiality

- 2.11.1 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 winning firm has been notified that it has been awarded the Contract.

2.12 Corrupt or fraudulent practices

- 2.12.1 The procuring entity requires that the consultants observe the highest standards of ethics during the selection and award of the consultancy contract and also during the performance of the assignment. The tenderer shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.

2.12.2 The procuring entity will reject a proposal for award if it determines that the consultant recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.

2.12.3 Further a consultant who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

APPENDIX TO INFORMATION TO CONSULTANTS (ITC)

The following information shall complement or amend the provisions of the information to consultants. Wherever there is a conflict between the provisions of information to consultants and the Appendix to information to consultants, the provisions of the **Appendix** herein shall prevail over those of the information to consultants.

Clause	Reference
ICT REF	Particulars of Appendix to Information to Consultants
2.1.1	The name of the Client is: Kenya Seed Company Ltd The method of selection is: Quality and Cost Based Selection
2.1.2	Technical and Financial Proposals are requested: Yes The name, objectives, and description of the assignment are: PROVISION OF CONSULTANCY SERVICES FOR DEVELOPING A TRANSFER PRICING (TP) POLICY
2.1.3	A pre-proposal conference will be held: No The name(s) and address(es) of the Client are: Managing Director, Kenya Seed Company Limited, Mbegu Plaza, Kijana Wamalwa Road, P.O Box 553 - 30200, Kitale and deposited in the Tender Box at Kenya Seed Company Limited, Mbegu Plaza, Ground Floor, Reception Area, Kijana Wamalwa Road, Kitale
2.1.4	The Client will provide the following inputs: (i) Liaison Team (ii) Relevant Documents and any relevant materials, (iii) Relevant logistical arrangements
2.1.7	A complete set of tender documents to be Downloaded free of charge from Kenya Seed website www.kenyaseed.com or from public procurement portal website www.tenders.go.ke
2.3.3	The estimated number of professional staff is 5 (Five) and months required for the assignment is 3 Months . The minimum required experience of proposed professional staff is: Lead consultant: Should be at the level of a partner in an audit firm who is certified public accountant with at least 10 years of experience in handling tax related assignments. Other Key Staff At least 4 support consultants with at least 5 years of experience in handling tax related assignments.
2.3.4	Training is a specific component of this assignment: Yes. Refer to Terms of

	Reference.													
2.5.2	Consultants must submit an original and one (1) additional copy of both the technical and financial proposals													
2.5.3	<p>The proposal submission address is:</p> <p style="text-align: center;">The Managing Director, Kenya Seed Company Limited, Mbegu Plaza, Kijana Wamalwa Road, P.O Box 553 - 30200, Kitale.</p> <p>Information on the outer envelope should also include: Tender reference number and Request for Proposal name</p>													
2.5.4	Proposals must be submitted not later than the following date and time: 21st October, 2020 at 11.00 a.m. Kenyan time.													
2.6.1	<p>The address to send information to the Client is:</p> <p style="text-align: center;">The Managing Director, Kenya Seed Company Limited, Mbegu Plaza, Kijana Wamalwa Road, P.O Box 553 - 30200, Kitale.</p>													
2.7	<p>The evaluation committee appointed by the company shall evaluate the proposal on the basis of their responsiveness to the Terms of Reference, Applying the evaluation criteria as follows:</p> <p>EVALUATION CRITERIA TO BE USED TO EVALUATE THE PROPOSAL</p> <ol style="list-style-type: none"> 1. Phase 1 - Preliminary evaluation 2. Phase 2 - Technical evaluation 3. Phase 3 - Financial evaluation 4. Phase 4 - Combining financial and technical scores 5. Phase 5 - Recommendations <p>PHASE ONE (1) –PRELIMINARY EVALUATION (Mandatory / Statutory Requirements)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 70%;">Requirements</th> <th style="width: 20%;">Criteria Responsive or Non Responsive</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">i.</td> <td>Properly bound, serialized/paginated in all printed pages including all other attachments from the first page, in the correct sequence and in the format 1,2,3,4... to the last page of the original technical Proposal and Copy of the same</td> <td></td> </tr> <tr> <td style="text-align: center;">ii.</td> <td>Duly filled and signed Technical Proposal Submission Form (as provided here in)</td> <td></td> </tr> <tr> <td style="text-align: center;">iii.</td> <td>Duly filled and signed confidential business questionnaire in Section VII</td> <td></td> </tr> </tbody> </table>			Requirements	Criteria Responsive or Non Responsive	i.	Properly bound, serialized/paginated in all printed pages including all other attachments from the first page, in the correct sequence and in the format 1,2,3,4... to the last page of the original technical Proposal and Copy of the same		ii.	Duly filled and signed Technical Proposal Submission Form (as provided here in)		iii.	Duly filled and signed confidential business questionnaire in Section VII	
	Requirements	Criteria Responsive or Non Responsive												
i.	Properly bound, serialized/paginated in all printed pages including all other attachments from the first page, in the correct sequence and in the format 1,2,3,4... to the last page of the original technical Proposal and Copy of the same													
ii.	Duly filled and signed Technical Proposal Submission Form (as provided here in)													
iii.	Duly filled and signed confidential business questionnaire in Section VII													

iv.	Duly filled and signed declaration forms SD1 and SD2 in Section VIII	
v.	Attach a copy of certificate of incorporation/Registration	
vi.	Attach a valid tax compliance certificate from KRA	
vii.	Audited accounts for the years 2018 and 2019 and auditor's opinion/ statement against each financial year audited accounts	

At this stage the tenderer's submission will either be responsive or non-responsive. The non-responsive submissions will be eliminated from the entire evaluation process and will not be considered further

PHASE TWO (2) –TECHNICAL EVALUATION

Criteria		Maximum Score	Evaluator's Score
1.	Specific experience of the firm		
a.	Company profile which should include names of directors/ partners, staff and general structure of the company In existence for 5years and above 5 marks Others prorated as follows: No of years' x 5 marks/ 5years	5	
b.	Presence in at least 3 out of the 4 countries i.e. Kenya, Uganda, Tanzania and Rwanda	5	
c.	Evidence of at least 3 consultancies relating to tax planning and regional tax laws or any other related consultancies done locally and in the region to show understanding of the assignment. The consultancy must have been undertaken within the last ten (10) years. List names of the organization where the relevant assignment(s) were carried out provide dates, recommendation letters and contact persons from the listed organizations (5 marks for each consultancy)	15	
Subtotal		25	
2.	Adequacy of the proposed work plan and methodology in responding to the terms of reference		
a.	Adequacy and clarity of the proposed methodology	10	
b.	Adequacy of the work plan in addressing the scope:	20	

	<ul style="list-style-type: none"> • List of proposed activities (10 marks) • Adequacy of proposed timelines (5 marks) • Synchronization of activities (5 marks) 		
c.	Demonstrate understanding of the varying regional legislations, tax laws and treaties in East Africa region	10	
Subtotal		40	
3.	Qualifications and Competence of key Staff for the Assignment		
a.	<p>Lead consultant</p> <p>Should be at the level of a partner in an audit firm who is certified public accountant with at least 10 years of experience in handling tax related assignments. Attach current CV (5 marks), a copy of practicing certificates and other testimonials (5 marks) and evidence of experience of the staff in handling tax related assignments (5 marks)</p>	15	
b.	<p>Other Key Staff</p> <p>At least 4 support consultants with at least 5 years of experience in handling tax related assignments. Each should attach current CV (1 mark for each), relevant academic qualifications (1 mark) and evidence of experience of the staff in handling tax related assignments (3 marks)</p>	20	
Subtotal		35	
TOTAL		100	

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 Terms of Reference or if it fails to achieve the minimum technical score. **The minimum technical score required to pass the technical evaluation shall be 70 points and bidders who shall not have attained this mark shall not proceed to the next stage of the evaluation process.**

PHASE THREE (3) FINANCIAL EVALUATION

Upon attaining the minimum score of **70 points and above** on the Technical Evaluation the bidder will qualify to have their financial bids opened for further evaluation. Bidders who fail to achieve the minimum technical score will have their financial bids returned as per section 2.8.1 of this document.

	<p>PHASE FOUR (4) COMBINING FINANCIAL AND TECHNICAL SCORE</p> <p>Combining Financial and Technical score will be carried out as per clause 2.8.5 the weight to be assigned for the technical scores (T) will be 80% while the financial scores (P) will be 20%. The bidder(s) with the highest combined financial and technical score will be recommended for the award.</p>
	<p>PHASE FIVE (5) RECOMMENDATIONS/ AWARD</p> <p>The bidder(s) with the highest combined financial and technical score will be recommended for the award.</p>
2.9.2	<p>The assignment is expected to commence on: As shall be agreed with the successful bidder.</p>

SECTION III:- TECHNICAL PROPOSAL

Notes on the preparation of the Technical Proposals

- 3.1 In preparing the technical proposals the consultant is expected to examine all terms and information included in the RFP. Failure to provide all requested information shall be at the consultants own risk and may result in rejection of the consultant's proposal.
- 3.2 The technical proposal shall provide all required information and any necessary additional information and shall be prepared using the standard forms provided in this Section.
- 3.3 The Technical proposal shall not include any financial information unless it is allowed in the Appendix to information to the consultants or the Special Conditions of contract.

The technical proposal comprises of the following:

1. Technical proposal submission form
2. Firms references
3. Comments and suggestions of consultants on the Terms of reference and on data, services and facilities to be provided by the procuring entity
4. Description of the methodology and work plan for performing the assignment
5. Team composition and Task assignments
6. Format of curriculum vitae (CV) for proposed Professional staff
7. Time schedule for professional personnel
8. Activity (work schedule)

1. TECHNICAL PROPOSAL SUBMISSION FORM

[_____ Date]

To: _____ [Name and address of Client]

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for _____ [Title of consulting services] in accordance with your Request for Proposal dated _____ [Date] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, [and a Financial Proposal sealed under a separate envelope-where applicable].

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

We remain,

Yours sincerely,

_____ [Authorized Signature]

_____ [Name and Title of Signatory]

_____ [Name of Firm]

_____ [Address]

_____ [Stamp]

2. FIRM'S REFERENCES

Relevant Services Carried Out in the Last Five Years That Best Illustrate Qualifications

Using the format below, provide information on each assignment for which your firm either individually, as a corporate entity or in association, was legally contracted.

Assignment Name:	Country
Location within Country:	Professional Staff provided by Your Firm/Entity(profiles):
Name of Client:	Clients contact person for the assignment:
Address:	No of Staff-Months; Duration of assignment
Start Date (Month/Year):	Completion Date (Month/ Year) : Approx. Value of Services (Kshs)
Name of Associated Consultants. If any:	No of Months of Professional Staff provided by Associated Consultants:
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:	
Narrative Description of project:	
Description of Actual Services Provided by Your Staff:	

Firm's Name: _____

Name and title of signatory; _____

3. COMMENTS AND SUGGESTIONS OF CONSULTANTS ON THE TERMS OF REFERENCE AND ON DATA, SERVICES AND FACILITIES TO BE PROVIDED BY THE CLIENT.

On the Terms of Reference:

- 1.
- 2.
- 3.
- 4.
- 5.

On the data, services and facilities to be provided by the Client:

- 1.
- 2.
- 3.
- 4.
- 5.

4. DESCRIPTION OF THE METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT

5. TEAM COMPOSITION AND TASK ASSIGNMENTS

1. Technical/Managerial Staff

Name	Position	Task

2. Support Staff

Name	Position	Task

6. FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

Proposed Position:

Name of Firm:

Name of Staff:

Profession:

Date of Birth:

Years with Firm: _____ Nationality: _____

Membership in Professional Societies: _____

Detailed Tasks Assigned:

Key Qualifications:

[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations].

Education:

[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended and degree[s] obtained.]

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments.]

Certification:

I, the undersigned, certify that these data correctly describe me, my qualifications, and my experience.

_____ Date: _____
[Signature of staff member]

_____ Date: _____
[Signature of authorised representative of the firm]

Full name of staff member:

Full name of authorized representative:

7. TIME SCHEDULE FOR PROFESSIONAL PERSONNEL

Name	Position	Reports Due/ Activities	Months (in the Form of a Bar Chart)												Number of months
			1	2	3	4	5	6	7	8	9	10	11	12	

Reports Due: _____

Activities Duration: _____

Signature: _____
(Authorized representative)

Full Name: _____

Title: _____

Address: _____

8. ACTIVITY (WORK) SCHEDULE

(a). Field Investigation and Study Items

[1st, 2nd, etc , are months from the start of assignment)

	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th	9 th	10 th	11 th	12 th	
Activity (Work)													

(b). Completion and Submission of Reports

Reports	Date
1. Inception Report	
4. Interim Progress Report (a) First Status Report (b) Second Status Report	
3. Draft Report	
4. Final Report	

SECTION IV: - FINANCIAL PROPOSAL

Notes on preparation of Financial Proposal

- 4.1 The Financial proposal prepared by the consultant should list the costs associated with the assignment. These costs normally cover remuneration for staff, subsistence, transportation, services and equipment, printing of documents, surveys etc as may be applicable. The costs should be broken down to be clearly understood by the procuring entity.
- 4.2 The financial proposal shall be in Kenya Shillings or any other currency allowed in the request for proposal and shall take into account the tax liability and cost of insurances specified in the request for proposal.
- 4.3 The financial proposal should be prepared using the Standard forms provided in this part.

Financial Proposal Standard Forms

1. Financial proposal submission Form
2. Summary of costs
3. Breakdown of price/per activity
4. Breakdown of remuneration per activity
5. Reimbursables per activity
6. Miscellaneous expenses

1. FINANCIAL PROPOSAL SUBMISSION FORM

_____ [Date]

To: _____

[Name and address of Client]

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for
(_____) *[Title of consulting services]* in accordance with your Request for Proposal dated (_____)
[Date] and our Proposal. Our attached Financial Proposal is for the sum of
(_____) *[Amount in words and figures]* inclusive of the taxes.

We remain,

Yours sincerely,

_____ *[Authorized Signature]*
_____ *[Name and Title of Signatory]*
_____ *[Name of Firm]*
_____ *[Address]*
_____ *[Stamp]*

2. SUMMARY OF COSTS

Costs	Currency(ies)	Amount(s)
Subtotal		
Taxes		
Total Amount of Financial Proposal		<hr/>

3. BREAKDOWN OF PRICE PER ACTIVITY

Activity NO.: _____	Description: _____
Price Component	Amount(s)
Remuneration Reimbursables Miscellaneous Expenses Subtotal	 _____

4. BREAKDOWN OF REMUNERATION PER ACTIVITY

Activity No. _____ Name. _____				
Name	Position	Input (Staff months, days or hours as appropriate)	Remuneration Rate	Amount
Regular staff				
(i)				
(ii)				
Consultants				
Grand Total				_____

5. REIMBURSABLES PER ACTIVITY

Activity No: _____

Name: _____

N o.	Description	Unit	Quantity	Unit Price	Total Amount
1.	Air travel	Trip			
2	Road travel	Kms			
3.	Rail travel	Kms			
4.	Subsistence Allowance	Day			
	Grand Total				_____

6. MISCELLANEOUS EXPENSES

Activity No. _____ Activity Name:

No.	Description	Unit	Quantity	Unit Price	Total Amount
1.	Communication costs____ _____ (telephone, telegram, telex)				
2.	Drafting, reproduction of reports				
3.	Equipment: computers etc.				
4.	Software				
	Grand Total				_____

SECTION V: - TERMS OF REFERENCE

CONSULTANCY SERVICES FOR DEVELOPING A TRANSFER PRICING POLICY

BACKGROUND

Kenya Seed Company Limited (“Kenya Seed” or “KSC”) is a State Corporation that produces and markets seeds for the country’s farming community with an overall objective of adding value to the farming business and contributing to food sufficiency in Kenya and beyond.

Its subsidiary in Kenya is Simlaw Seeds (K) Company Limited (Simlaw Kenya). These two entities have cross border transactions with entities in Uganda and Tanzania. The cross border transactions also include trading with Kenya Seed subsidiaries in Uganda and Tanzania.

Related parties

Kenya Seed is related to the following companies through common shareholding and/ or management and control:

- Simlaw Seeds Company Uganda Limited (Simlaw Uganda);
- Kibo Seed Company Tanzania-Limited (Kibo Tanzania);
- Mt Elgon Seed Company Uganda Limited (Dormant);
- Simlaw Company Tanzania Limited (“Dormant”) and
- Kenya Seed Rwanda Limited.

Intercompany transactions

The related party transactions are as follows:

- Sales of seeds by the Kenyan entities (Kenya Seed and Simlaw Kenya) to Simlaw Uganda and Kibo Tanzania; and
- Provision of loan by Kenya Seed to Simlaw Uganda Limited and Kibo Tanzania.
- Provision of marketing support services by Kenya Seed Rwanda to the parent company, Kenya Seed Company Limited.

Transfer pricing allows for the establishment of **prices** for the goods and **services** exchanged between a subsidiary, an affiliate, or commonly controlled companies that are part of the same larger enterprise. **Transfer pricing** can lead to tax savings for corporations.

OBJECTIVES OF TRANSFER PRICING

- Competitiveness in the international marketplace.
- Reduction of taxes and tariffs.
- Management of cash flows.
- Minimization of foreign exchange risks.
- Avoidance of conflicts with home and host governments over tax issues and repatriation of profits.
- Internal concerns - goal congruence or subsidiary manager motivation.

Transfer pricing is the setting of the **price** for goods and services sold between controlled (or related) legal entities within an enterprise. For **example**, if a subsidiary company sells goods to a parent company, the cost of those goods paid by the parent to the subsidiary is the **transfer price**.

Kenya Seed Company requires Transfer Pricing (“TP”) services for preparation of the TP documentation for the entities in four (4) countries i.e. Kenya, Uganda, Tanzania and Rwanda. In addition, it requires an advisory report on the tax matters arising from the intercompany transactions and recommendations to address the tax risks identified during the TP review.

Proposal requirements

The proposal should demonstrate:

- Coordinated approach across the 4 countries and alignment of documentation for all entities;
- That the documentation adopted in the preparation of the TP policies for the related companies should include a Master file, Local file and a country by country in line with global standards.
- An understanding of the Arm’s length principle, the concept of comparability and the transfer pricing methods in the OECD Transfer Pricing Guidelines.
- An understanding of the Eastern Africa’s legal framework on Transfer Pricing and role of tax treaties.
- Efficient report preparation and project management;
- Seamless communication with the project manager to provide updates on the progress of the assignment.
- Consistent delivery of TP Documentation across all relevant jurisdictions;
- Long term time and cost savings for the Group on future TP updates where required;
- A clear breakdown of the fees to be charged per entity with indication of the number of benchmarking studies to be undertaken.
- Any other relevant information in line with best practice.

SCOPE OF WORK AND EXPECTED OUTPUTS/DELIVERABLES

- Separate transfer pricing documentations for Kenya Seed and Simlaw Seed Company Limited and the supporting benchmarking studies in line with the Kenyan transfer pricing regulations;
- Transfer pricing documentation for Kibo Tanzania and supporting benchmarking studies in line with the Tanzania transfer pricing regulations
- Transfer pricing documentation for Simlaw Uganda and supporting benchmarking studies in line with the Ugandan transfer pricing regulations;
- Transfer pricing documentation for Kenya Seed Rwanda and supporting benchmarking study in line with the Rwandan transfer pricing regulations;
- An advisory report on the tax matters arising from the intercompany transactions and recommendations to address the tax risks identified during the TP review.

TRAINING

Training the clients staff on the operationalization of the transfer policy in the 4 entities.

TIMELINES AND DELIVERY

The assignment is expected to be completed within 3 months from the commencement date, with agreed milestones.

THE CLIENT WILL PROVIDE THE FOLLOWING INPUT

- i. Liaison team in all the entities.
- ii. Relevant documents and any related materials
- iii. Relevant logistical arrangement which include travelling, accommodation as agreed at the inception of the assignment.

TERMS OF PAYMENT

Payment will be done against a disbursement schedule as will be outlined in the contract and based on receipt of clearly defined deliverables with a specific timeline. The Payment will be broken down as follows;

- i. 20% on submission and approval of Inception reports
- ii. 30% on submission and approval of progress report
- iii. 20% on submission and approval of draft policy
- iv. 30% on submission and approval of final policy including training

SECTION VI: SAMPLE CONTRACT FOR CONSULTING SERVICES

This Agreement, [hereinafter called "the Contract"] is entered into this _____ [Insert starting date of assignment], by and between _____ [Insert Client's name] of [or whose registered office is situated at] _____ [insert Client's address] (hereinafter called "the Client") of the one part AND _____ [Insert Consultant's name] of [or whose registered office is situated at] _____ [insert Consultant's address] (hereinafter called "the Consultant") of the other part.

WHEREAS the Client wishes to have the Consultant perform the services [hereinafter referred to as "the Services", and

WHEREAS the Consultant is willing to perform the said Services,

NOW THEREFORE THE PARTIES hereby agree as follows:

- 1. Services**
 - (i) The Consultant shall perform the Services specified in Appendix A, "Terms of Reference and Scope of Services," which is made an integral part of this Contract.
 - (ii) The Consultant shall provide the personnel listed in Appendix B, "Consultant's Personnel," to perform the Services.
 - (iii) The Consultant shall submit to the Client the reports in the form and within the time periods specified in Appendix C, "Consultant's Reporting Obligations."
- 2. Term**

The Consultant shall perform the Services during the period commencing on _____ [Insert starting date] and continuing through to _____ [Insert completion date], or any other period(s) as may be subsequently agreed by the parties in writing.
- 3. Payment**
 - A. Ceiling

For Services rendered pursuant to Appendix A, the Client shall pay the Consultant an amount not to exceed _____ [Insert amount]. 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.
 - B. Schedule of Payments

The schedule of payments is specified below (Modify in order to reflect the output required as described in Appendix C.)

Kshs _____ upon the Client's receipt of a copy of this Contract signed by the Consultant;

Kshs _____ upon the Client's receipt of the draft report, acceptable to the Client; and

Kshs _____ upon the Client's receipt of the final report, acceptable to the Client.

Kshs _____ Total

C. Payment Conditions

Payment shall be made in Kenya Shillings unless otherwise specified not later than thirty [30] days following submission by the Consultant of invoices in duplicate to the Coordinator designated in Clause 4 herebelow. If the Client has delayed payments beyond thirty (30) days after the due date hereof, simple interest shall be paid to the Consultant for each day of delay at a rate three percentage points above the prevailing Central Bank of Kenya's average rate for base lending.

4. Project Administration

A. Coordinator.

The Client designates _____ [insert name] as Client's Coordinator; the Coordinator will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for payment.

B. Reports.

The reports listed in Appendix C, "Consultant's Reporting Obligations," shall be submitted in the course of the assignment and will constitute the basis for the payments to be made under paragraph 3.

5. Performance Standards

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 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 and 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 sub-contract any portion of it without the Client's prior written consent.
- 11. Law Governing Contract and Language** The Contract shall be governed by the laws of Kenya and the language of the Contract shall be English Language.
- 12. Dispute Resolution** Any dispute arising out of the Contract which cannot be amicably settled between the parties shall be referred by either party to the arbitration and final decision of a person to be agreed between the parties. Failing agreement to concur in the appointment of an Arbitrator, the Arbitrator shall be appointed by the chairman of the Chartered Institute of Arbitrators, Kenya branch, on the request of the applying party.

FOR THE CLIENT

FOR THE CONSULTANT

Full name; _____ Full name; _____

Title: _____ Title: _____

Signature; _____ Signature; _____

Date; _____ Date; _____

SECTION VII: CONFIDENTIAL QUESTIONNAIRE

You are requested to give the particulars indicated in Part 1 and either Part 2(a), 2(b) or 2 (c) whichever applied to your type of business.

You are advised that it is a serious offence to give false information on this form

Part 1 – General:
 Business Name
 Location of business premises.
 Plot No..... Street/Road Postal
 Address Tel No. Fax
 Email
 Nature of Business
 Registration Certificate No.
 Maximum value of business which you can handle at any one time – KShs.

 Name of your bankers Branch

Part 2 (a) – Sole Proprietor
 Your name in full Age
 Nationality Country of origin
 Citizenship details

Part 2 (b) Partnership Given

details of partners as follows:

Name	Nationality	Citizenship Details
Shares		
1.		
2.		
3.		
4.		

Part 2 (c) – Registered Company

Private or Public

State the nominal and issued capital of company-

Nominal KShs.

Issued KShs.

Given details of all directors as follows

Name	Nationality	Citizenship Details	Shares
1.			
2.			
3.			
4.			

If Kenya citizen, indicate, under “Citizenship details” whether by birth naturalization or registration

Part 3

In the event of this tender being accepted in part or in full within the stipulated 90 days, I/we agree to provide against an order signed by an authorized officer of the Kenya Seed Company Limited, those services accepted in this tender as per your measurement and date that failure on my/our part to meet these requirements constitutes a breach of contract.

Tenderer’s Full Names.....

Signature.....

Designation.....

Full Trade Address: P.O. Box

Town.....

Tel. No.....

Date.....

Witnessed by:-

Address: P.O. Box.....

Town

Tel. No.....

Fax

Date

SIGN..... STAMP.....

SECTION VIII: SELF DECLARATION FORMS

FORM SD1

SELF DECLARATION THAT THE PERSON/TENDERER IS NOT DEBARRED IN THE MATTER OF THE PUBLIC PROCUREMENT AND ASSET DISPOSAL ACT 2015.

I,, of Post Office Box
being a resident of in the Republic of
..... do hereby make a statement as follows: -

1. THAT I am the Company Secretary/ Chief Executive/Managing Director/Principal Officer/Director of (insert name of the Company) who is a Bidder in respect of Tender No. for (insert tender title/description) for (insert name of the Procuring entity) and duly authorized and competent to make this statement.

2. THAT the aforesaid Bidder, its Directors and subcontractors have not been debarred from participating in procurement proceeding under Part IV of the Act.

3. THAT what is deponed to hereinabove is true to the best of my knowledge, information and belief.

.....
(Title)

.....
(Signature)

.....
(Date)

Bidder Official Stamp

FORM SD 2

SELF DECLARATION THAT THE PERSON/TENDERER WILL NOT ENGAGE IN ANY CORRUPT OR FRAUDULENT PRACTICE.

I, of P. O. Box being a resident of in the Republic of do hereby make a statement as follows: -

1. THAT I am the Chief Executive/Managing Director/Principal Officer/Director of (insert name of the Company) who is a Bidder in respect of Tender No. for (insert tender title/description) for (insert name of the Procuring entity) and duly authorized and competent to make this statement.

2. THAT the aforesaid Bidder, its servants and/or agents /subcontractors will not engage in any corrupt or fraudulent practice and has not been requested to pay any inducement to any member of the Board, Management, Staff and/or employees and/or agents of (insert name of the Procuring entity) which is the procuring entity.

3. THAT the aforesaid Bidder, its servants and/or agents /subcontractors have not offered any inducement to any member of the Board, Management, Staff and/or employees and/or agents of (name of the procuring entity)

4. THAT the aforesaid Bidder will not engage /has not engaged in any corrosive practice with other bidders participating in the subject tender.

5. THAT what is deponed to hereinabove is true to the best of my knowledge information and belief.

.....
(Title) (Signature) (Date)

Bidder's Official Stamp

LETTER OF NOTIFICATION OF AWARD

Address of Procuring Entity

To: _____

RE: Tender No. _____

Tender Name _____

This is to notify that the contract/s stated below under the above mentioned tender have been awarded to you.

1. Please acknowledge receipt of this letter of notification signifying your acceptance.
2. The contract/contracts shall be signed by the parties within 30 days of the date of this letter but not earlier than 14 days from the date of the letter.
3. You may contact the officer(s) whose particulars appear below on the subject matter of this letter of notification of award.

(FULL PARTICULARS) _____

SIGNED FOR ACCOUNTING OFF.

