

OUTSOURCING

- "Procurement" or "public procurement" (or 'Purchase', or 'Government Procurement / Purchase' in certain contacts) means acquisition by way of purchase, lease, license or otherwise, either using public funds or any other source of funds.
- Outsourcing means Procurement of Services" defined by exception as any subject matter of procurement other than goods or works, except those incidental or consequential to the service, and includes physical, maintenance, professional, intellectual, training, consultancy and advisory services or any other service classified.

- 'Non- Consultancy Services' involves primarily non-physical project-specific, intellectual and procedural processes where outcomes/deliverables would vary from one consultant to another), other than goods or works, except those incidental or consequential to the service, and includes professional, intellectual, training and advisory services or any other service classified.
- "service" is defined by exception as any subject matter of procurement other than goods or works, except those incidental or consequential to the service, and includes physical, maintenance, professional, intellectual, training, consultancy and advisory services or any other service classified or declared as such by a Procuring Entity but does not include appointment of an individual made under any law, rules, regulations or order issued in this behalf

- 149 GFR – GeM COI Article 299
- Procurement of IT Projects should normally be carried out as Procurement of Consultancy services, as the outcomes/deliverables vary from one service provider to another. The IT Projects may include:
 - i) bespoke software development;
 - ii) cloud-based services and
 - iii) composite IT system integration services involving design, development, deployment, commissioning of IT system including supply of hardware, development of software, bandwidth and operation/maintenance of the system for a define period after go-live etc.

- Right quality, right quantity, right price, right time and place and right source
- Transparency, Professionalism, broader obligations, extrinsic legal and public accountability Principles and FINANCIAL PROPRIETY
- Preferential/Mandatory purchases to support MSMEs
- Procurement Preference to Make in India-Rule 153 (iii) of GFR/ to L1 price to class I supplier,
- False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) – nodal ministry/ DOE
- Parameters for specifications EXPERIENCE, TURNOVER, PRODUCTION CAPABILITY AND FINANCIAL STRENGTH
- Procurement of Services =Content and time frame

- The inadequacy of Capability or Capacity of required expertise in-house;
 - ii) The need to have qualified consultant for providing a specialized high quality service;
 - iii) Need for impartial advice from a consultant (acting independently from any affiliation, economic or otherwise) to avoid conflicts of interest;
 - iv) The need in some cases for Transfer of Knowledge/ Training/ Capacity and capability building as a by-product of such engagement;
 - v) Need to acquire information about/ identifying and implementing new methods and systems; vi) Need for planning and implementing organizational change vii) There may be internal capacity/ capability to do the job but there are considerations of economy, speed and efficiency in relation to additional requirement/ commitment/ usage of;
 - a. Staff / Management / Organization;
 - b. Technological and Material Resources;
 - c. Money, and
 - d. Time / Speed of execution

- Other (Non-consultancy) Services: In the interest of economy, efficiency and to provide more effective delivery of public services to achieve Economy, speed and efficiency and more effective delivery of public services relating to additional requirement, staff / management / organization, technological and material resources, Time/speed of execution
- Preparation of Concept Paper/ Procurement Proposal and obtaining in principle approvals; ii) Preparation of the ToR (in case of consultancy services)/ Activity Schedule(in case of other/ non-consultancy services), cost estimate and seeking administrative and budgetary approval; iii) In case of Procurement of Consultancy Services - Short list of consultants - EoI formulation, publication, receipt of proposals and evaluation; iv) Preparation and issuance of the RfP; Receipt of proposals; Evaluation of technical proposals: consideration of quality; Evaluation of financial proposals; Selection of winning proposal; Negotiations and award of the contract to the selected firm; and Monitoring assignments.

- Consortium of consultants/ service providers Joint ventures should all sign
- Code of Integrity for Public Procurement (CIPP)
- Obligations for Proactive Disclosure
- Integrity Pact (IP) 2.3.1 The Pre-bid Integrity Pact is a tool to help governments, businesses and civil society to fight corruption in public contracting **TO BE INCLUDED IN BID DOCUMENTS**

- selection methods below is in line with generally prevalent nomenclature and Therefore, varies slightly from the terms used in the 2006 version of Finance Ministry's 'Manual of Policies and Procedure of Employment of consultants'. i) Price based System - Least Cost Selection (LCS); ii) Quality and Cost Based Selection (QCBS); iii) Direct Selection: Single Source Selection (SSS)
- TERMS OF REFERENCE
 - Detailed scope of work
 - Expected requirement of key professions/experts
 - Deliverables and report requirements
 - Inception, progress Interim reports & Finals
 - Resource estimates
- QALIFICATION CRITERIA AND EXPERIENCE
 - Shortlisting of consultants

Selection of consultants by Competitive Process 6.1 The evaluation process
The selection process for consultants generally includes the following steps:

- i) Preparation and issuance of the Request for Proposals (RfP);
- ii) Pre-proposal meeting;
- iii) Receipt of proposals;
- iv) Evaluation of technical proposals: consideration of quality;
- v) Public opening of financial proposals;
- vi) Evaluation of financial proposals;
- vii) Selection of the winning proposal;

- viii) Negotiations with the selected bidder, if required;
 - i) A letter of invitation (LoI);
 - ii) Information to consultants (ITC) and data sheet (which contains assignment specific information);
 - iii) Terms of Reference (ToR);
 - iv) List of key experts required for the assignment;
 - v) Requirement of qualifications and experience of the firm and key experts;
 - vi) Criteria of proposal evaluation and selection procedure;
 - vii) Standard formats for the technical proposal;
 - viii) Standard formats for the financial proposal; and
 - ix) Proposed form of the contract, including General Conditions of Contract and Special Conditions of Contract;
 - x) Proposed procedure to be followed pertaining to mid-term review of the progress of the work and review of the final draft report. The Procuring Entity shall use the applicable standard RfP with minimal changes as necessary to address project-specific issues.

Pre-proposal Meeting

Receipt of Proposal

Consultancy Evaluation Committee (CEC)

Evaluation of Cost

Selection of the winning consult Negotiations and Award of Contract

QCBS Selection (Rule 192 of GFR)