Hiring Consultants on Lao PDR World Bank Projects with QCBS

Read online with charts and updates:
https://risalatconsultants.com/hiring-consultants-on-lao-pdrs-world-bank-projects-qcbs-pitfalls/

In short. Quality and Cost Based Selection (QCBS) is a method for hiring consulting firms by combining scored technical quality with evaluated price. In Lao PDR's World Bank investment projects, a defensible QCBS process starts with a clear assignment and an approved selection plan, then carries the winning firm's commitments into contract delivery.

Decide whether QCBS fits the assignment

Start with the financing agreement and procurement plan

The World Bank's Procurement Regulations for IPF Borrowers describe QCBS alongside other selection methods. Start with the legal agreement, the applicable edition of the regulations and the approved procurement plan. The latest published edition is a useful reference. An earlier operation can still follow the version applicable to its agreement. Check the market approach, the planned form of contract and whether review is prior or post. Enter those decisions in the project file and reconcile them with the Systematic Tracking of Exchanges in Procurement (STEP) record. A team that discovers a review requirement after scheduling its opening has created avoidable pressure on the committee.

Under QCBS, price is scored for firms that reach the technical threshold. The combined score uses the weights and procedures stated in the request for proposals. The method can suit an assignment where firms have scope to propose different approaches and the purchaser can judge the differences. Other methods can suit work with different risks. For example, a particularly complex assignment with substantial downstream consequences may warrant considering Quality Based Selection under the applicable rules. Record the rationale before the solicitation, when it can inform the selection design.

Match the method to the actual work

Lao PDR's portfolio illustrates why the assignment matters. The Southeast Asia Regional Economic Corridor and Connectivity Project has a published procurement plan. The Power Distribution Improvement Project addresses a different operating environment, with technical work affecting electricity distribution. An engineering supervision assignment on a road corridor calls for different expertise and deliverables from an assignment supporting a distribution utility. The approved method for each specific package is a matter for its procurement documents. An example drawn from a sector cannot establish that every package in that sector uses QCBS.

The appraisal for the Lao PDR Climate Resilient Road Connectivity Improvement Project, P179284, describes US$56 million in proposed IDA financing. Its focus on climate-resilient connectivity makes flood exposure, drainage and the ability to inspect dispersed works relevant considerations for the design of a supervision assignment. In another sector, the World Bank's Lao PDR Priority Skills for Growth Project gives teams an example of investment in employment-related skills. For an illustrative training consultancy, evaluators could look for how the proposed approach assesses trainee performance and whether instructors can continue

using the materials after handover.

Consider an illustrative supervision assignment for several road sections. The project unit needs technical judgement on materials, construction quality and work sequencing, as well as evidence that the firm can mobilise across several sites. A specification that awards points mainly for the size of the consultant's head office would give the committee limited insight into those needs. A better evaluation design tests the quality assurance plan, key staff's relevant experience and the proposed field coverage in the months when several work fronts are active.

Write terms of reference that can become a contract

Define deliverables, inputs and acceptance

The terms of reference should explain the problem, scope, existing data, relevant geography, counterpart responsibilities and expected outputs. State who supplies surveys, site access, utility records and prior studies. Where an input is uncertain, give firms a common assumption for pricing and explain how the issue will be handled if the assumption changes. Describe the output a reviewer can actually inspect. A draft design report may need options, cost estimates and an explanation of how environmental and social constraints affect each option. A requirement to produce a report provides little basis for checking its value.

For example, in an illustrative power assignment, the utility may ask a firm to assess losses and recommend distribution upgrades. State whether feeder data are available, who will arrange access to substations, and which locations require field verification. Ask for a reproducible model and documented assumptions if utility staff are expected to update the analysis. Identify who will review the model and what test will count as a successful handover. These details affect the team proposed, the work plan and the fee.

Allow time for clearances and a credible response

Programme the assignment backwards from the decision the advice must support. If a consultant must review designs before a works tender, estimate the time required for comments, revisions, approval and any needed safeguards work. Then allow time for advertising, shortlisting, proposal preparation, technical evaluation, reviews and award. Run market engagement through the permitted process, document what it revealed and share material information through the appropriate channel so firms can compete on equal terms.

Plan for translation, field access and reviewer availability. Where environmental and social specialists, finance staff and engineers all need to comment, name a lead responsible for consolidating comments. A committee cannot repair a scope that assumes access the project cannot provide. Move the package date or resolve the dependency before launch. The same principle applies to health equipment advice, education data systems and training design where consultant outputs depend on facilities, reliable records or staff release.

Evaluate quality and cost on a common basis

Calibrate scoring before reviewing proposals

An evaluation committee should understand the criteria in the request for proposals and how evidence maps to them. It can practise on an invented example before opening live submissions. If a criterion assesses how a firm will cover remote work sites, evaluators should look for the staffing, travel assumptions and quality controls described in the proposal. Write a short reason linked to the relevant page. That record helps a reviewer understand why one approach earned a

different score from another.

Declare conflicts of interest and protect the confidentiality of submissions. Keep the record of receipt and opening, evaluator declarations, individual notes, consensus reasons and the signed report. Deal with clarifications under the governing rules and through the authorised channel. Requests for clarification should preserve the basis of competition. A vague delivery plan should be scored on the published requirements and the evidence the firm submitted. Evaluators should avoid making up a new condition because they notice a risk after the deadline.

Check the technical gate and the financial calculation

The technical threshold determines which firms' financial proposals proceed under QCBS. Follow the applicable procedure for notifying firms and opening financial proposals. Check the price and currency treatment, arithmetic corrections and treatment of taxes against the solicitation. A second reviewer should reproduce the financial and combined scores from the underlying records before the recommendation is submitted. Document the workings so a later reviewer can reconstruct the ranking.

Suppose an illustrative solicitation assigns 80 per cent to quality and 20 per cent to cost. One firm earns a technical score of 90 and a financial score of 80, giving a combined 88. Another earns 83 for quality and 100 for cost, giving 86.4. The first ranks higher in this example. The published thresholds, weights and scoring formula control the real decision. A project should also record how it handled tied scores, errors or complaints using the procedures applicable to the competition.

Convert the selection into delivery

Preserve what the evaluation rewarded

In permitted negotiations, clarify the work plan, deliverables and counterpart arrangements while preserving the competitive basis of selection and observing the applicable limits on negotiations. Check the actual proposed staff and their availability. If a substitution is permitted, review it under the rules and document the decision. A field team that disappears after award can undermine the value the technical score was intended to capture. Include the agreed personnel, outputs and milestones in the contract documents where appropriate.

Agree an acceptance process with named reviewers and deadlines. For a supervision assignment, define what a monthly report must show about tests, defects, instructions and changes. For a data system assignment, establish how the client will test and use the product. If payments depend on deliverables, have the contract manager certify completion using evidence identified at the outset. If time-based billing applies, reconcile authorised inputs and reimbursables with records and progress. Keep enough detail to evaluate a request to change scope or extend time.

Hand over the file to the contract manager

A handover should include the signed contract, final terms of reference, work plan, key personnel, client obligations, approvals and unresolved risks. Hold a mobilisation meeting that checks whether the inputs promised during selection are ready. Put access, counterpart availability and any interface with a works contractor on the same schedule. If there is a dependency on wayleaves, design approval or environmental and social actions, identify who controls it and when it must be completed.

Track the time from submission of a deliverable to acceptance, overdue client inputs, consultant staffing exceptions and the number of unresolved technical issues. The first two measures help

distinguish a firm that is behind schedule from an employer that has delayed its own review. Use the contract's notice and change procedures when facts change. Keep a record of the operational result, such as whether the utility can run the model or the works team can use the supervision records, alongside financial completion.

How ministries and donor-funded project units can improve selection

Run a readiness review before the invitation

An implementing agency can assign an engineering lead, procurement specialist, safeguards focal point and finance reviewer to inspect upcoming assignments together. For each package, ask whether the output is usable, counterpart inputs are funded and the committee can apply the criteria. Confirm the intended form of contract, decision authority and the review milestones. Escalate conflicts between package dates and site readiness to the official who can resolve them. Keep the approved changes in STEP and the project file.

A procurement maturity assessment can help identify weaknesses in solicitation and evaluation. A project health check can reveal linked problems such as late design approvals or unclear responsibility for financial management. Give each improvement an owner and test it on the next suitable package.

Before issue, record six checks in the file. Confirm the agreed selection method, review arrangements, a usable scope, measurable criteria, funded counterpart inputs and an available committee. Ask each reviewer to point to the document supporting their conclusion.

Measure the whole assignment

Ministries can compare the planned and actual time spent on scope preparation, evaluation, review, award and acceptance. A donor-funded project can use these measures to decide where to provide coaching or engineering support. Time measures need quality checks. For instance, pair time to award with the number of evaluable proposals and time to first usable output. A short award period followed by a long dispute over the first deliverable indicates that an important part of the process still needs work.

Frequently Asked Questions

What does QCBS stand for?

Quality and Cost Based Selection combines technical quality and evaluated cost using the published criteria and weights.

Does the lowest fee win under QCBS?

The highest ranked combined proposal is determined under the published procedure. Financial scoring applies after the technical gate.

Can a committee add a criterion during evaluation?

The committee should apply the published criteria and handle clarifications through the applicable rules.

Which version of the World Bank regulations applies?

Check the financing agreement and project procurement documents for the edition governing the operation.

What should the contract manager receive at handover?

The signed contract, agreed outputs and staffing, obligations, review calendar and current risk and decision records.

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