



**CLARIFICATION #1  
FOR**

**CONSULTING SERVICES FOR EMBEDDED (RESIDENT) ADVISORS FOR ELECTRICITY REGULATORY COMMISSION (ERC) UNDER  
ELECTRICITY TRANSMISSION PROJECT (POWER SECTOR TECHNICAL ASSISTANCE ACTIVITY)  
REF MCA-N/ETP/QCBS/008**

**ISSUED ON: 12 OCTOBER 2023**

SN	Reference to the Bidding Document	Questions from Bidders	Response of Millennium Challenge Account Nepal (MCA-Nepal)
1.	<b>ITC Section 5.2 A</b> <i>Consultant may be a private entity, certain government-owned entities (in accordance with MCC Program Procurement Guidelines as described in ITC Sub-clause 5.6), or any combination of such entities supported by a letter of intent to enter into an agreement or under an existing agreement of association in the form of a joint venture or other association.</i>	What kind of companies are eligible to participate?	<p>The consultants are requested to refer the ITC clause 5 which provides the eligibility requirement for the Consultant.</p> <p>Especially you may refer sub-clauses 5.3, 5.4 and 5.5, which describes about the eligible consultants.</p> <p>ITC Sub-clause 5.7 describes the eligibility of Joint Ventures or Associations.</p> <p>ITC Sub-clause 5.8, 5.9 and 5.10 about the conflict of interest and it should be noted that a Consultant who submits a proposal shall not have a conflict of interest.</p> <p>Su-clause 5.11 describes about the conditions/restriction of proposing Government of Nepal employee as key personnel. Further, sub clause 5.12 and 5.13 describes about the Ineligibility and Debarment.</p> <p>In addition, (i) the consultant is required to comply with the requirement stated under Form Tech-12 Compliance with Sanctions Certification Form.</p>

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			<p>(ii) Part 10 of MCC Program Procurement Guidelines (Eligibility Verification Procedures) that can be found on MCC's website at <a href="http://www.mcc.gov/ppg">www.mcc.gov/ppg</a>.</p> <p>The Consultant need to review the requirement 3.7.1 Eligibility under 3.7 Qualification table of the Section III Qualification and Evaluation Criteria.</p>
2.	<b>ITC Section 5.7</b>	In the case where a consultant is, or proposes to be, a joint venture or other Association (a) all members of the joint venture or Association must satisfy the legal, financial, litigation, eligibility and other requirements set out in this RFP? Please clarify on this?	<p>It states that if a consultant proposes to be a joint venture or association, all the members of the joint venture or associations must satisfy the legal, financial, litigation, eligibility and other requirements set out in this RFP. The requirements of legal, financial, litigation, eligibility and other requirements are set out under Section I and Section III.</p> <p>Further, the consultants are recommended to refer to the definition in ITC A. General (b), (c) and (II) regarding the difference among “Associate”, “Association” or “association” or “Joint Venture” or “joint venture” and Sub-Consultant, to make them clear on these terms.</p>
3.	<b>General</b>	If we submit proposal as a sub-consultant, then shall we associate with more than one consultant?	Please refer ITC sub-clause 5.8(d) which states “participate in more than one Proposal in this process; participation by a Consultant in more than one Proposal will result in the disqualification of all Proposals in which the party is involved; however, this provision does not limit the inclusion of the same Sub-Consultant in more than one Proposal.”
4.	<b>General</b>	Proposal will be submitted electronically and signature will be done electronically?	ITC sub-clause 12.7 states that “In all cases of electronic submissions, the signatures may be written or electronically signed using any applicable software.”

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5.	<b>General</b>	The outcome of the Financial Capacity evaluation is a clear YES or NO. Any Consultant that receives a NO shall not be evaluated further and its Financial Proposal shall be returned unopened. Please clarify?	<p>Please refer to ITC 25 and specifically ITC 25.2 which states “25.2. A Consultant that fails to demonstrate through its financial records that it has the economic and financial ability to perform the required services as described in the respective Terms of Reference may be disqualified. In the circumstance of a disqualification the Technical Proposal will not be evaluated further and the Financial Proposal shall be returned unopened at the cost and request of the Consultant.”</p> <p>However, please note that ITC 32.1 states “After Contract signature, the MCA Entity shall return the unopened Financial Proposals to the unsuccessful Consultants at the cost and request of the Consultant. <b>If electronic submission was used, no Proposals shall be returned.</b>”</p>
6.	<b>General</b>	The estimated total number of person-months for Key Professional Personnel required for the assignment by labor category is: For each one of the four key experts 24 man-months totaling to 96 man-months for the Base Period and for each one of the three key experts 24 man-months Section II. Proposal Data Sheet 41 totaling to 72 man-months for the Option Period. Please clarify?	<p>Please note that 4 Key Experts / Advisors are required full time during the Base Period that constitutes total number of person months that calculated as <math>4 \times 24 = 96</math> Man-months.</p> <p>During the Option Period 3 Key Experts / Advisors are required full time with a maximum duration of 24 months. The total number of person months during the Option Period calculated as <math>3 \times 24 =</math> maximum 72 Man-months.</p> <p>For the Option Period, except Policy Advisor rest three same Advisors from the Base Period will continue.</p>

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7.	<b>3.7 Qualification Table</b>	Existing or intended Joint Venture or other association must meet requirement? What does it actually mean, each of the associated firm must meet all the requirement enlisted?	<p>Please note that regarding the Joint Venture or Association, ITC clause 12.1 states “Proposals submitted by a joint venture or other association shall include a copy of the <b>joint venture/Association agreement entered into by all members</b>. Alternatively, <b>a letter of intent to execute a joint venture/Association agreement shall be signed by all members and submitted with the Proposal, together with a copy of the proposed agreement.</b>”</p> <p>The first case is existing Joint Venture or Association and the second case is intended Joint Venture or Association.</p> <p>The statement in question states that in either case of Joint Venture or Association, all members combined shall meet the relevant requirement as stated under the Qualification Table.</p> <p>Please note that there is no distinction between Joint Venture and Association.</p> <p>Further, the consultants are recommended to refer to the definition in ITC A. General (b), (c) and (II) regarding the difference among “Associate”, “Association” or “association” or “Joint Venture” or “joint venture” and Sub-Consultant, to make them clear on these terms.</p>
8.	<b>3.7.3.1 Historical Financial Performance</b>	Submission of evidence of the Consultant’s financial capacity to mobilize and sustain the Services. What is the requirement??	Please note that under 3.7.3.1 Historical Financial Performance the requirement is “Submission of evidence of the Consultant’s financial capacity to mobilize and sustain the Services”.

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			Please note that documentation required is mentioned in the Last column "Documentation Required" in the Qualification Table.
9.	<b>Financial Resources</b>	The Consultant must demonstrate access to, or availability of, financial resources such as liquid assets, unencumbered real assets, lines of credit, and other financial means. What is the minimum requirement?	The requirement is stated in 3.7.3.2 Under 3.7.3 Financial Situation of the Qualification Table and Tech-2A under Section IV A of the Request for Proposals (RFP) document. The document need to be submitted is mentioned in the Last column "Documentation Required" in the same Table which are Form TECH-2A TECH-2B and Form TECH-4.
10.	<i>Evidence of financing (US\$360,000) dedicated for the implementation of the consulting services as attested by an authorized representative of the Consultant.</i>	We are unclear with what type of document to be provided under this heading?	The document such as letter from consultant's bank which reveals the Evidence of financing (US\$360,000) for the implementation of the consulting services as attested by an authorized representative of the Consultant.
11.	<b>General</b>	Base period and each Option period. Please elaborated on this?	This assignment would include a base period of two (2) years and an additional two (2) years optional period based on performance, budgetary availability and ERC/MCA-Nepal needs, exercisable under a contract option. Please refer section "Option Period" and other details in the Terms of Reference of RFP.
12.	<b>Form FIN-2. Price Summary:</b>	Tax Deduction at Source (TDS), if applicable as per Nepalese Income Tax Act, will be deducted at the time of payment. Can you please elaborate it in detail?	TDS will be applied on payment as per Nepalese Tax laws.

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13.	<b>General</b>	Support staff (Non-Key) how to determine their input?	The Consultant may propose non-key personnel to strengthen their team to successfully complete the assignment. The roles and responsibility of the non-key and support staff proposed by the Consultant must be explained in the consultant's approach and methodology which will be evaluated by the MCA-Nepal. Consultant is not required to engage additional Key personnel besides the Embedded Advisors. It is essential that the Advisors have the ability to focus on technical, substantive regulatory work. Please also refer to the Section III Qualification and Evaluation Criteria, Evaluation Criteria 3.4, sub-criteria 2.4 'Organization and Staffing' and Form Tech-6 of the RFP.