Guidance Note on Association of Firms/Consultants, Joint Ventures, Sub-Contractors and Sub-Consultants

February 2019
This Guidance Note is intended to complement the Guidelines for Procurement of Goods and Works and related services and for the Procurement of Consultant Services under Islamic Development Bank Financing, approved by the Board of Executive Directors (BED) of the Islamic Development Bank, and published September 2018. This document may be used and reproduced for non-commercial purposes. Any commercial use, including without limitation reselling, charging to access, redistribute, or for derivative Works such as unofficial translations based on these documents is not allowed.

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## Common Abbreviations and Defined Terms

Common abbreviations and defined terms that are used in Guidelines/Guidance Note.

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<tr>
<th>Abbreviation/term</th>
<th>Full terminology/definition</th>
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<tr>
<td>Bid</td>
<td>An offer, by a Bidder venture, in response to a Request for Bids to provide the required Goods, and/or Works and/or related services</td>
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<tr>
<td>BDS</td>
<td>Bid Data Sheet</td>
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<tr>
<td>Bidder</td>
<td>A Firm that submits a Bid for the provision of Goods and/or Works and/or related Services</td>
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<tr>
<td>Beneficiary</td>
<td>A Beneficiary is the recipient of IsDB Project Financing. The term includes any entity involved in the implementation of an IsDB financed project on behalf of the Beneficiary.</td>
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<tr>
<td>Consultant</td>
<td>A Consultant Firm or Individual Consultant that provides Consultant Services. A Consultant is independent of both the Beneficiary and IsDB.</td>
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<tr>
<td>Consulting Services</td>
<td>Consultant Services are those intellectual services delivered by a Consultant Firm or an Individual Consultant. Consultant Services are normally of a professional, expert or advisory nature. Consultant Services are governed by IsDB’s Guidelines for the Procurement of Consultant Services under IsDB Project Financing.</td>
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<tr>
<td>EOI</td>
<td>Expression of Interest</td>
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<tr>
<td>Goods</td>
<td>A category of Procurement that includes: for example consumables, equipment, machinery, vehicles, commodities, raw material or industrial Plant. The tem may also include related services, such as: transportation, insurance, installation, commissioning, training, and initial maintenance.</td>
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<tr>
<td>ICB</td>
<td>International Competitive Bidding</td>
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<tr>
<td>IsDB</td>
<td>Islamic Development Bank</td>
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<tr>
<td>ITA</td>
<td>Information to Applicant</td>
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<td>ITB</td>
<td>Instructions To Bidders</td>
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<tr>
<td>JV</td>
<td>Joint Venture</td>
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<td>MC</td>
<td>Member Country</td>
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<tr>
<td>NCB</td>
<td>National Competitive Bidding</td>
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<tr>
<td>Non-Consulting Services</td>
<td>Services which are not Consulting Services. Non-Consulting Services are normally Bid and contracted on the basis of performance of measurable outputs, and for which performance standards can be clearly identified and consistently applied. Examples include: drilling, aerial photography, satellite imagery, mapping, and similar operations.</td>
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<tr>
<td>PC</td>
<td>Particular Conditions</td>
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<tr>
<td>Abbreviation/term</td>
<td>Full terminology/definition</td>
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<tr>
<td>PDS</td>
<td>Prequalification Data Sheet</td>
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<tr>
<td>Prequalification</td>
<td>The shortlisting process which can be used prior to inviting Request for Bids in the Procurement of Goods, Works or Non-Consulting Services.</td>
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<tr>
<td>Procurement</td>
<td>The function of planning for, and sourcing Goods, Works, Non-Consulting Services, and/or Consulting Services to meet required objectives.</td>
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<tr>
<td>Procurement Documents</td>
<td>A generic term used in these Guidelines to cover all Procurement Documents issued by the Beneficiary. It includes: GPN, SPN, EOI, REOI, Prequalification document, RFB and RFP, including any addenda.</td>
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<tr>
<td>Proposal</td>
<td>An offer, by a Proposer, in response to a Request for Proposal to provide required Consultant Services</td>
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<tr>
<td>Proposer</td>
<td>A Firm that submits a Proposal for the supply of the required Consultant Services</td>
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<tr>
<td>RFB</td>
<td>Request for Bid</td>
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<tr>
<td>RFP</td>
<td>Request for Proposal</td>
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<tr>
<td>Works</td>
<td>A category of Procurement that refers to construction, repair, rehabilitation, demolition, restoration, maintenance of civil work structures, and related services such as transportation, insurance, installation, commissioning, and training.</td>
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Section 1. Introduction

1.1 Purpose of the Guidance Note

This Guidance Note relates to Association of Firms/Consultants (Joint Ventures, Sub-Contractors and Sub-Consultants) for Islamic Development Bank’s (IsDB) financed Procurements by expanding on and explaining IsDB’s 2018 revised Procurement Policy and Guidelines. The purpose of this Guidance Note is to provide additional and consolidated information to the Beneficiaries on Association of Firms/Consultants for Bidders and/Consultants.

The Association of Firms/Consultants could be as Joint Venture (JV) or as Sub-contractors/Sub-Consultants as described in the Guidelines (September 2018) and as elaborated in the standard Bidding/Proposal Procurement Documents (January 2019).

JV means an association with or without a legal personality distinct from that of its members, of more than one Firm/Consultant where one member has the authority to conduct all business for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Employer/Client for the performance of the Contract.

“Sub-Contractor”/“Sub-Consultant” means an entity to whom/which the JV/Firm/Consultant subcontracts any part of the Contract/Services related to the work while remaining solely liable for the execution of the Contract.

In certain Bidding and Proposal documents the words “association” or “consortium” may appear. If a Firm or a Consultant is a JV, consortium, or association, all of the parties shall be jointly and severally liable to the Purchaser/Employer/Client for the fulfillment of the provisions of the Contract and shall designate one party to act as a leader with authority to bind the JV, consortium, or association, as defined in respective Procurement Document. Furthermore, the parties shall be jointly and severally liable in case of JV only and not valid in subcontracting case.

Bidders, Firms and Contractors, and their Sub-Contractors, agents, personnel, Consultants, sub-Consultant, Providers, or Suppliers Bidding for Procurements fully or partially financed by IsDB should be from a IsDB Member Country (MC) (Annex I), unless the financing agreement specifies otherwise. If the financing agreement specifies the use of “International Competitive Bidding (ICB) Open” or “International Shortlist of Consultants” under a project, then no nationality restrictions would apply. Annex II provides list of reference materials and websites.

1.2 When to use this Guidance Note in Procurement and Selection Process

Beneficiaries need to refer to this document specifically at the stage of preparation of Bidding or Request for Proposal (RFP) Document, seeking Expression of Interest (EOI), shortlisting or prequalification, evaluation process, award of contract, complaints handling and during contract amendments and implementation.
Guidance Note on Association of Firms/Consultants, Joint Ventures, Sub-Contractors and Sub-Consultants
Section 2. Goods, Works and Related Services

2.1 Association of Firms

The Association of Firms either as JV or Sub-contractor is critical for improving the competition among qualified Bidders and capacity of domestic Firms.

2.2 Development and use of domestic Firm

To promote the industrial activity of developing countries, it is the policy of IsDB to encourage the participation of domestic Firms in projects for which they are qualified and judged capable of providing the particular Goods, Works and/or related services required, either alone or in association with foreign Firms. When domestic and foreign Firms form JVs or associate themselves to supplement particular services, IsDB requires that the roles and responsibilities of each JV member shall be clearly defined. The leadership of the JV or the association and the ultimate responsibility for the supply of the Goods, completion of the Works and/or delivery of related services shall be stipulated in the documents concerned.

2.3 Association of Firms (JVs and sub-contractors)

In the case of ICB, association of non-MC Firms with MC Firms is encouraged. Association of nondomestic Firms with domestic Firms is also encouraged. A MC Firm as well as a domestic Firm are defined in Guidelines as reproduced below:

“For the purpose of these Guidelines, a Member Country (MC) Firm shall comply with all of the following: a) it is established or incorporated in an IsDB MC; b) its principal place of business is located in an IsDB MC; and c) it is more than fifty percent (50%) beneficially owned by a Firm or Firms in one or more MC (which Firm or Firms must also qualify as to nationality) and/or citizens of such MC.

For the purpose of these Guidelines, a domestic Firm of a MC is defined as follows: a) it is established or incorporated in the MC where the Works are to be carried out and/or where the Goods are to be delivered; b) its principal place of business is located in the Beneficiary MC; and c) it is more than fifty percent (50%) beneficially owned by a Firm or Firms in the Beneficiary MC (which Firm or Firms must also qualify as to nationality) and/or citizens of such MC”.

In case of ICB/MC, association of non-member countries Firms with member countries Firms may be accepted. However, the lead MC Firm is expected to perform at least 50% of the contract.

In case of National Competitive Bidding (NCB), association of domestic Firms with a nondomestic Firm is accepted, whereby the domestic Firm is expected to perform at least 50% of the contract.

In all cases of subcontracting, a Firm is solely responsible for ensuring the execution to the required standard. It shall retain the leadership of the association and shall provide more than fifty percent (50%) of the contract value from its own Firm’s operations.

Firms may conclude association agreements either for the long term or for a specific contract. Such associations may take different forms and constitute: a) a JV, whereby all members are
jointly and severally liable for the entire contract, and the lead Firm is required to sign the contract with the Beneficiary using power of attorney on behalf of all JV members; or b) a subcontracting arrangement, whereby the lead Firm assumes complete responsibility for and coordination of the Goods, Works and/or related services and signs the contract with the Beneficiary, while the sub-contractor only executes part of the contract assigned to it under specific TOR, and signs a subcontract with the lead-Firm only.

Beneficiaries should ensure that above provisions of Guidelines and IsDB policy are suitably reflected in Prequalification/Bidding documents, also consistent with Standard Procurement Documents of IsDB. Specific topics are discussed in Section V of this Guidance Note.
**Section 3. Consultancy Services**

The Association of Consultants either as JV or Sub-Consultant is critical for improving the competition among qualified Consultants and capacity of domestic Consultants

### 3.1 Development and use of domestic Consultants

To promote the transfer of technology to developing Member Countries (MC), it is the policy of IsDB to encourage the participation of domestic Consultants in projects for which they are qualified and judged capable of performing the particular Consultant Services required, either alone or in association with foreign Consultants. When domestic and foreign Consultants form a JV or associate themselves to supplement expertise for particular Consultant Services or other services, IsDB requires that the role and responsibilities of each party shall be clearly defined. The leadership of the JV or the association and the ultimate responsibility for the Consultant Services or other services, shall be stipulated in the documents concerned.

### 3.2 Association of Consultants (JVs, and sub-consulting)

Consultants may conclude association agreements either for the long term or for a specific assignment. Such associations may take different forms and constitute: a) a JV, whereby all members are jointly and severally liable for the entire contract, and the lead Consultant is required to sign the contract with the Beneficiary using power of attorney on behalf of all JV members; or b) a sub-consulting arrangement, whereby the lead-Consultant assumes complete responsibility for and coordination of the Consultant Services requested and signs the contract with the Beneficiary, while the sub-contracting Consultant only executes part of the Services assigned to it under specific TOR, and signs a sub-contract with the lead Consultant only.

Once the short-list is finalized and the RFP issued, any form of JV, other association, or sub-Consultant among the short-listed Consultants, as well as with non-shortlisted Consultants, should only be allowed with “No-Objection” of IsDB and communicated in writing by the Beneficiary and in accordance with the provisions of the Request for Proposal.

In the case of shortlisting international Firms and MC Firms, association of MC with non-MC Firms may be accepted. Association of non-domestic Consultants with a domestic Firm is also encouraged. A MC Firm as well as a domestic Firm are defined as in the Guidelines and as reproduced below:

“For the purpose of these Guidelines, a MC Firm is defined as follows: a) it is established or incorporated in a MC of IsDB; b) its principal place of business is located in a MC; c) its chief officer is a national of a MC; and d) more than half of its managerial and professional staff are nationals of an MC or MCs.

For the purpose of these Guidelines, a domestic Firm of a MC is defined as follows: a) it is established or incorporated in the MC where the assignment is to be carried out; b) its principal place of business is located in the MC; c) its chief officer is a national of the MC; and d) more than half of its managerial and professional staff are nationals of the MC.

In the case of shortlisting MC Firms, association with non-MC Firms may be accepted. For
MC Firms, in the case of JV, the MC Firm shall retain the leadership of the JV and shall provide more than 50% of the key professional staff-months inputs through its own permanent staff. The other non-lead JV partners shall intervene mainly through their permanent staff.

In all cases of sub-consulting, the lead Firm is solely responsible for ensuring the execution to the required standard. It shall retain the leadership of the association and shall provide more than 50% of the key professional staff-months inputs through its own permanent staff. The associated Firm shall intervene mainly through their permanent staff.

Beneficiaries should ensure that above provisions of Guidelines and IsDB policy are suitably reflected in RFP documents, also consistent with Standard RFP Documents of IsDB. Specific topics are discussed in Section V of this Guidance Note.
Section 4. One Bid/Proposal in case of Association of Firms and Consultants

In case of Association of Firms and Consultants (JV/sub-contractor/sub-Consultant), the principle of One Bid/Proposal per Bidder/Consultant shall be followed as per IsDB Policy and Guidelines.

4.1 Goods, Works and Related Services

One Bid per Bidder: A Firm shall not submit more than one Bid, either individually or as a JV partner in another Bid, except for permitted alternative Bids. Submitting or participating in more than one Bid results in the disqualification of all Bids in which the Firm is involved. This does not limit the inclusion of a Firm as a subcontractor in more than one Bid. However, for certain types of Procurement, the participation of a Bidder as a subcontractor in another Bid may be permitted as allowed by the IsDB’s Standard Procurement Documents applicable to such types of Procurement.

4.2 Consultant Services

One Proposal: A Consultant shall submit only one Proposal, either individually or as a JV member in another Proposal. If a Consultant, including a JV member, submits or participates in more than one Proposal, all such Proposals shall be disqualified. This does not, however, preclude a Consultant Firm participating as a sub-Consultant, or an Individual Consultant participating as a team member, in more than one Proposal when circumstances justify, and if permitted by the RFP.
Section 5. Guidance during Procurement Process & Contract Implementation

5.1 Specific Guidance on Association of Firms (JVs and sub-contractors)

Specific guidance related to Association of Firms (JV or a sub-contractor) as per January 2019 version of Standard Procurement Document and Guidelines (September 2018) are given as under (Applicant to be read a Bidder in case there is no Prequalification process):

Eligibility

An Applicant/Bidder may be a Firm that is a private entity, a government-owned entity subject to provisions in Information to Applicant (ITA)/Instructions To Bidders (ITB) - or a combination of such entities in the form of a JV under an existing agreement or with the intent to enter into such an agreement supported by a letter of intent. In the case of a JV, all members shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms. The JV shall nominate an authorized representative who shall have the authority to conduct all business for and on behalf of any and all the members of the JV during the Prequalification process, Bidding (in the event the JV submits a Bid) and during contract execution (in the event the JV is awarded the Contract). Unless specified in the Prequalification Data Sheet/Bid Data Sheet (PDS/BDS), there is no limit on the number of members in a JV.

A Firm may apply for Prequalification both individually, and as part of a JV, or as a sub-contractor. If prequalified, it will not be permitted to Bid for the same contract both as an individual Firm and as a part of the JV or as a sub-contractor. However, a Firm may participate as a sub-contractor in more than one Bid, but only in that capacity. Bids submitted in violation of this procedure will be rejected.

A Firm and any of its affiliates (that directly or indirectly control, are controlled by or are under common control with that Firm) may submit its application for Prequalification either individually, as a JV or as a sub-contractor among them for the same contract. However, if prequalified only one prequalified applicant will be allowed to Bid for the same contract. All Bids submitted in violation of this procedure will be rejected.

An Applicant/a Bidder may have the nationality of any countries, subject to the restrictions pursuant to relevant provisions of ITA. An Applicant/Bidder shall be deemed to have the nationality of a country if the Applicant/Bidder is constituted, incorporated or registered in and operates in conformity with the provisions of the laws of that country, as evidenced by its articles of incorporation (or equivalent documents of constitution or association) and its registration documents, as the case may be. This criterion also shall apply to the determination of the nationality of proposed specialized sub-contractors or suppliers for any part of the Contract including related Services.

Specific Construction & Contract Management Experience Criteria 4.2 (a): For contracts under which the Applicant/Bidder participated as a JV member or sub-contractor, only the Applicant’s share, by value, shall be considered to meet this requirement. In the case of JV, the value of contracts completed by its members shall not be aggregated to determine whether the requirement of the minimum value of a single contract has been met. Instead, each contract performed by each member shall satisfy the minimum value of a single contract.
as required for single entity. In determining whether the JV meets the requirement of total number of contracts, only the number of contracts completed by all members each of value equal or more than the minimum value required shall be aggregated.

**Margin of Preference**

Unless otherwise specified in the PDS/BDS, a margin of preference for domestic Bidders shall not apply in the Bidding process resulting from Prequalification or in Bidding process. An individual Firm is considered a domestic Bidder for purposes of the margin of preference if it is registered or incorporated in the member country of the Employer, has more than 50 percent ownership by nationals of the member country of the Employer, and if it does not subcontract more than 10 percent of the contract price, excluding provisional sums, to foreign contractors (Para 2.91 of Guidelines for Procurement of Goods, Works and related services under Islamic Development Bank Project Financing, September 2018 shall prevail). JVs are considered as domestic Bidders and eligible for domestic preference only if the individual member Firms are registered in the member country of the Employer, have more than 50 percent ownership by nationals of the country of the Employer, and the JV shall be registered in the country of the Beneficiary. The JV shall not subcontract more than 10 percent of the contract price, excluding provisional sums, to foreign Firms. JVs between foreign and national Firms will not be eligible for domestic preference.

If a margin of preference applies as specified in accordance with relevant clause of ITB, domestic Bidders, individually or in JVs, applying for eligibility for domestic preference shall supply all information required to satisfy the criteria for eligibility specified in accordance with relevant clause of ITB. The margin of preference not exceeding 10% provided to the domestic contractors apply for Civils Works only under ICB.

**Nominated Sub-Contractor**

Unless otherwise stated in the PDS/BDS, the Employer does not intend to execute any specific elements of the Works by sub-contractors selected in advance by the Employer (so-called “Nominated Subcontractors”).

**Whole of work not to be sub-contracted**

The Applicant/Bidder shall not propose to subcontract the whole of the Works. The Employer, in ITA/ITB, may permit the Applicant to propose subcontractors for certain specialized parts of the work as indicated therein as (“Specialized Subcontractors”). Applicants planning to use such Specialized Subcontractors shall specify, in the Application Submission Letter, the activity(ies) or parts of the Works proposed to be subcontracted along with details of the proposed subcontractors including their qualification and experience.

**Changes in Qualification of Applicant/Bidder**

Any change in the structure or formation of an Applicant after being prequalified in accordance with ITA/ITB and invited to Bid (including, in the case of a JV, any change in the structure or formation of any member and also including any change in any specialized subcontractor whose qualifications were considered to prequalify the Applicant) shall be subject to the written approval of the Employer prior to the deadline for submission of Bids. Such approval shall be denied if (i) a prequalified applicant/Bidder proposes to associate with
a disqualified applicant/Bidder or in case of a disqualified JV, any of its members; (ii) as a consequence of the change, the Applicant/Bidder no longer substantially meets the qualification criteria set forth in Section III, Qualification Criteria and Requirements; or (iii) in the opinion of the Employer, the change may result in a substantial reduction in competition. Any such change should be submitted to the Employer not later than fourteen (14) days after the date of the Request for Bids (RFB).

Application/Bid Submission Form
For an a JV, either all members shall sign or only the authorized representative, in which case the power of attorney to sign on behalf of all members shall be attached. In the case of Bids submitted by an existing or intended JV an undertaking signed by all parties (i) stating that all parties shall be jointly and severally liable, if so required in accordance with ITB and (ii) nominating a Representative who shall have the authority to conduct all business for and on behalf of any and all the parties of the JV during the Bidding process and, in the event the JV is awarded the Contract, during contract execution.

Documents comprising the Bid
In addition to the requirements under relevant clause of ITB, Bids submitted by a JV shall include a copy of the JV Agreement entered into by all members. Alternatively, a letter of intent to execute a JV Agreement in the event of a successful Bid shall be signed by all members and submitted with the Bid, together with a copy of the proposed Agreement.

Bid Security/Bid Securing Declaration/Performance Security of Joint Venture
In case of a JV, the Bid Security, Bid-Securing Declaration and Performance Security must be in the name of all partnMargineers to JV that submits the Bid. If the JV has not been legally constituted into a legally enforceable JV at the time of Bidding, the Bid security or the Bid-Securing Declaration shall be in the names of all future members as named in the letter of intent referred to in relevant clauses of ITB.

Contract Agreement in case of JV- Joint and Several Liability
If the Contractor is a JV of two or more persons, all such persons shall be jointly and severally bound to the Employer for the fulfilment of the provisions of the Contract, unless otherwise specified in the Particular Condition (PC), and shall designate one of such persons to act as a leader with authority to bind the JV. The composition or the constitution of the JV shall not be altered without the prior consent of the Employer.

Enforcement of Contract Provisions in Implementation in case of JV
Employer/Beneficiaries should strictly monitor the provisions of contract so that members of JV discharge their obligation in accordance with the provisions of the contract and JV Agreement. Based on international experience it is seen that oftentimes a lead member of a JV after lending their qualification to secure a contract do not effectively participate in contract execution which creates a mismatch between promise and performance, which needs to be watched and avoided. Further, there may be instances of deterioration of financial situation or bankruptcy of one of the members of a JV while the contract is in progress, which could lead to a member’s withdrawal from JV. In such an event, the other member(s) are legally liable, jointly or severally for the execution of the contract and
Beneficiary should ensure that the Contractor, mobilizes all required resources to maintain the progress of the work in terms of contract provisions.

5.2 Specific Guidance on Association of Consultants (JVs and sub-consulting)

Specific guidance related to Association of Consultants (JVs and sub-consulting) based January 2019 version of Standard Procurement Document and Guidelines (September 2018) are brought out as under:

Expression of Interest

EOI needs to clarify the nature of Association of Consultants (JVs and sub-consulting) in particular that: (i) in a JV all members are jointly and severally liable for the entire contract and the lead Consultant is required to sign the contract with the Beneficiary using power of attorney on behalf of all JV members; and (ii) in a sub-consulting arrangement, the lead Consultant assumes complete responsibility for and coordination of the Consultant Services requested and signs the contract with the Beneficiary, while the sub-Consultant only executes only a part of services assigned to them by the lead Consultant and that they are not a party to the contract. This clarity is essential from the time EOI application is evaluated, in particular where words “association” or “consortium” are used, it should be made clear that such association of Consultants shall be either in the form of a JV or as sub-consulting, as defined in this paragraph.

Letter of Invitation /Request for Proposals

In case of a JV, full name of the JV and the names of each member as in the submitted Expression of Interest shall be used listing all members, starting with the name of the lead member. Where sub-Consultants have been proposed, they shall be named as well.

Eligibility

IsDB permits Consultants (individuals and Firms, including JVs and their individual members) from eligible countries to offer Consulting Services for Bank-financed projects. It is the Consultant’s responsibility to ensure that its Experts, JV members, Sub-Consultants, agents (declared or not), sub-contractors, service providers, suppliers and/or their employees meet the eligibility requirements as established in the Guidelines.

Preparation Proposal and submission Stage- statement of joint and severable liability

If a shortlisted Consultant considers that it may enhance its expertise for the assignment by associating with other Consultants in the form of a JV or as Sub-Consultants, it may do so with either (a) non-shortlisted Consultant(s), or (b) shortlisted Consultants if permitted in the Data Sheet. In all such cases a shortlisted Consultant must obtain the written approval of the Client prior to the submission of the Proposal. When associating with non-shortlisted Firms in the form of a JV or a sub-consultancy, the shortlisted Consultant shall be a lead member. If shortlisted Consultants associate with each other, any of them can be a lead member.

If the Consultant is a JV the RFP stipulates that the Proposal is submitted in association as a JV full name and the legal address of each member must be stated with indication of the lead member. The participating Firm need to attach a copy of letter of intent to form a JV or, if a JV is already formed a copy of the JV agreement signed by every participating member, which
details the likely legal structure of and the confirmation of joint and severable liability of the members of the said JV.

A Proposal submitted by a JV shall be signed by all members so as to be legally binding on all members, or by an authorized representative who has a written power of attorney signed by each member’s authorized representative.

**Authority of Member-in Charge in the Contract**

In case the Consultant is a JV, the members shall authorize the member specified in the Special Conditions of Contract to act on their behalf in exercising all the Consultant’s rights and obligations towards the Client under this Contract, including without limitation the receiving of instructions and payments from the Client.

**Contract Signing**

For a JV, either all members shall sign or only the lead member, in which case the power of attorney to sign on behalf of all members shall be attached.

**Contract Implementation**

The Client/Beneficiaries should strictly monitor the provisions of contract so that members of JV discharge their obligation strictly in accordance with contract provisions. Based on international experience it is seen that oftentimes a lead member of JV after lending their qualification/experience to secure a contract do not effectively participate in contract execution or delegate the responsibility of such execution to sub-Consultants which creates a mismatch between promise and performance, which needs to be watched and avoided. Further, there may be instances of deterioration of financial situation or bankruptcy of one of the members of a JV while the contract is in progress, which could lead to a member’s withdrawal from JV. In such an event, the other member(s) are legally liable, jointly or severally for the execution of the contract and Beneficiary should ensure that the Consultant, reconfigures its resources to maintain the progress of the services in terms of contract provisions.
Annex I. IsDB Member Countries

The Islamic Development Bank is made up of fifty-seven (57) Member Countries.

- Afghanistan
- Albania
- Algeria
- Azerbaijan
- Bahrain
- Bangladesh
- Benin
- Brunei
- Burkina Faso
- Cameroon
- Chad
- Comoros
- Cote D'Ivoire
- Djibouti
- Egypt
- Gabon
- Gambia
- Guinea
- Guinea Bissau
- Guyana
- Indonesia
- Iran
- Iraq
- Jordan
- Kazakhstan
- Kuwait
- Kyrgyz Republic
- Lebanon
- Libya
- Malaysia
- Maldives
- Mali
- Mauritania
- Morocco
- Mozambique
- Niger
- Nigeria
- Oman
- Pakistan
- Palestine
- Qatar
- Saudi Arabia
- Senegal
- Sierra Leone
- Somalia
- Sudan
- Suriname
- Syria
- Tajikistan
- Togo
- Tunisia
- Turkey
- Turkmenistan
- Uganda
- United Arab Emirates
- Uzbekistan
- Yemen
For any additional information, such as Standard Bidding Documents (SBDs), Guidance, training materials and briefing, please see

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