



THE KENYA POWER & LIGHTING COMPANY PLC

OPERATING PROCEDURES

IN RESPECT OF

PROCUREMENT OF CONTRACTORS FOR SUPPLY AND INSTALLATION OF PLANT AND EQUIPMENT

Date of Commencement: 2006.03.01

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Part A - Terms, Definitions and Abbreviations

1. **AfDB** means Africa Development Bank
2. **ADF** means Africa Development Fund

3. **CCM** means Corporate Communications Manager
4. **CORP. COMM.** means Corporate Communications
5. **CS** means Company Secretary
6. **CSCO (T&CP)** means Chief Supply Chain Officer, Turnkey & Connectivity Projects
7. **GM** means General Manager
8. **GM, SC&L** means General Manager, Supply Chain & Logistics
9. **ICT** means Information and Communication Technology
10. **IFB** means Invitation for Bids
11. **KPLC** means The Kenya Power and Lighting Company PLC
12. **LMCP** means Last Mile Connectivity Project
13. **MD&CEO** means Managing Director & Chief Executive Officer
14. **MT&CP** means Manager, Turnkey & Connectivity Projects
15. **NOB** means No Objection
16. **OTD** means Other Technical Divisions being Network Management, ICT and Commercial Services
17. **RNO** means Request for No Objection
18. **SC&L** means Supply Chain & Logistics
19. **SBD** means Standard Bidding Documents
20. **WB** means World Bank
21. **Financier** includes AfDB, WB and ADF

Part B - Purpose

The purpose of this procedure is to outline the steps that ensure that procurement of suppliers for supply and installation of Plant and Equipment as financed by various financiers under the Turnkey and Connectivity Project, is carried out as per the Guidelines on Procurement under the Financier's loans and credits.

Part C - Scope

This procedure covers the bidding, evaluation and award of contracts for supply and installation of Plant and Equipment contracts. The procedure shall be applied from the moment a need to procure such contractors is identified to the eventual award of the contract to the successful bidder.

Part D - Method

1. The MT&CP shall identify the need for procurement of contractors for supply and installation of Plant and Equipment contracts and initiate preparation of bidding documents for the procurement of such contractors using SBDs.
2. Once the bidding documents have been prepared, the CSCO (T&CP) shall within two weeks review and approve the bidding documents before they are sent to the financiers for NOB.
3. Once the NOB has been granted by the financiers the CSCO (T&CP) shall, in conjunction with the CCM, issue an invitation for Bids (IFB) to be published in MyGov newspaper for a period and in the manner specified in the financier's procurement guidelines. The bidding period shall not be less than forty-five days from the date of invitation.
4. In case NOB is not granted by the financier, the CSCO shall work to resolve the financier's comments promptly and seek for a meeting where necessary to resolve the financier clarifications until the NOB is granted. If NOB is not granted the process shall undergo mis-procurement. The review and clarifications by the Project Implementation Team shall be submitted to the financier within three weeks of receiving the Financier's Review.
5. Once the bidding period is over and the bidders have submitted their bids, the MD&CEO shall within one (1) day before bid opening date appoint an evaluation committee to evaluate bids for the firms that responded to the IFB. The committee, shall comprise staff from T&CP, a consultant and OTDs identified for the purpose of the evaluation
6. The evaluation committee shall within four weeks carry out the evaluation to determine the compliance of each bidder with all the technical, commercial and any other requirements stated in the bidding documents.
7. Once the evaluation conducted in clause 6 is complete, the consultant and the KPLC evaluation team shall immediately submit their evaluation report to the MD & CEO for review and approval before submission to financier for NOB. The internal review shall take not more than three weeks.
8. Once the MD & CEO has reviewed and approved the report, he/she shall forward it to the financier for NOB.
9. Should the financier decline to grant a NOB, the evaluation committee shall take the necessary steps to address the issues raised by the financier before resubmitting the report for NOB. The review and clarifications shall not be more than three weeks.

10. Once the NOB has been granted by the financiers, the GM, SC&L shall within five days forward the draft contract to the financier for NOB. The CSCO (T&CP) shall address any issues raised by the financier on the draft contract within five days.
11. Once the NOB has been granted by the financiers, the GM, SC&L shall immediately dispatch notification of award and regret letters to the bidders. After fourteen days of standstill period (for bidders to raise any objection), the GM, SC&L shall invite the lowest evaluated bidder to sign the contract at KPLC's premises. The contract agreement shall be signed between KPLC's Accounting Officer and the Contractor's authorized representative.

Part E- Responsibilities

The MT&CP shall be responsible for the effective implementation and maintenance of this procedure.

Part F- References

These include the following: -

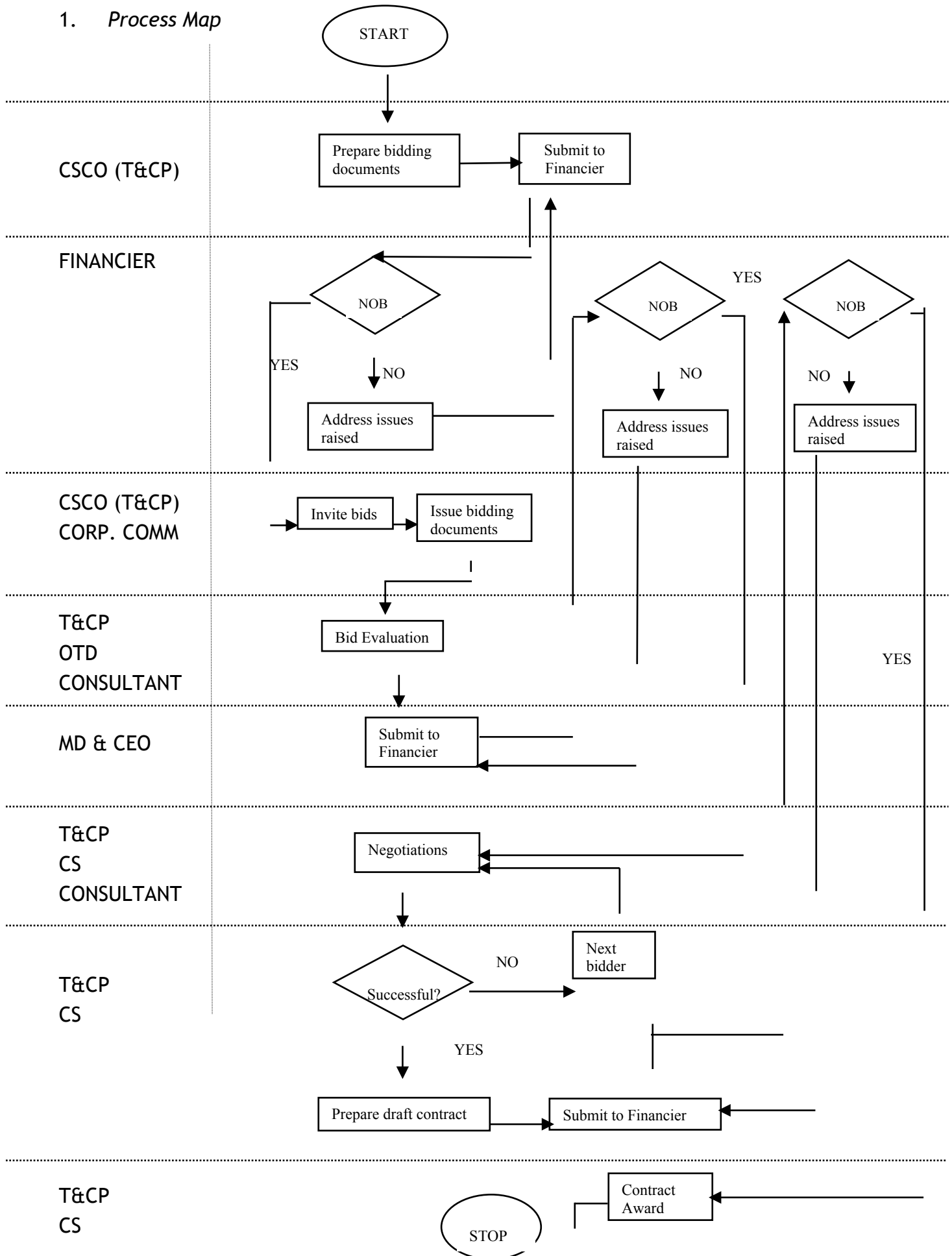
1. Guidelines on financier's loans and credits (latest editions)
2. SBD for Procurement of Contractors for Supply and Installation of Plant and Equipment contracts i.e. *Ref: AFD-M0029-a SPD - Procurement of Contractors for Supply and Installation of Plant and Equipment Contracts Pay Ang- V7 Du 22/02/2024*
3. KPLC Supply Chain Policy
4. KPLC Project Management Policy
5. KPLC Budget Management Policy

Part G- Appendices

1. Process Map
2. Process Inputs and Outputs
3. Key Performance Indicators (KPIs)
4. Records

See further details/information of the Appendices below

1. Process Map





2. *Process Inputs and Outputs*

<i>S/no</i>	<i>Inputs</i>	<i>S/No</i>	<i>Outputs</i>
1.	Bids	1.	Contract award
2.	Evaluation Committee		
3.	Financier		

3. *KPI*

Timely award of the contract

4. *Records*

4.1 Evaluation Reports

4.2 MD & CEO approval of Evaluation Committee, Award and Regret letters

4.3 NOBs

4.4 Forms

Procedures Issuance:-

1. *By Divisional Head - General Manager, Infrastructure Development*

2. *Responsible Lead Manager - Manager, Turnkey & Connectivity Projects*

3. *Section - Donor Funded Projects*

** These Procedures are revisable under the authority of the Divisional Head*

END