

Terms of Reference (ToRs)

National Anti-Corruption Policy Indicators

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SUMMARY OF REQUIREMENT

1. The **Foreign, Development & Commonwealth Office (the Authority)**, represented by the British Embassy in Mexico City, seeks to appoint one **Service Supplier to carry out a documentary investigation, comparative analysis of international best practices in the areas of monitoring, evaluation, and implementation of public procurement with the goal of exploring their viability and implementation in the Mexican context.**
2. The work will be undertaken under the supervision of the Anti-Corruption, Digitalisation and Competition Policy Unit at the British Embassy in Mexico City, SESNA technical team, and Ministry for Public Administration, through regular planning and review meetings with the delivery partner to ensure that the work plans align with the Programme's vision and objectives, and review progress against these. The meetings may be remote or face-to-face, on a case by case scheme.
3. The primary beneficiary of this project will be **SESNA**.
4. By the end of the project, the implementer will deliver a comprehensive, analytical and comparative study of indicators and metrics used by other countries in the areas of monitoring, evaluation, and implementation of public procurement, identifying the best practices that could be recognised internationally. The implementer will also deliver a preliminary analysis of potential adoption of the aforementioned indicators and metrics, contextualising their viability and application, in the Mexican case scenario. The study will be delivered in Spanish.
5. A brief final report, both in English and Spanish, with key findings and recommendations of the comprehensive study with a summary of the final deliverables achieved will be presented to the British Embassy team.

INTRODUCTION

6. Public procurement is a fundamental tool and a key priority for the Mexican State to execute public expenditure for the well-being of the population. Through public procurement, the Mexican state can provide goods, services, and infrastructure necessary for development. Medicines, food, roads, and schools are a good example of goods, services, and infrastructure that must be purchased under strict, normative criteria that allows for efficient employment of resources and ensures the greatest impact to improve the livelihood of its population.

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7. According to the OECD, expenditure made using public procurement mechanisms in Mexico represented 111.5 billion USD. In 2015, government public expenditure was 27.9% of Mexico's GDP¹ and public procurement represented around 21% of that expenditure. When acts of corruption are present in public procurement, they infringe upon the rights of citizens to access goods, services, or infrastructure. Consequently, it produces a range of negative effects such as mistrust of public institutions that, in turn, weaken the institutional capacity of the State.
8. In Mexico, public procurement faces a myriad of challenges including lack of robust, homogenised norms and procedures, which reduces the capacity to monitor, compare, and evaluate how public procurement is carried out. Studies such as the Methodology for Assessing Procurement Systems (MAPS) have identified that a significant problem is the countless normative frameworks of public procurement across the different entities that compose Mexico. Under the current model of public procurement, it is difficult to obtain market access and transparency and poor efficiency is present when conducting procurement processes².
9. For this reason, the National Anticorruption Policy (PNA by its Spanish acronym), approved on January 2020, attempts to diagnose Mexico's fundamental challenges like corruption, arbitrariness, and oversight in the use of public resources. Within the context of public procurement, the PNA identifies that many processes are opaque and arbitrary and hamper the proper delivery of public goods and services. In the diagnostic, the PNA understands public procurement to be a point of contact between government and society, government and private sector and recognises a wide range of obstacles to fair competition, especially at the subnational level, such as:
 - **Criteria or requirements that favour specific suppliers, agents:** For example, great margin of preference for local suppliers versus non-local suppliers and increase of contract amount of up to 30% of original amount.
 - **High cost of participation and entry barriers**
 - **Lack of mechanisms that promote competition:** Characterised by non-existent market study and/or lack of technical studies (for public works) by the organising

¹ Organización para la Cooperación y el Desarrollo Económicos, Banco Interamericano de Desarrollo & Secretaría Ejecutiva del Sistema Nacional Anticorrupción, Evaluación del Sistema de Compras y Contrataciones Públicas de México, p.8, 2019, disponible en: <https://www.gob.mx/sesna/documentos/informe-final-y-anexos-evaluacion-del-sistema-de-compras-y-contrataciones-publicas-de-mexico-metodologia-maps>

² Ídem

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entity and possibility of awarding contract through restricted invitation to participate and receiving only one or two proposals that could even be deficient.

- **Lack of legal certainty:** For example, high margin for discretion by organising entity in the definition of technical standards and possibility of modifying tender in five days or less before closing.

10. The PNA defined four strategic principles to integrate the findings, information, and systematic analysis derived from its diagnosis. Each of the four strategic principles address a problem that enables lack of effective control in the fight against corruption. Additionally, the PNA establishes forty priorities from the four strategic principles to reduce corruption through a systemic approach with the collaboration of all public entities.

11. The following correspond to some of the priorities meant to improve public procurement in Mexico:

XVI: Promote the development of proactive transparency policies and open government to increase accountability in government transactions, including, public procurement with the collaboration of the National System of Transparency (SNT) and other local and international organisms.

XXV: Creation of observatories and laboratories of social innovation tasked with risk management in government-society interaction and monitoring of government contracting and purchasing.

XXIX: Design and implementation of a single system of information about public purchases and acquisitions that includes a national registry of government suppliers. In parallel, implementation of national system of public procurement linked to the National Digital Platform (PDN).

XXX: Promote the creation and adoption of unified standards and criteria in public procurement that reduce arbitrariness and improve transparency and oversight.

12. Furthermore, the PNA has two programmes in place to carry out its priorities:

- a. **Implementation Programme:** Seeks to develop institutional, normative, material, and human capabilities of the institutions tasked with the three stages of battling corruption. Namely, prevention, identification (or detection), and sanction of corrupt practices. The Programme is currently in the development stage.
- b. **Tracking and Evaluation of Corruption Model:** The Model, or MOSEC by its Spanish acronym, is in its development stage and is assigned to the Executive Secretariat of the National Anti-corruption System (SESNA). SESNA is to present

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the Model and its methodology to the Coordination Committee of the National Anti-Corruption System (SNA). It is intended to accurately track and monitor corruption while constantly assessing the PNA's reach and results along with the abovementioned Implementation Programme. The MOSEC is envisioned to use indicators, metrics, and data that periodically assesses the PNA's developments, Implementation Programme, State Anti-corruption Policies, and other anti-corruption policies in Mexico.

13. SESNA has identified ten risk areas in public procurement that shall be considered for developing comparative studies, monitoring, and tracking:
 - I. Interagency coordination
 - II. Public procurement procedures
 - III. Normative framework compliance
 - IV. Competitiveness and impartiality in public procurement
 - V. Modifications in tenders and contracts
 - VI. Discretion in defining standards
 - VII. Public procurement clusters
 - VIII. Social witnesses and tracking mechanisms
 - IX. Transactional electronic systems of public procurement
 - X. Integrity in public procurement

OBJECTIVE

14. To deliver a comprehensive, analytical, and comparative study of indicators and metrics used by other countries in the areas of monitoring, evaluation, and implementation of public procurement. Subsequently, identifying those practices that could be recognised as international best practices.
15. Preliminary analysis of potential adoption of the aforementioned indicators and metrics in the Mexican case-scenario using the information readily available, prioritising statistical information or data generated by public institutions.

METHODOLOGY

16. Interested parties are expected to provide a description of their methodology and implementation plan to achieve this project's objectives within the estimated period.

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17. The implementer must consider that due to COVID-19, work will primarily be carried out remotely, but may require face to face work subject to health and safety possibilities.
18. The methodology must be accompanied by a detailed budget with the cost of proposed activities, and goals for implementing each activity, and the CVs of the team members that would conduct the work, as well as the team structure.
19. The implementer is expected to carry out a methodology of documentary investigation that:
 - Identifies an array of international studies on the subject matter.
 - Contextualises relevant information of those studies for the Mexican case scenario.
 - Viability of adoption and implementation for Mexico via testing with procurement stakeholders or short piloting.

OUTPUTS/ DELIVERABLES

20. Clear and detailed work plan agreed with SESNA and the British Embassy.
21. Comprehensive Report of studies and methodologies in the monitoring, evaluation and execution of public procurement within different countries. At a minimum, the groups of countries to consider must be members of the Organisation for Economic Co-operation and Development (OECD) as well as countries in Latin America and the Caribbean.
22. Comparative study of good international practices, contextualised to the Mexican case study including their viability and/or applicability in Mexico.
23. Brief final **report in English and Spanish** with key findings and recommendations of the comprehensive study, with a summary of the final deliverables achieved.

Other considerations

24. Joint bi-weekly meetings with the British Embassy and SESNA team in which suppliers will report advancements.
25. Monthly meetings with the British Embassy team in which suppliers may raise any issues.

KEY DATES

26. The contract will be starting as soon as possible in accordance with the procurement timeline and it is envisioned to terminate once **the project has been completed within 19 weeks of commencement date.**

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<u>Output I (paragraph 20):</u>	Kick-off engagement with the Authority and beneficiary entity.	1 November 2021
	Draft of assessment considerations and action plan to be delivered to the Authority.	5 November 2021
	Action plan of activities signed off by the Authority and beneficiary entity.	12 November 2021
<u>Output II (paragraph 21):</u>	As per milestones agreed and signed off (Output I)	By the end of the contract
<u>Output III (paragraph 22):</u>	As per milestones agreed and signed off (Output I)	By the end of the contract
<u>Output IV (paragraph 23):</u>	As per milestones agreed and signed off (Output I)	By the end of the contract
*Subject to previous agreement between the Authority and the Service Supplier, dates for delivering the output might change. This may be particularly the case as a result of Covid-19.		

Reporting structure, logistics and other arrangements

27. The Service Supplier will report to the Anti-Corruption, Digitalisation and Competition Policy Unit at British Embassy in Mexico City.
28. The British Embassy team will assist in accessing government agencies or other key stakeholders if this should prove necessary. The decision of when to accompany the supplier to meetings will be taken by the British Embassy team. All the structure, logistic and other arrangements to carry on this project should be under the responsibility of the service supplier.

Key Dates for tender, evaluation and signing contract

Activity*	Dates
Invitation to Tender	24 September 2021
The tender closes	18 October 2021
Evaluation of proposals	19-21 October 2021
The responses are sent to participants**	22 October 2021
Contract sign-off	29 October 2021

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Start working	01 November 2021
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*Applicants who do not follow application procedures will be automatically disqualified.

**Date may be reviewed if interviews are required.

29. Applicants who do not have the required qualification and experience should kindly abstain from applying, as their applications will not be considered.
30. Only shortlisted candidates will be contacted and no telephone enquiries will be dealt with.
31. Shortlisted candidates may/ may not be invited to attend an interview before a final decision on selected candidate.
32. The appointment will be subject to local and British Embassy security checks and other verifications including references, educational and professional.
33. The British Embassy in Mexico is committed to achieving workforce diversity in terms of gender, nationality and culture. Individuals from minority groups, indigenous groups and persons with disabilities are equally encouraged to apply. All applications will be treated with the strictest confidentiality.
34. Please send proposals to the following email: Mexico.Political@fcdo.gov.uk
35. Due to the amount of applications received, The British Embassy in Mexico will refrain to provide any feedback after the results of the tender are released.

SKILLS AND COMPETENCES

36. The expert(s)/organisation will have to demonstrate knowledge and experience in:
 - Documentary Research
 - Comparative Studies
 - Academic Degree in Social Sciences and professional practices in relevant area.
 - At least five years of experience working in consultancy projects and statistical projects with base line components.
 - Working knowledge in mathematics, applied statistics, metrics & indicators, corruption, and anti-corruption along with best practices for evaluation.
 - Experience working with the Federal Public Administration in Mexico or other relevant actors within the National Anti-corruption System (*Sistema Nacional Anticorrupción, SNA*)
 - Desirable Experience and Skills: Multidisciplinary and innovative team and experience in project management with international organisations.

BUDGET

37. The maximum budget for the service, covered under these terms of reference, will be no more than **£5,500 UK pounds**, including all applicable taxes and associated fees.

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38. The supplier will propose the overall budget for this work which must be inclusive of all applicable taxes, overheads and travel costs for any field visits. Bidders are expected to show VfM and not reach the budget ceiling if costs can be lower. Payments will be made in arrears upon receipt of the final product, after any updates have been incorporated and signed-off by the British Embassy. **All the expenses caused by the development of the project must be included inside of the general budget, and there are not extra-expenses out of this budget.**
39. The British Embassy has the right to select the most appropriate payment method from either against a Contractor invoice via credit transfer or by GPC. If the Embassy elects to pay against an invoice via credit transfer, then the Contractor shall submit his invoice to the invoicing address stipulated by the Embassy within 28 days of meeting any milestone set out in the request for quotation to the satisfaction of the Authority or otherwise within 28 days of supplying the Goods or Services to the satisfaction of the Embassy. The Embassy shall pay the Contractor within 30 days of receipt against an undisputed invoice by payment direct to the Contractors bank account as a credit transfer.

EVALUATION OF PROPOSAL

40. The British Embassy will open the tender to different organisations that could potentially deliver the project. The Embassy will award the organisation that delivers the best value for money and the quality of the methodology proposal.
41. Interested parties are asked to tender an outline approach of how they would deliver the services mentioned above. The methodology should include a detailed budget for the cost of proposed activities and the CVs of the team members that would conduct the work. UK organisations may wish to consider including local experts in their proposed teams.
42. The British Embassy will evaluate the proposals according to the documents Project proposal form; and Schedule of prices & rates. Weighting for each document will be **70%: Project proposal form (technical proposal); and 30% Schedule of prices & commercial (Value for Money)**. No feedback of the evaluation proposal will be provided due to the amount of work.

DUTY OF CARE

43. The Service Supplier is responsible for the safety and well-being of their Personnel and Third Parties affected by their activities under this Contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.