



Consulting Services Clearance and Signing

30 October 2014
HRD0.85.1

Policy & Guidelines
Consulting Services Clearance and Signing
HRD0.85.1
01 November 2014

1. Purpose

The purpose of this document is to provide guidelines and outline the process for the recruitment and selection of individuals who provide consulting services to CIFOR. The term “consulting services” is used at CIFOR to define services of an intellectual and advisory nature provided by consultants using their professional skills to study, design, and organize specific projects, advice clients, conduct training and transfer knowledge. A consultant may be an individual expert or an employee of an organization / institution directly engaged by CIFOR, who possesses the required qualifications and achievements in a scientific or technical field, contracted to provide a particular type of knowledge or service for a specific period of time. Consultants are not CIFOR staff and do not receive the benefits that staff do.

2. Applicability

These guidelines apply to CIFOR Headquarters, hubs and hosted locations. CIFOR has no legal status in some locations, hence hiring of Consultants directly by CIFOR for these locations are precluded. Hiring Officers are required to consult the Human Resources Unit before proceeding with any consultancy assignment.

3. Effective Date

The implementation of this policy shall take effect on 01 November 2014 and will supersede the previous policy dated 14 September 2012.

4. General Parameters

In deciding whether to fill a need with a consultant, CIFOR will take the following considerations into account:

- 4.1 Consultants may be engaged for various CIFOR assignments over the course of a calendar year, but in no case may a consultant be contracted by CIFOR full-time for more than 12 consecutive months. Consultants may be contracted repeatedly, but there must be a clear break of one month between consulting assignments. The one month break does not apply to product-based consultancies.
- 4.2 Consultants may or may not have a continuing relationship with CIFOR, and could have multiple clients in parallel or in sequence with consulting assignments with CIFOR.
 - 4.2.1 A consultant who was initially engaged to provide services to one CIFOR research portfolio / services unit may be engaged simultaneously for another assignment within CIFOR. In such cases, the two parties involved (i.e. Directors, Project Managers / Scientists), together with the consultant, shall ensure that no unreasonable conflicting demands will arise with regard to the consultant's time. An addendum to the initial consultancy agreement shall be issued to reflect the additional services required from the consultant. Addendums should

not normally result in a change in the consultancy fee, or a large disparity in the complexity of work involved, as the rates for consultancy assignments reflect the level and experience of the consultant. Time sheet or invoice submitted by the consultant shall be verified and approved by both the supervisors involved before payment could be released by Finance. Under no circumstances should a Consultant be issued two Agreements by CIFOR with overlapping duration.

- 4.2.2 In connection with the Consultancy Agreement Template (Appendix 1) Paragraphs 9 – ‘Confidential Information’ and 10 – ‘Conflict of Interest and authorization’, a consultant who undertakes another consulting assignment with another institution/organization during his/her period of service in CIFOR shall inform CIFOR through the supervisor and HR of such assignment.
- 4.2.3 A consultant who is affiliated with an academic institution prior to or during his/her period of service in CIFOR shall be responsible for obtaining the necessary approval from the academic institution concerned for undertaking the CIFOR assignment. CIFOR reserves the rights to publish biography profiles of the affiliated scientific consultants (e.g. Associate or Senior Associate) at the CIFOR website.
- 4.3 Except in unusual and/or time-limited circumstances, consultants do not supervise CIFOR staff or consultants.
- 4.4 Consultants determine their own method of completing an assignment while staff members receive instructions about how, where and when the work should be done; consultants do not normally receive training from CIFOR on how to do the job.
- 4.5 Consultants are in general free to set their own hours, and are generally paid in accordance with the value of the work they have delivered rather than for the time they have spent, as an employee would be.
- 4.6 Consultants usually use their own tools (e.g., laptop, phone, office space) rather than expect CIFOR to provide them, and invest accordingly in their business undertakings (tools, licenses, insurance and etc.).

5. Recruitment and Selection Procedure

- 5.1 CIFOR’s policy on the selection of consultants is guided by the following principles:
 - Consultants should provide high quality of services
 - Services should be economical and efficient
 - Competitive selection among qualified consultants
 - Transparency in the process of engagement
- 5.2 Consultancy services should be planned in advance by the Hiring Officer. Keeping in mind the above guiding principles, consultants may be identified through the following means:
 - 5.2.1 Through the HR database of consultants who were engaged by CIFOR in the past;

- 5.2.2 Through advertisement of the consultancy need, where no suitable expert can be identified from the HR database or where the expertise sought is so specific that candidates are not readily available. In all cases, advertisement should be cleared by HR, regardless whether hiring officer has posted the advertisement him / herself. Once the vacancy notice has closed, the process of shortlisting, interviewing and selecting shall be carried out by the Hiring Officer, in consultation with the Human Resources Unit;
- 5.2.3 In exceptional cases, through a specific recommendation by the Hiring Officer, when immediate action is required and no suitable expert can be identified from the HR database.
- 5.3 In all cases, the Hiring Officer should submit to HR a documentation describing the process that led to the selection of the consultant and justifying the selection made, regardless whether any of the above means (paragraphs 5.2.1 through 5.2.3 referred) had been employed. The documentation should elaborate, among others, on the selection method used, comparison of qualifications of candidates considered, and - in general - on efforts made to ensure value for money for the benefit of the project and the Center.
- 5.4 In cases where consultancies agreement value is USD20,000 and above (referring to fee excluding travel / insurance / others), the Hiring Officer shall be required to conduct reference checks from the consultant's referees or previous supervisors / clients (internally and/or externally) when selecting a consultant for the first time.
- 5.5 It is the responsibility of the Hiring Officer to draw up a detailed Terms of Reference (ToR), in the English language, for the consultant assignment. The ToR will become an integral part of the signed agreement and should clearly specify and elaborate upon the objectives of the work. A ToR shall contain the total duration, required skills / qualifications and the results expected of the consultant in terms of tangible output (e.g. specific report, evaluation recommendations, proposal, training / presentation to be delivered, input to/analysis of a report, etc.). Annex 2 to this document is the "Guidelines for Preparation of ToRs for Consultants" that may be of help to the Hiring officer.
- 5.6 Where a consultant hired by CIFOR is related in any way to a CIFOR staff member or to another consultant engaged by CIFOR, he/she shall not be assigned to work in a supervisory or subordinate capacity to the relative or spouse or partner. Nor shall the CIFOR staff member participate in any selection procedure pertaining to a relative or partner.
- 5.7 Once the consultant has been identified/selected, the Hiring Officer shall initiate the request using the relevant CIFOR business process that is managed by HR office. The hiring Officer must ensure that the following information is included:
- Documentation on the selection process (see paragraph 5.3 above)
 - CV and bio data of the Consultant

- Terms of Reference (see Annex 2)
 - Reference Check (contract value of US\$20,000 or above, see paragraph 5.4 above)
 - Consulting service fee
 - Scan copy of personal accident and medical insurance cover note
 - Scan copy of passport or ID of consultant
 - Banking information of the Consultant
- 5.8 Requests shall be submitted 10 working days prior to the expected start date of the agreement; availability of funds and the correct budget code must be ensured.
- 5.9 Under no circumstance will recruitment of consultants be permitted on a retroactive basis. No work may be commenced or remuneration paid before the Consultancy Agreement has been signed by both parties.
- 5.10 The approving authority for the hiring of selected consultants shall be in accordance with CIFOR's approved authorization policy, updated from time to time by the Finance unit.

6. Conditions of Service

- 6.1 Consultants shall not be considered CIFOR staff members and cannot enter into any contractual arrangement on behalf of CIFOR. They therefore are not subject to the entitlements and benefits set forth in the CIFOR HR Policy Manuals. All contractual entitlements are strictly limited to those contained expressly in the Consultancy Agreements.
- 6.2 Consultants who work on a full time basis are required to work for 20 working days in a month, while regular staff members are required to work 22 days on average in a month. In this light, consultants shall not be eligible for any type of leave. However, under special circumstances – usually relating to family emergencies, a supervisor may agree to a consultant's absence from work.
- 6.3 Consultants are not entitled to compensation for additional hours of work required to complete the assignment for which they were contracted.
- 6.4 Consultants shall be responsible for their own personal accident and medical insurance. CIFOR shall not be liable for any injury, disability or death suffered by a consultant, nor for any medical or hospital expenses, which may be incurred, in the course of his/her period of service.
- 6.5 In special circumstances determined by HR (usually depending on the nature of the consultant's work), CIFOR may provide personal accident and medical insurance coverage through an insurance company that CIFOR has engagement with (e.g. Vanbreda National Plan for Medical and AVIVA or Generali for Personal Accident Insurance). The insurance premium incurred shall be charged against the appropriate project budgets.

- 6.6 Consultants are encouraged to arrange for any additional individual insurance coverage for life, disability and medical evacuation to cover their period of service to complement any coverage provided by CIFOR (if any).
- 6.7 CIFOR shall not be liable for any material or physical damage that the consultant may cause to third parties, except in such cases where such damage was a result of the performance of duties as instructed by CIFOR officials.
- 6.8 Consultants who travel on official business on behalf of CIFOR and who were requested by their supervisors to make their own travel arrangements shall ensure that they are covered with appropriate travel insurance. The premium costs shall be covered by CIFOR and charged to project budgets, upon submission of a claim for reimbursement.
- 6.9 CIFOR undertakes no liability for taxes, duty or other contribution that may be payable by the consultant to national income authorities on emoluments due under the terms of the Consultancy Agreement.
- 6.10 The Consultancy Agreement template (Appendix 1) contains relevant paragraphs which refer to Intellectual Property Rights, Confidential Information, Conflict of Interest and Authorization, Computer Usage, Subcontracting and Liability which shall apply to all consultancy assignments. The Consultant shall, in addition, be requested to acknowledge receipt of a copy of, and to comply with, the CIFOR's Code of Conduct.

7. Remuneration

- 7.1 Remuneration shall be based primarily on the nature of the services to be provided by the consultant (e.g. complexity, difficulty and amount of work to be performed and the degree of expertise required). The Hiring Officer may recommend the level of remuneration to be offered or state the maximum amount budgeted for this purpose but shall on no account commit CIFOR to remuneration levels without prior consultation with the Human Resources Unit.
- 7.2 The estimated time required for the consultant to complete the work involved shall be taken into account, as well as the current market rate for comparable work, where available. Annex 1 sets out Guidelines for Consultancy fees. It is recommended that CIFOR hubs and hosted locations establish their own rates for the hire of local experts in the fields of expertise where local market rates are significantly lower than the rates quoted in Annex 1. The Human Resources Unit shall be informed in advance when any local rates of pay for consultants are established.
- 7.3 Remuneration shall be the minimum amount necessary to obtain the services required by CIFOR. The consultant's level of expertise must be commensurate with

the service to be performed. Any exception to these rates shall be brought to the attention of the Human Resources Director, accompanied by a written justification, the ToR for the assignment and the CV of the proposed expert, and approval of such exceptions shall be governed by the CIFOR Authorizations Table. In cases where the approver is also the requestor, then the authority to approve will automatically revert to the requestor's supervisor to ensure a check and balance practice.

- 7.4 The currency of payment for local experts stipulated in the Consultancy Agreement shall be in the local currency of the CIFOR duty station that hired the local expert.
- 7.5 Remuneration shall generally be paid upon satisfactory completion/delivery of the services described in the consultancy agreement. However, arrangements may be made for payment to be paid in installments. Such payment arrangements shall be linked to the completion of specific tasks/phases of the assignment and expressly specified in the consultancy agreement. The consultant shall submit the relevant invoice (Annex 3 - Invoice Template) and/or a time sheet record (Annex 4 - template is also attached for use as needed) and Hiring Officers are responsible for certifying that the services/appropriate phase of the assignment has been carried out successfully. Should the consultant fails to complete the services specified in the consultancy agreement to the satisfaction of CIFOR, no payment will be made. Alternatively, the period of the Consultancy Agreement may be extended until the date of the anticipated product delivery, with no additional cost to CIFOR.
- 7.6 For Product-based consultancies, initial payments (due upon signing of the Agreement) should be avoided or could only be set at a maximum of 30% of the total value of Agreement. If initial payment of more than 30% of the total consultancy fee is required, a request for special approval from the Director – Human Resources needs to be submitted along with the necessary justification (e.g. significant establishment costs incurred by the consultant at the beginning of the work required, inability of consultant to fund the work activities without start-up funds, or etc.).
- 7.7 Final payment to the consultant will not be released until the consultant's supervisor has submitted the performance evaluation report (see paragraph 10 below).

8. Signing of Consultancy Agreement

All consultancy agreements should be signed by the authorized CIFOR personnel as outlined in CIFOR's approval matrix based on total value of the Agreement offered to the consultant. In cases where the approver is also the requestor, then the authority to approve will automatically revert to the requestor's supervisor (same as 7.3 above).

9. Amendment or extension of Consultancy Agreements

- 9.1 The requestor should submit a request for extension of the current Agreement to the HR Contracts Officer through the relevant business process managed by HR Unit. All Agreement extension requests should be submitted together with justifications

for the extension at least 10 working days prior to the end date to ensure that the extension or amendment process will be executed systematically. This will also ensure that provisions can be made for office arrangements / visa in a timely manner. Director – Human Resources’ approval will be sought for further actions in the case of failure to meet the 10 days rule.

- 9.2 If a requestor submits an amendment or extension which will incur additional costs, new or revised TORs for the consultant must be provided for approval as well.

10. Performance Evaluation

Upon termination or expiry of the Consultancy Agreement, the consultant’s supervisor shall be required to evaluate the performance of the consultant after completion of services or delivery of the product specified in the ToR (Annex 5 – Consultant Evaluation Form). The Evaluation Form should be submitted to the Human Resources Unit.

This evaluation process is mandatory for full time consultants with duration of 6 months and above and/or more than the total value of USD20,000. However, consultant’s supervisor is encouraged to carry out the evaluation process for records, future hiring and good practice purposes; for consultancy duration of less than 6 months.

11. Termination of Agreement

- 11.1 The Consultancy Agreement may be terminated by either the consultant or by CIFOR before the expiry date of the agreement by giving notice in writing to the other party. The period of notice for both parties shall be ten (10) days if the Agreement duration is less than three months or thirty (30) days if the Agreement duration is three months or longer.
- 11.2 In the event of a consultancy agreement being terminated prior to its expiry date, the consultant shall be compensated on a pro-rata basis for no more than the actual amount of work performed to the satisfaction of CIFOR. Additional costs incurred by CIFOR resulting from the termination of the agreement by the consultant may be withheld from any amount otherwise due to the consultant from CIFOR.