

#	Question	Answer
1.	What is the current macroeconomic status, is there existing models in Kuwait for macroeconomics, in order for us to build on it?	The GSSCPD is currently using a Macroeconometric Model. No other model used by the government. The current model is not comprehensive enough to satisfy the needs of GSSCPD for Mid-Range and Long Term Strategy development planning.
2.	There are existing macroeconomics models used in Kuwait by other entities, i.e Statistical Bureau, and Central Bank? Will the bidder build on these, or will it be developed from the scratch?	There might be other models used by other agencies but GSSCPD does not have access to this information. The model used by GSSCPD is not comprehensive enough to satisfy the needs for Mid-Range and Long Term Strategy development planning.
3.	What kind of existing data will be provided to bidder, to be able to build on it for the macroeconomics?	The current available data and its frequency could be found on below links: <ul style="list-style-type: none"> ▪ http://dsbb.imf.org/Pages/GDDS/SOOCtyCtgList.aspx?ctycode=KWT ▪ https://www.csb.gov.kw/Default_EN.aspx
4.	Number of personnel's to be trained?	Total number of persons to be trained 10-15 total. Trainings should be conducted in two groups.
5.	The personnel who will be trained, are they general users? Specialists? What background do they have?	There will at least 4 macroeconomists specialists. In addition, there is a team of researchers and general users who work at GSSCPD in the planning and economic studies sectors.
6.	What's the models required for policy developments?	Macroeconomic modeling will help decision making as it aims to represent the linkages between different variables of the economy in order to answer crucial questions relating to the impact of particular policy measures or economic shocks on growth. The main purpose of the model is to help GSSCPD-KPPC plan for the next mid-range national plans 2020/2035, and to ensure that policies, indicators, and targets are sound and based on evidence. The 5 year KNDP plans are the tool used to achieve Kuwait 2035 vision.
7.	How comprehensive will this model be? i.e: Poverty, International trade, labour forecasting?	The macroeconomic model tool and the database system should be built to utilize and be an asset in the preparation of the Development Plans scenarios, and in the monitoring and follow up of the economy in the corresponding periods. It should be aligned to Kuwait vision 2035, and allow for policy testing and sectoral analysis, and measure the impact of certain policies such as Privatization, labor market structure, SMEs, international trade, socioeconomic dimension (policies and impact), ...etc Please refer to "GSSCPD Requirements for the Model" which includes the different sectors.
8.	What final output is required, what will it be used for?	The final output should be a set of information that will assist GSSCPD in planning for the next mid-range KNDPs macroeconomic and sectoral indicators, targets, and policies. Please refer to attached documents for more information on the topic.
9.	What is the objective you want to achieve? Policy evaluation, policy development ..etc?	The macroeconomic model tool and the database system should be built to utilize and be an asset in the preparation of the Development Plans scenarios, and in the monitoring and follow up of the economy in the corresponding periods. It should be

		aligned to Kuwait vision 2035, and allow for policy testing and sectoral analysis, and measure the impact of certain policies such as Privatization, labor market structure, SMEs, international trade, socioeconomic dimension (policies and impact), ...etc
10	It should be aligned with Kuwait 2035 vision, what are the existing KPI	The KPIs are available in the KNDP 2015-2020. Please refer to attached document.
11	The RFP mentioned 9 months period, will the model be developed by 9 months and people be trained, or there will be maintenance post this period?	<p>9 Months is the proposed period to have the model up and running and at least the group of specialists is trained to use it. It is worth mentioning that what we are looking for is hands on process where the team from GSSCPD will be involved in all the processes of the model development.</p> <p>A maintenance contract proposal should be included separately from the financial offer as optional, however, it will not be evaluated for the current RFP.</p>
12	Macroeconomic models should have regular provision and maintenance to be aligned with rest of the world, should the maintenance contract be included?	<p>A maintenance contract proposal should be included separately for future consideration, , however, it will not be evaluated for the current RFP.</p> <p>The financial proposal should cover development of the model, set up, training of personal and start up use.</p>
13	The project structure from client side, will be interfacing with UNDP or there will be a steering committee?	<p>A team of macroeconomists from GSSCPD will be involved in all the processes of the model development.</p> <p>A committee from the beneficiary side (GSSCPD macroeconomists and beneficiary) will evaluate the deliverables and the model and give their technical views. The evaluation will take place at two stages; the first at the testing phase when the main skeleton of the model is prepared and ready to show the main components; and the second at the final stage to test the model output and scenarios.</p> <p>The committee will be briefed after each submission of deliverable and will give its feedback and recommendations.</p>
14	In regards to data request will be organized and provided through UNDP? i.e from central bank	<p>Some of the data already exists and others will need to be collected during the assignment.</p> <p>Please refer to the following link to be informed about the current available data and its frequency:</p> <ul style="list-style-type: none"> ▪ http://dsbb.imf.org/Pages/GDDS/SOOCtyCtgList.aspx?ctycode=KWT ▪ https://www.csb.gov.kw/Default_EN.aspx
15	Our company been in business in Kuwait for less than a year, accordingly we don't have audited financial statements, however financial statements will be provided by the mother company.	All documents to be submitted shall be for the mother company. It should be noted that partial submission of documents from mother company and local company is not permissible.
16	In regards to liability mentioned in general terms, there is no cap and it unlimited. Is there a way to limit it?	Failure to accept UNDP General Terms and Conditions will lead to disqualification of the proposal.
17	There is two ways for data, either collecting it, or creating. Collecting the data is long process, accordingly original terms of reference specification might be changed depends on the existing data.	<p>The Majority of data should be collected from its authentic sources (Central Bureau of statistics, Ministry of finance, Central bank, Ministry of Oil,...etc), part of the data should be built based on the final outputs expected using the standard methods of data construction. Please refer to the following link to be informed about the current available data and its frequency:</p> <ul style="list-style-type: none"> ▪ http://dsbb.imf.org/Pages/GDDS/SOOCtyCtgList.aspx?ctycode=KWT

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18	Will there be project inception meeting?	Once contract will be awarded, Contractor will be invited for the inception meeting with GSSCPD and UNDP representatives
19	Expenses guidance from UNDP?	<p>Please be guided by the RFP:</p> <ul style="list-style-type: none"> ▪ Page 31 - Scope of Proposal Price and Schedule of Payments ▪ Page 41 Section 7: Financial Proposal Form9
20	Is evaluation based on cost only	<p>Please be guided by the RFP page 32:</p> <ul style="list-style-type: none"> ▪ Criteria for Selecting the Best Offer <i>"The award will be done in a Combined Scoring Method - where the qualifications and methodology will be weighted a maximum of 70%, and combined with the price offer which will be weighted a maximum of 30%"</i>
21	Where will it be implemented and who will be using it? i.e Central bank?	The main beneficiary of the model will be GSSCPD and this is where it will be implemented.
22	Is there any flexibility to perform this work partially remote and partially onsite? Certainly, seminars will be onsite, but model development it is not always required to be onsite 100%.	Yes, there will be a flexibility to perform the assignment partially remote as long as the GSSCPD teams are well informed about development processes.
23	Please let us know what are the type of economic models currently being utilized by the Kuwait government.	The GSSCPD is currently using a Macroeconometric Model. We are not aware of any other model in the government.
24	What are the specifics issues with the existing models that are sought to be overcome through the new models?	The current model is not comprehensive enough to satisfy the needs of GSSCPD for Mid-Range and Long Term Strategy development planning.
25	Will we have access to the current models and the developer/user teams during the course of the engagement?	A team of macroeconomists will be working closely with contractor on the assignment and will ensure that all relevant documentations and information is properly shared.
26	What level of formal and informal data will be available for the model development?	<p>The majority of data should be available and collected from its authentic sources (Central Bureau of statistics, Ministry of finance, Central bank, Ministry of Oil,...etc), some data will have to constructed based on the needs of the model using the standard methods of data construction. Please refer to the following link to learn about the data availability and frequency:</p> <ul style="list-style-type: none"> ▪ http://dsbb.imf.org/Pages/GDDS/SOOCtyCtgList.aspx?ctycode=KWT ▪ https://www.csb.gov.kw/Default_EN.aspx
27	To what extent the finance sector, international trade and labor market should be modeled?	The macroeconomic model tool and the data system should be built to utilize and be an asset in the preparation of the Development Plans scenarios, and in the monitoring and follow up of the economy in the corresponding period. It should be aligned to Kuwait vision 2035, and allow for policy testing, sectoral analysis to measure the impact of certain policies such as Privatization, labour market structure, international trade, socioeconomic dimension (policies and impact), ...etc.

28	Is the typical macroeconomic modeling approaches (the so-called eclectic modeling approaches) used by major countries' treasury departments is not good enough? If not, to what extent recent macroeconomic modeling developments should be taken into account? (e.g. forward looking expectation components, dynamic stochastic general equilibrium (DSGE) components, macroeconomic modeling with detailed microeconomic foundation etc.)	We are expecting the bidder to take into account the latest and most recent macroeconomic modeling developments also on available data that could be found in the above links.
29	Please confirm the expected model users – GSSCPD and KPPC only, or might the model be used more widely across government by institutions like the central bank, sovereign wealth fund etc? If the latter, how should this be reflected in our budget and approach, e.g. factor in extra model users and model software licenses, extra model training etc?	The model will only be used by GSSCPD and KPPC (which is a center part of the GSSCPD organizational structure). At this moment, the model will inform decision makers at the KPPC to be able to plan based on evidence and scenario planning.
30	There is reference in the RFP to the model being used to influence national policy and strategy, improve the quality of national policy making, strengthen the role of macro forecasts as the basis for budget formulation and support a planning-based economic modelling unit in KPPC. Is this an accurate assessment of how the model will be used? Is it possible to share further detail on the use of the model? Is the model to be more of a long-term planning tool (e.g. used to support Kuwait Vision 2035) or more for shorter-term purposes like informing annual budgets, or both?	Yes; it is a fair assessment as the model will be used to assist the GSSCPD, through the KPPC, in planning for the next mid-range five years National Plans 2020/2035 sequentially, to achieve the Kuwait 2035 vision. The current 5-year Kuwait National Development Plan is from 2015-2020. The GSSCPD-KPPC is working towards improving its planning mandates through preparing evidence based policies, indicators and targets in the Kuwait National Development Plan (KNDP). By supporting as a planning tool for the next 5 year plan in the KNDP, the model will be supporting the achievement of the Kuwait 2035 vision.
31	Should our proposed budget and approach include post-project support (beyond the 9-month contract period) to assist with future model enhancements, application and maintenance? Or is the intention for a complete handover of the model at the end of the 9-month period with no further support?	The proposal should include the 9-month contract period. The maintenance proposal could be also attached to the proposal separately from the financial proposal just for our consideration. The decision to go for maintenance contract will be taken at later stage.
32	How involved will the five local staff being provided by GSSCPD to KPPC be in the project in terms of inputting to model design and providing support in areas like data collection, policy analysis and model advice? How much of their time will be spent involved in this project?	There will be 1 macroeconomist expert dedicated for the project, another 2 will be spending more than 50% of their time working on the project too. They can support in data collection, technical advice, as well as any other policy analysis requirements. In addition, the KPPC project is recruiting policy advisors for each pillar in the KNDP (Energy and Environment, Health, Human Capital, Economic Growth, and Public Administration) which will be supporting with any policy analysis.
33	Is it possible to share any information on the scenarios and simulations of different policies of interest which the model will be expected to analyze?	The policies of interest are all available in the KNDP and national plan, please refer to the attached documentations.
34	Is it possible to share a copy of the Kuwait Vision 2035 strategy document?	Attached is the KNDP 2015-2020 plan as well the articulated 2035 vision.
35	Is it possible to provide some guidance on the expected project timing and activities over the 9-month contract period given the extension to the proposal submission deadline, religious holidays and availability of key GSSCPD and KPPC staff over the project period, particularly during the first months of the project?	Since there has been extension of the submission deadline, the project is expected to start mid to end of August.

36	To what extent will the rating of financial proposals be based on the overall cost only, or also the number of man day inputs and daily rates? Does UNDP have a rate card for consultancy daily rates and is this applicable to this project?	<p>Please be guided by the RFP:</p> <ul style="list-style-type: none"> Page 31 - Scope of Proposal Price and Schedule of Payments Page 41 Section 7: Financial Proposal Form9 <p>The overall price should be provided in price breakdown indicate in RFP.</p>
37	The RFP states that “the financial bid should be all inclusive of all fees and expenses associated with the tasks and outputs; including professional fee, travel, per diem and any other costs associated with the assignment”. It is difficult to predict at this stage the number of flights, days in country for per diems etc. Is it possible to have a separate budget item for expenses which would be charged at cost as they are incurred (but would be agreed with UNDP before they are incurred)? What assumptions should be made for class of business travel and per diem rates etc?	It is assumed that detailed technical proposal and action plan should include company’s estimation of man days, flights required and other costs. The financial part will be evaluated based on overall price proposal, therefore all assumed costs should be included. It should be noted that increase of price proposal after contract issuance is permissible only if there will be additional tasks, that are not in TOR but interlinked to, requested to be provided.
38	Please can you clarify the requirements for a ‘local presence’ and ‘local representative’. For consultants located outside Kuwait, what does this ‘official letter of appointment as local representative’ mean and require? Is it acceptable for consultants to be based outside of Kuwait but spend time in country at various stages during the project for data collection, model design, model testing, training and workshops?	Official letter of appointment as local representative is required for the company that is located outside of the country but offer itself is submitted on behalf of local company. If the company itself submits offer there is no need for Official letter of appointment.
39	Is it acceptable to meet the bank guarantee requirement by providing a cheque that is only cashed if the bid terms are broken? Please provide instructions related to the cheque details and how and when this would need to be provided	<p>Yes it is acceptable to provide cheque, please be guided by instructions provided in the RFP document:</p> <ul style="list-style-type: none"> Instructions to proposers data sheet, page 19 Form for proposal security, page 43