

No. 1/42/2015-PMU
Ministry of Finance
Department of Economic Affairs
Bilateral Cooperation Division

**

North Block, New Delhi
January 7, 2016

OFFICE MEMORANDUM

Sub: **Clarification regarding guidelines** issued by the Department of Economic Affairs **on engagement of Consultants** by Ministries/Departments of Government of India **from bilateral partners and multilateral organisations.**

Attention is invited to Office Memorandum of even number dated the 29th December, 2015 (**copy attached**) prescribing guidelines for engagement of Consultants by the Ministries/Departments of Government of India from bilateral partners/multilateral organisations.

2. **This Department has received queries from some Ministries/Departments seeking clarification whether they are required to follow these guidelines in respect of those Consultants also who have been engaged by them through open advertisement in accordance with the guidelines prescribed by the Department of Expenditure or the instructions are meant only for Consultants engaged through/from bilateral partners/multilateral organisations.**

3. To make the position more comprehensible and free from any ambiguity, **it is hereby clarified** that the instructions contained in the OM dated 29th December 2015 **are meant only for Consultants engaged by the Ministries/Departments funded through bilateral partners/multilateral organisations and not through** open advertisement under the guidelines prescribed by the Department of Expenditure, and engagement of retired Government officers as Consultants.

4. It is further clarified that it would be the responsibility of the **Ministry/Department concerned** proposing to move any proposal for granting extension to any existing Consultant or engaging any new Consultant from a bilateral/multilateral partner to **seek the convenience of Cabinet Secretary and circulate the proposal for holding the meeting of the Screening Committee.** A draft format in which such a proposal may be moved is **attached** for reference.


(S. Selvakumar)

Joint Secretary to the Govt. of India
Tele : 2309 3881

To

Secretaries of all Ministries/Departments of Govt. of India.

Encls : as above.

Format to be used by Ministries/Departments for placing the proposal before the Screening Committee for granting extension/engaging new Consultant through a bilateral partner/multilateral organisation

Name of the Ministry/Department	
Whether the proposal is for extension of existing consultant or engagement of new Consultant from a bilateral partner/ multilateral organisation	Extension / Engagement of new Consultant
Whether proposal to extend the tenure of an existing Consultant/engage a new Consultant from a bilateral partner/ multilateral organisation has been approved by the Minister-in-charge.	Yes / No
Specific purpose for which the Consultant is proposed to be engaged or tenure is proposed to be extended	Specific Project / Implementation of Scheme/MIS development etc.
Specify whether under technical assistance/MoU etc.	
Name/Names of the person(s) to be engaged	
Bilateral/ multilateral partner from which proposed to be engaged	
Consultancy fee / salary/ allowance proposed to be paid	
Period for which proposed to be engaged (Initial appointment is for a period of one year only.)	
Terms of Reference of engagement (in detail)	Attach copy.
Candidate's two references from referees of repute	Names to be mentioned. Letters to be attached.
In case of foreign nationals, whether security clearance from MHA has been obtained?	
In case the Consultants has already worked in GoI for any assignment, whether a break/cooling off period of one year is there?	
Copy of the proposed Confidentiality agreement and Ethics and Integrity Agreement which the Consultant will sign with the Ministry/Department.	Draft to be attached for perusal of the Screening Committee.
Any other information of relevance	

North Block, New Delhi
December 29, 2015

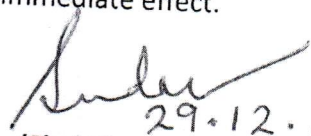
OFFICE MEMORANDUM

Sub: Engagement of Consultants by Ministries/Departments from bilateral partners and multilateral organisations – Guidelines.

An Inter-Ministerial Committee was set up under the chairmanship of Cabinet Secretary to revisit the matter of engagement of Consultants/Advisors from bilateral partners/multilateral organisations by various Ministries/Departments of the Government of India (GoI). Foreign Secretary and Secretary, Department of Economic Affairs were the other members of this Committee. The Committee obtained information about engagement of Consultants from all Ministries/Departments of GoI and reviewed the present method of engagement of Consultants, including the level of decision making, time frame for engagement and need/justification for external support.

2. After analysis of the information received, **it has been decided to constitute a Screening Committee** comprising Cabinet Secretary, Secretary-Department of Economic Affairs and Secretary of the Ministry/Department concerned to screen and approve all future proposals of engagement of Consultants by the Ministries/Departments directly or through bilateral/multilateral agencies.
3. All contracts of existing Consultants whose tenure is coming to an end by or before 31.12.2015 may be terminated at the end of their consultancy tenure. **No renewal beyond 31.12.2015 shall be granted to the exiting Consultants by the Ministry/Department unless approved by the Screening Committee.**
4. As regards Consultants whose contract tenure is beyond 31.12.2015, their continuation has to be brought before the Screening Committee within a month's time with justifiable reasons for taking a decision on their continuance or otherwise.
5. Any proposal to engage new Consultants has to be placed before the Screening Committee mentioned above.
6. **The following guidelines are prescribed for all Ministries/Departments for processing any proposal for extension/engagement of Consultants before bringing the matter to the Screening Committee:**
 - i) Consultants should not be engaged for policy formulation. If assistance from Consultants is considered necessary, their role should be limited to presentation and analysis of possible options with supporting data and best practices etc.
 - ii) The decision to engage Consultants from bilateral partners/multilateral agencies has to be **approved by the Minister In-charge of the concerned Ministry/Department** before the proposal is referred to the Screening Committee.

- iii) Terms of Reference and procedure for the recruitment process should be transparent, robust and devoid of any ambiguity.
 - iv) Candidates applying for the post will have to submit at least two references from referees of repute.
 - v) In case of foreign nationals being engaged as Consultants, necessary security clearance from MHA has to be obtained.
 - vi) Consultancy fee, salary, allowances etc. proposed to be paid to the Consultant have to be indicated upfront when the proposal is being placed before the Screening Committee. Any further enhancement has to be with the approval of the Screening Committee. In no case, the Ministry should be unaware of the consultancy fee/ salary and emoluments etc. being paid to the Consultant by the bilateral/multilateral agency.
 - vii) Consultants will report only to the Ministry.
 - viii) Consultants can be engaged for a tenure of one year at a time. Any extension beyond one year has to be approved by the Screening Committee afresh. An evaluation of the Consultant's performance has to be placed before the Screening Committee by the Ministry.
 - ix) Maximum tenure of any Consultant in Gol for a particular assignment cannot exceed three years in any case.
 - x) There will be a break (cooling off period) of one year for a Consultant joining another Ministry/ Department after having worked in any Gol Ministry/ Department/State Government as a Consultant for a tenure.
 - xi) The Consultant has to sign a confidentiality clause with the Gol. Ethics and Integrity clause is also to be put in place in the contract.
 - xii) Consultants shall not share data/information with the bilateral agency/multilateral agency or any person/institution outside the Government without the specific approval of the Secretary of the Ministry/Department concerned. Prior approval of the Ministry may also be taken before publishing any article based on the data, inputs and information obtained as part of the Consultant's work. The Ministries will process such requests within a period of 30 days.
 - xiii) The arrangement to engage Consultants should not become permanent. They should be engaged for limited period and for specific purpose only.
7. The above may be noted for strict compliance by all concerned with immediate effect.


29.12.15
(Shaktikanta Das)

Secretary to the Government of India
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To

Secretaries of all Ministries/Departments of Government of India including Niti Aayog.