

MINISTRY OF FINANCE & ECONOMIC EMPOWERMENT
PROCUREMENT POLICY OFFICE

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From: Director, Procurement Policy Office

To : Heads of Public Bodies

New Standard Bidding Documents and
Evaluation Report Format for Works

With a view to fast tracking the implementation of infrastructure projects as announced in the Additional Stimulus Package, the Procurement Policy Office, after consultation with the main procuring entities in the public sector, has undertaken a series of measures, namely:

- (a) review of the Regulations 5(2) and 6(1)(a) so as to allow for procurement to be undertaken for values up to Rs. 400m, without prequalification and international open advertisement;
- (b) issue of Standard Bidding Documents for:
 - (i) works that caters for a comprehensive post-evaluation of contractors for works up to the value of Rs. 400m; and
 - (ii) Design-Build and Turnkey projects; and
- (c) issue of a standardized format of Evaluation Report for Works to be used by all public bodies including the Central Procurement Board.

Some aspects of these new documents are commented in annex.

2. As usual, the PPO welcomes feedback from users of these documents so that necessary amendments may be brought to them after the test of time.

3. Mr. P. Goburdhun, Technical Adviser at this office, (tel. no. 201-3787) may be contacted for any clarification or guidance in the use of these documents.

Procurement Policy Office
27 January 2009

1. Standard Bidding Document for Works for values up to Rs. 400m.

This SBD has been customized from a World Bank bidding document for works updated in August 2008. It is in fact a revised version of the works document that is presently in use for projects of up to Rs. 200m.

The currently used Standard Bidding Document for Works of up to Rs 200m will gradually phase out.

This bidding document equally applies to admeasurements and lump-sum type contracts, and it assumes that no pre-qualification has been conducted prior to bidding.

The section 'Instruction to Bidders' contains certain changes such as:

- (i) new definitions for site visit and pre-bid meeting at sub-clause 7;
- (ii) detailed evaluation and qualification criteria at Section III;
- (iii) revised conditions for alternative bid at ITB sub-clause 13;
- (iv) re-definition of Reservations, Deviation , Omission, non-Conformities and errors in the evaluation process;
- (v) re-arrangement of bid currency options;
- (vi) procedures to handle seriously unbalanced, front loaded or substantially below updated estimated bids; and
- (vii) some flexibility to deal with delays in submitting Performance Security.

2. Design-Build and Turnkey contracts

This Bidding Document should be useful for projects where there are likely to be limited disparities in the design approach being given that the projects are fairly straight forward or of repetitive types or where the deviations in proposed machinery and plant shall be within a limited range on account of clearly defined parameters and the fact that the bids are likely to be from experienced suppliers.

The Bidding Process consists of two options namely:

- (a) Single Phase, and
- (b) Two envelope procedure.

The Instructions in the bidding documents explain clearly the difference between the two options to enable users to make the most appropriate choice. The Two-envelope process should be clearly distinguished from the Two-Stage bidding which serves for other purposes.

The Conditions of Contract applicable are as per FIDIC 'Design-Build and Turn-key', First Edition 1995. Users should procure their own copy of the document from FIDIC. The attention of Public Bodies is hereby drawn to the fact that the Conditions of Contract cannot be reproduced in the Bidding Documents on account of copyright and that section 3- Application of Particular Conditions of Contract

should contain an acknowledgement that references are made to FIDIC Conditions of Contract.

The Single Stage assumes that pre-qualification has been carried out prior to bidding, whilst the Two-envelope procedure may in exceptional situation be initiated with pre-qualification of bidders.

The Technical Evaluation of proposals with the Two-envelope procedure allows for the procuring entity to request changes in the technical proposal and for the bidders to price the changes subject to conditions and procedures mentioned therein.

3. Format for Evaluation Report for Works

The Format for Evaluation Report follows the Evaluation Report of Works and Goods from World Bank. It has been finalized after feedback and discussions with the main stakeholders of the public sector.

The proposed Format should cater for all major projects with certain customization where indicated. It may equally be adapted to smaller projects by eliminating certain detailed evaluation criteria and forms as appropriate. The structure of the evaluation process follows the same pattern of the Standard Bidding Documents whilst references are made by using the similar terminologies.

Part one of the Evaluation Guideline is meant to assist the evaluators to understand the Evaluation Forms and to apply the various evaluation terminologies mentioned therein. Part two refers to a list of situations which could be useful in determining minor or major omissions/deviations in a general context. Evaluators must remain guided by the contents of the bidding documents when referring to Part two as they may come across specific situations where their interpretation may differ from those indicated.

It is often said that when preparing bidding documents one has to test the documents so as to ensure that it is complete and that the bidders' submissions will suffice to compare and evaluate the bids objectively. The Evaluation Report Format could serve as a check list in this respect.
