GEEM 445
Engineering Ethics and Professional Practices

PROCUREMENT METHOD:RULE 52, 61-88

OPEN TENDERING METHOD (OTM)

- **Preferred method for goods & works**
- **For competition** under non-discriminatory and equal terms

Question: What do you mean by OTM?

OPEN TENDERING METHOD (OTM) : RULE -61

Aspects of OTM

- Eligible tenderer through **public advertisement**
- Allowing **the minimum time for submission** as specified in Schedule II.
- Urgent national need, **GoB may reduce time**
- **Issuance of TD** to pre-qualified applicants only in case of pre-qualification

Time for submission: OTM (National):Rule -61

- Up-to Tk. **2 Crore** ≥ 14 CD
- Above Tk. **2 Crore & upto Tk. 5 Crore** ≥ 21 CD
- Above Tk**. 5 Crore** ≥ 28 CD
- **Emergency** following Catastrophe≥ 10 CD

For Re-tendering:

- Up-to Tk. 2 Crore ≥ 10 CD
- Disaster situation ≥ 7 CD
- All other cases ≥ 14 CD

Other Tendering Method: Rule -62

Limited Tendering Method (LTM)

- **Two-stage Tendering Method**
- **One-stage Two Envelope Method**
- **Request for Quotation (RFQ) Method**
- **Direct Procurement Method (DPM)**

Reasons

Justifications

Compliance with the conditions specified in the rule

Limited Tendering Method-LTM (No threshold): Rule -63

Criteria when LTM Applicable:

1

- **G&W of their specialized Nature.**
- **Available only from a limited number of Supplier.**

⇨ Aircrafts, locomotives, specialized medical equipment, telecommunication equipment, silos, ports, harbors

2

- **An urgent need for procurement**
- **Competitive tendering impractical.**

⇨ Neither foreseeable Nor because of delay

3

- **Policy of standardize**

⇨ Computers, laboratory equipment, research equipment

Limited tendering method-LTM (**with threshold**): Rule -63(2)

4

- **From enlisted suppliers or contractors.**
- **Subject to threshold**

Max. Tk 25 lac for goods and related services and stand alone services

Max. Tk. 2 Crore for works and physical services

If tender price exceeds the specified threshold

Approval of contract from the next higher level

LTM should not be used without prior approval of the HOPE or AO

Invitation under LTM : Rule -64

- For goods of a specialized nature **invite from the potential suppliers directly.**
- For procurement under rule-63(2), invite tenders from those **enlisted suppliers or contractors.**
- **Parallel advertisement in PE's website**, if any, and in brief in the **local press is recommended**, (by not ignoring the objective of saving money and time).
- **Time allowed** for the submission of tender shall be as specified in Schedule II

Invitation under LTM : Schedule -II

Time for preparation and submission of Tenders from the **date of publication of advertisement** in the newspaper under (or date of direct invitation) Limited Tendering Method:

- Not less than fourteen **(14) days**
- Time for re-Tendering can be reduced to **seven (7) days**
- **Seven (7) days** for Procurement under Rule 63 (b) and (c)
- **Below seven (7)** days in the case of national disasters with the approval of Head of Procuring Entity

Time for submission: LTM : Rule -64

- **All cases** $\geq$ 14 CD
- **Urgent need** for procurement (63(b)(c)) $\geq$ 7 CD
- **National Disaster** (with approval from HOPE) below 7 CD
- **Re – tendering** $\geq$ 7CD

Enlistment: Rule -52

Application for LTM under rule-63(2).

- **PE invites** in support of their qualifications for enlistment.
- **List by types and categories** of supply or works, **prepared by PE, approved by HOPE.**
- **PE shall update the list** once in a year by advertisement

Question: Define LTM (with/without threshold) in public procurement. How to invite tender under LTM? Describe the procedures of enlistment of suppliers/tenderers.

Two Stages Tendering Method

Two Stage Tendering: Rule-65, 66, 67 & 68

- **Turnkey contracts** or
- **Contracts for large complex** nature of plants

⇨

Supply, installation and commissioning of **processing plants** or **works of complex nature**, **communication technology**

Reasons/Criteria:

- **Not possible to** complete technical specifications in advance.
- **Lacks of the capability** to prepare specification.
- **Alternative technology approaches** may not be available within the knowledge of PE

66. Procedures for the Two-Stage Tendering Method. |— (1) In First Stage, a Procuring Entity shall invite unpriced Technical proposals through advertisement on the basis of a conceptual design that provides potential Tenderers with basic technical information, such as conditions relating to expected production capacity of works, , outline of the technical specifications and visual, operational and economic details of the object of the Procurement.

(2) The advertisement under sub-Rule (1) shall state the criteria that shall be used to determine responsiveness of a Technical Proposal in which , the following issues shall also be included –

(a) the relative managerial and technical competence of the Tenderer; and

(b) the effectiveness and future adaptability of the Technical Proposals submitted by the Tenderer in meeting the Procurement requirements of the concerned Procuring Entity.

(3) There shall be no requirement of submitting a Tender Security by the Tenderers in the First-Stage.

(4) In response to the invitation for Technical Proposal , Tenderers shall submit its Technical Proposals describing the technical performance, quality and other characteristics of the Goods and related Services and Works and physical Services which they consider best suited to meet the Procuring Entity's needs and shall comment upon the terms and conditions suitable for managing contract performance.

(5) The time allowed for the submission of Technical Proposals shall be as specified in Schedule II.

Preliminary Working

Procedures for Two-stage Tendering method:

- PE **invite unpriced technical proposal**
- Mention **criteria** for responsive tenderers.
- No need for **tender security**
- Tenderer **submits Technical proposal**
- **Time allowed** to be mentioned in Schedule II in TD

Evaluation of First Stage in Two-Stage Tendering Method:

67. Evaluation of the First Stage in the Two-Stage Tendering Method. |— (1) The Evaluation Committee shall evaluate all Technical Proposals received and in view of the complex nature of this kind of Procurement under Rule 65, it may, with the approval of the Head of a Procuring Entity or an officer authorised by him or her or an Approving Authority, seek the assistance of a Technical Sub-Committee, or external technical experts from the beneficiary entity or others with specific knowledge of the concerned object of Procurement.

(2) The Evaluation Committee shall review the Technical Proposals in order to identify those Proposals that are responsive in compliance of the terms and conditions specified in the Tender Documents, but the Proposals that are not found to be responsive shall receive no further consideration

(3) The Evaluation Committee may then engage in confidential and separate discussions, if necessary, with each of the responsive Tenderers concerning any aspect of their Proposals except the Tender price and each Tenderer shall maintain the confidentiality of his or her Tender and shall not reveal any confidential information or ideas to other Tenderers.

(4) At the end of the discussions under Sub-Rule (3), the Evaluation Committee shall issue Minutes of Tender Adjustments' to each responsive Tenderer that outlines the changes required in its Technical Proposal, as agreed with the Procuring Entity for incorporation in the Second-Stage Tender.

(5) The Evaluation Report, including each draft minutes of the adjustments signed by the concerned Tenderers and all members of the Evaluation Committee, shall be submitted to the Head of the Procuring Entity or the officer authorized by him or her or the Approving Authority for review,within the period specified in schedule II.

(6) In case the Approving Authority does not agree with the recommendation in the Evaluation Report, the matter shall be dealt with in accordance with the provision of Rule 11.

Final Draft

Evaluation of First Stage in Two Stage Tendering Method

- TEC shall **evaluate** **Technical Proposals**.
- **Seek help** from Technical Subcommittee (TSC).
- **Review that to be responsive in compliance** with TDs.
- If necessary, engage in **confidential and separate discussion** **with each responsive tenderer** except tender price.
- **Issue Minutes of adjustment** of tenderer that need to be changes in TDs.
- **ER includes** all the draft minutes of adjustments signed by Tenderers and by all members of TEC.
- **Submitted** to HOPE or AO for review/approval within scheduled time.
- If **does not agree**, steps as R-11.

Second Stage in Two-stage tendering Method

68. The Second Stage in the Two-Stage Tendering Method. |— (1) Before launching the Second-Stage, the Procuring Entity shall revise the Tender Documents to reflect the agreed new technical scope and set out the detailed tender evaluation criteria for the Second Stage Tenders.

(2) In revising the Tender documents in the second stage the Procuring Entity shall maintain the confidentiality of the Tenderers' Technical Proposals used in the first stage, consistent with requirements of transparency and intellectual property rights.

(3) All responsive Tenderers from the First-Stage shall be invited to submit their priced 'best and final' Tenders, in accordance with the requirements of the Second-Stage Tender Document and the individual Minutes of Tender Adjustments issued to each Tenderer within the period specified in Schedule II.

(4) For the Second-Stage, the Procedures for Tender submission, opening, evaluation and award of the Contract shall follow the same procedures as for Open Tendering Method.

Preliminary Version

Evaluation of Second Stage in Two Stage Tendering Method

- PE to **revise and set new** revised technical scope of the proposal and evaluation criteria.
- In revising TDs, **PE to maintain confidentiality** of Technical Propsal of First Stage.
- All responsive tenderers **shall be invited to submit their 'best priced and final'** with requirement of second stage tenders.
- Tender submission, opening, evaluation and award of contract as same as OTM.

Time for submission- Two-Stage : Rule -66 & 68

- **Technical proposal 1st stage ≥ 42 CD** from the date of advertisement in newspaper.
- **Priced "best & final" tender 2nd stage ≥ 21 CD**

Question: What do you mean by Two-stage Tendering Method? Describe the procedure of Two-stage Tendering method. What are the differences between Two-stage tendering Method and One-stage Two Envelope Tendering Method.

One Stage Two Envelope Tendering Method

One Stage Two Envelope Tendering: Rule-68 A, B

Turnkey contracts or **contracts for large complex** nature of plants

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Supply installation and commissioning of processing plants or works of complex nature, communication technology

Reasons/Criteria:

- Complete **technical specifications** , **design preparation** is possible.
- Has the **capability to prepare schedule of requirements**
- Capability to **prepare BoQ**
- **Prior approval** from HOPE/AO

One Stage Two Envelope Tendering: Rule-68 A, B (cont..)

Procedures:

- **One envelope** of technical proposal (with tender security), **second envelop** with financial proposal.
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- Both envelope **sealed** condition.
- **Time** for OTM will be applicable for tender preparation.
- Firstly **technical proposal will be opened.**
- Evaluated as pass/fail, responsive/non-responsive.
- ER will be **approved by the AA.**
- Until this period **2nd envelope will remain under safe custody of the PE**

One Stage Two Envelope Tendering: Rule-68 D

- PE will **invite the successful tenderer to remain present at TO**, by mentioning time, date and place.
- **Lowest tenderer will be selected.**
- **After signing the contract, the non-responsive applicant will be informed and financial proposal will be returned without opening**

Question: Describe One-stage Two Envelope Tendering Method.

কৃষিই সমৃদ্ধি

Government of the People's Republic of Bangladesh

Ministry of Agriculture
Barind Multipurpose Development Authority
Office of the Superintending Engineer
Thakurgaon
Tel : 0561-61473 (Off.), 0561-61424 (Res.), Fax: 0561-61993
E-mail: se_thakurgaon@bmda.gov.bd

Tender Invitation Notice

1	Ministry/Division	Ministry of Agriculture (MOA)
2	Agency	Barind Multipurpose Development Authority
3	Procuring Entity Name	Superintending Engineer, BMDA, Thakurgaon
4	Procuring Entity District	Thakurgaon
5	Invitation for	Re-excavation of Khas Khal Khari & Khas Pond including water body by excavator Machine
6	Invitation Ref. No. & Date	BMDA/SE/Thaku/IADP/KKK & Pond(works)-02/2012-13/287, Date: 26/08/2012
7	Procurement Method	LTM (Limited Tendering Method)
8	Budget and Source of Fund	GOB
9	Project Name	Thakurgaon, Panchagarh, Dinajpur & Joypurhat Integrated Agriculture Development Project
10	Tender Package No.	a) IADP/W-1/KKK/Dinajpur-01 b) IADP/W-2/KKK/Joypurhat-02 c) IADP/W-3/K Pond/Danajpur-03 d) IADP/W-4/K Pond/ Joypurhat-04
11	Tender last selling date	24/09/2012, Time: Upto office hour
12	Tender closing date and time	25/09/2012, Time: 12:00 Noon
13	Tender opening date and time	26/09/2012, Time: 3:15 PM
14	Name and address of the office(s)	Address:
	Selling tender document (Principal)	Office of the Superintending Engineer, BMDA, Thakurgaon
	Selling tender document (Others)	(i) Office of the Executive Director, BMDA, Rajshahi (ii) Office of the Executive Engineer, BMDA, Thakurgaon/ Panchagarh/ Dinajpur/ Joypurhat Region
	Receiving tender document	(i) Office of the Executive Director, BMDA, Rajshahi (ii) Office of the Superintending Engineer, BMDA, Thakurgaon (iii) Office of the Executive Engineer, BMDA, Thakurgaon/ Panchagarh/ Dinajpur/ Joypurhat Region
	Opening tender document	Office of the Superintending Engineer, BMDA, Thakurgaon
15	Eligibility of Tenderer	Enlisted contractors of BMDA for civil construction works (class A, B, C & D), Tenderers enlistment to be reviewed up to 2011-12 and must have up to date trade licence, VAT registration, TIN etc.
16	Brief Description of Works	Re-excavation of Khas Khal Khari & Khas Pond including water body by excavator Machine

Details of Lots

Sl. No.	Package No	Lot No.	Identification of lot	Location (Upazila)	Price of the tender document	Tender security amount (Tk)	Completion time in days from the date of work order
1.	a) IADP/W-1/ KKK/Dinajpur-01	Din-1 to Din-11	Re-excavation of Khas Khal/ Khari	Under Dinajpur Region	For each lot 1000.00	For each lot 40000.00	90 (Ninety) days
2.	b) IADP/W-2/ KKK/Joypurhat-02	Joy-12 to Joy-17		Under Joypurhat Region			90 (Ninety) days
3.	c) IADP/W-3/K-Pond/ Danajpur-03	Din-17 to Din-20	Re-excavation of Khas Pond	Under Dinajpur Region	For each lot 500.00	For each lot 20000.00	60 (Sixty) days
4.	d) IADP/W-4/K-Pond/ Joypurhat-04	Joy-21 to Joy-24		Under Joypurhat Region			60 (Sixty) days

17	Name of Official Inviting Tender	Md. Jahangir Alam Khan
18	Designation of Official Inviting Tender	Superintending Engineer, BMDA, Thakurgaon
19	Address of Official Inviting Tender	Office of the Superintending Engineer, BMDA, Thakurgaon
20	Contact Details of Official Inviting Tender	0561-61994; Fax No. 0561-61993; E-mail: se_thakurgaon@bmda.gov.bd
21	a) The procuring entity reserves the right to accept or reject all tenders. b) If the tenderer submits any false/ incorrect or forged certificate, the tender security may be forfeited. c) Payment of finishing work will be made after the availability of fund within project period.	

Note: Tender documents selling, receiving and opening shall be held on next opening day in case of failure of fixed dates as stated above for unavoidable circumstances. All other terms and conditions will remain unchanged.

Md. Jahangir Alam Khan
Superintending Engineer
BMDA, Thakurgaon

GD-3157 (10"×3/C)

Thank you