GEEM 445

Engineering Ethics Professional Practices

Tender Documents

What we learned in the last class?

Procurement of Intellectual and Professional Services

Preferred Methods:

- Quality and Cost Based Selection (QCBS)
- Fixed Budget Selection (FBS**)**

Other Methods: Relates to PE's requirements (Rule-104)

- Least Cost Selection (LCS)
- Single Source Selection (SSS)
- Community Service Organization Selection (CSOS)
- Individual Consultant Selection (ICS)
- Selection Based on Consultant Qualifications (SBCQ)
- Design Contest Selection (DCS)

What we are going to learn today?

- Procurement related documents and their contents.
- Documents for Goods and Related Services, Works and Physical Services.
- Information and Conditions set out **by PE**.
- Documents **Forming the Contract.**
- **Structure** of Tender Documents
- Standard Tender Document (STD): (PW3)

Preparation of Procurement Related Documents and Their Contents: Rule 4

(1) Documents needed for **Pre-Qualifications, Tenders/Proposals shall be prepared by the PE** following the Standard Documents issued by the CPTU listed in **Schedule-I**

(2) Documents for **Goods and related Services, Works and Physical Services** shall, **depending on the context, among others include**—

(a) **instructions** for the **preparation and submission** of an Application or a Tender;

(b) **information** concerning the **deadline and location(s)** for receipt of applications; or

(c) **information** concerning the **date, hour (local time) and location** of the receipt and public opening of the Tender(s);

(d) A **Tender Submission Sheet and sample formats** for **Tender Security; Performance Security and manufacturers' authorization**, where applicable;

(e) the **number of copies** to be submitted with the original application or Tender;

(f) **Conditions of Contract**, general and particular;

(g) **detailed specification** of requirements of goods and works;

(h) **documentary evidence** to be provided by the Tenderer to demonstrate its **qualifications** for purposes of post–qualification verifications to be conducted by the Tender Evaluation Committee;

(i) the period during which the Tender must remain **valid**;

(j) the **qualifications and other criteria** to be taken into account in the evaluation of Applications for Pre-Qualification or Tenders and the basis of its evaluation;

(k) a **requirement that a Tenderer or an Applicant must**, in the form specified in the Application or Tender Document, **pledge not to engage** in any **corrupt, fraudulent, collusive or coercive practices** as specified in Section 64 of the Act;

(l) a **statement to the effect** that the **Procuring Entity may reject any or all** Applications, Tenders or Quotations;

(m) a **provision for holding a Pre-Tender meeting** with potential Tenderers, where appropriate, in order to **provide clarifications about the conditions** of the Tender Documents;

(n) an indication in the **Tender Data Sheet (TDS) or Application Data Sheet (ADS)** as **to whom a Tenderer or Applicant shall address any complaint under Rule 57**;

(o) a **provision to the effect** that a **Tenderer shall be permitted to modify, substitute or withdraw its Tender** at any time prior to the deadline for the submission of Tenders.

Question: What are the documents for Goods and related Services, Works and Physical Services shall be prepared by PE for tendering process in public procurement?

Information and Conditions set out by PE (Rule 4)

(3) The **PE shall set out clearly the following information and conditions** in the Tender or Proposal Documents:

- **description of the Works and Physical Services to be carried out**;
- **drawings and location of the Works**;
- **description of the Goods and related Services to be supplied;**
- **location of delivery or installation**;
- **schedule for delivery and completion**
- **warranty, defects liability and maintenance requirements;**

RULE 4 (3): (CONT…)

- **currency (ies)** the tenderers shall quote in the tenders and the applicable date of its exchange rate;
- **amount(s) and currency(ies**) of Tender security and performance security;
- **terms and mode of payment** of the Contract price;
- **presence or absence of Advance Payment**, in line with the government orders and agreements with development partners;
- **minimum insurance coverage**; and
- any **other relevant terms and conditions**.

Question: What are information and conditions PE shall set out clearly in the Tender or Proposal Documents?

Documents Forming the Contract: Rule 4(7)

(4) **Documents forming the Contract** shall be in the **following order of precedence**, namely :

(a) S**igned Contract** Agreement;
(b) **Notification of Award (NOA)**;
(c) **Tender and the appendices** to the Tender;
(d) Particular Conditions of Contract (**PCC**);
(e) General Conditions of Contract (**GCC**);
(f) Technical specifications (**TS**);
(g) General specifications (**GS**);
(h) **Drawings;**
(i) **Priced Schedule** and **schedule of requirements** for Goods or Priced **Bill of Quantities** for works;
(j) **Other Documents** including correspondences.

Question: Write down the documents of contract in public procurement.

RULE 4, SCHEDULE I (CONT…)

PG1	National/International Procurement	Standard Request for Quotations Document for Procurement of Goods under Request for Quotation Method (SRFQ)
PG2	National Procurement	Standard Tender Documents for Procurement of Goods under OPEN/ Limited Tendering method (STD) (for values up to Tk. 2.5 million)
PG3	National Procurement	Standard Tender Documents for Procurement of Goods under Open Tendering Method (STD) (for values above Tk. 2.5 million)
PG4	International Procurement	Standard Tender Documents for Procurement of Goods under Open Tendering Method (STD) (for any value)
PW1	National/International Procurement	Standard **Request for Quotation** Document for Procurement of **Works** under Request for Quotation Method (SRFQ)
PW2 B	National Procurement	Standard Tender Document for Procurement of Works under Limited Tendering Method (STD) (for values up to Tk 20 million)

RULE 4, SCHEDULE I

PW1	National/International Procurement	Standard Request for Quotation Document for Procurement of Works under Request for Quotation Method (SRFQ)
PW2 B	National Procurement	Standard Tender Document for Procurement of Works under Limited Tendering Method (STD) (for values up to Tk 20 million)
PS1	National	Standard **Request for Proposal** Document for Selection amongst Community Services Organizations.(SRFP)

Structure of Tender Documents

- **Section 1.** Instructions to Tenderers **(ITT)**
- **Section 2.** Tender Data Sheet **(TDS)**
- **Section 3.** General Conditions of Contract **(GCC)**
- **Section 4.** Particular Conditions of Contract **(PCC)**
- **Section 5.** Tender and Contract **Forms**
- **Section 6.** Bill of Quantities **(BOQ)**
- **Section 7.** General **Specifications**
- **Section 8.** Particular **Specifications**
- **Section 9.** **Drawings**

Question: Write down the structure of Tender documents

Standard Tender Document (STD): (PW3)

What and Why STD (PW3)?

- Provides all the **information that a Tenderer needs** in order to prepare and submit a Tender.

- **Should provide a sound basis** on which a Procuring Entity can fairly, transparently and accurately **carry out a Tender evaluation process** on the Tenders submitted by the Tenderers.

- Based upon **internationally acceptable model formats**, which have been adapted to suit the particular needs of procurement within Bangladesh.

- **Has 8 Sections**, of which **Section 1** (Instructions to Tenderers) and **Section 3** (General Conditions of Contract -GCC) **shall not be altered or modified under any circumstances.**

Question: What is STD (PW3)? Why it is needed for the procurement of works?

Sections of the STD (PW3)

Section 1: Instructions to Tenderers (ITT)

- **Provides relevant information** to help Tenderers **prepare** their Tenders.

- Information is also provided on the **submission, opening**, and **evaluation** of Tenders and on the **award of Contract**.

- Also contains the **criteria to be used** by the Procuring Entity to determine the lowest evaluated Tender and the **qualifications** of the Tenderer to perform the Contract

- ITT are **not a part of the Contract.**

- Text of the clauses in this Section **shall not be modified**.

- **ITT 1 – 73** subsections describing different issues of tender preparation.

ITT – (A. General):

ITT 1. Scope of Tender

ITT 2. Interpretation

ITT 3. Source of Funds

ITT 4. Corrupt, Fraudulent, etc

ITT 5. Eligible Tenderers

ITT 6. Eligible Materials, Equipment

ITT 7. Site Visit

ITT 6. Eligible Materials, Equipment

ITT 7. Site Visit

- may be necessary for preparing the Tender
- own responsibility of Tenderer
- at Tenderer's own expense

ITT – [B. Tender Document]

ITT 8. Tender Document: General

ITT 9. Clarification of Tender Document

ITT 10. Pre-Tender Meeting

ITT 11. Addendum to Tender Document

ITT – [C. QUALIFICATION CRITERIA]

ITT 12. General Criteria

ITT 13 – 17. Shall be covered in TDS (Section 02)

ITT 18. Joint Venture

ITT 19. Sub-Contractors

ITT – [D. Tender Preparation]

ITT 20. Only One Tender

ITT 21. Cost of Tendering

ITT 22. Issuance and Sale of Tender Document

ITT 23. Language of the Tender

ITT 24. Contents of Tender

ITT 25. Tender Submission Letter and Bill of Quantities

ITT 26. Alternative Tenderer

ITT 27. Tender Prices, Discount and Price Adjustment

ITT 28. Tender Currency

ITT 29 – 32. Documents establishing Tenderers eligibility, technical qualifications etc.

ITT – [D. Tender Preparation] (cont..)

ITT 33 – 34. Tender Validity and its Extension

ITT 35 – 39. Tender Security (Amount, Form, Return, Forfeiture)

ITT 40. Format and Signing of Tender

ITT – [E. TENDER SUBMISSION]

ITT 41. Sealing, Marking and Submission of Tender

ITT 42 & 43. Dead Line for Submission of Tender

ITT 44 – 47. Modification, Substitution or Withdrawal of Tender

ITT – [F. TENDER OPENING & EVALUATION]

ITT 49 – 59 Tender Evaluation

Four (4) Stage of Tender Evaluation

- Preliminary Examination
- Technical Responsiveness
- Financial Comparison
- Post Qualification

- **No minimum number** of responsive Tenders (i.e. Minimum 01 responsive is acceptable)
- TEC may request a tenderer to submit necessary information **to rectify nonmaterial nonconformities or omissions** in the Tender
- '**minor deviation**' may be accepted by TEC

- TEC may ask Tenderers for **clarification** in order **to facilitate the evaluation** of Tenders.
- Any request for clarifications by the TEC **shall not be directed towards making** an **apparently non-responsive Tender responsive,**
- **No Tenderer shall**, unless requested to provide clarification, communicate with the **concerned PE**,
- **Arithmetic errors** shall be corrected by TEC which shall be accepted by the Tenderer.
- **Price Comparison based** on '**Evaluated Tender Price**'
- **No negotiation** is allowed **post qualification** of the successful Tenderer.

Question: Describe the different points to be considered as per ITT 49 – 59 of STD.

ITT 60. Procuring Entity's Right to Accept any or to Reject Any or All Tenders

- PE reserves the right to accept or reject any or all tender or to annul the Procurement proceedings **with prior approval of HOPE**, at any time **prior to the deadline for submission** of Tenders.

ITT 61. Rejection of All Tenders

- PE **may**, in specific circumstances, **reject** all Tenders following such **recommendations TEC** and **approved by HOPE**

ITT – [G. CONTRACT AWARD]

ITT 65 – 68. Performance Security (Amount, Form, Validity, Authentication):

- **5% -10%** of Contract Value as specified in ITT in the form of a **Bank Draft / Pay Order Unconditional Bank Guarantee**
-
- to be submitted **within 14 days** from issuance of NOA
- to be valid **up to 28 days** beyond the Intended Completion Date
- Procuring Entity shall **verify the authenticity o**f the Performance Security

ITT 69. Contract Signing

- **within 28 days** from issuance of NOA

- **failure to sign** the contract within such date shall constitute sufficient grounds for the **annulment of the award** and **forfeiture** of the Tender Security

- Procuring Entity may award the Contract to the **next lowest** evaluated responsive Tenderer.

ITT 70. **Publication of Notification of Award of Contract**

- publish in **CPTU website**

ITT – [G. CONTRACT AWARD]

ITT 71. Debriefing of Tenderers

- In the case of debriefing**, confidentiality** of the evaluation process shall be maintained.

ITT 72. Adjudicator

ITT 73. Right to Complain

Sections of the STD (PW3)

Section 2 : Tender Data Sheet (TDS):

- Provides the information that is **specific to each object of procurement** and **that supplements** the information or requirements included in Section 1: Instructions to Tenderers (ITT).

- Procuring Entity shall **specify in the TDS** only the information that the ITT instructs to be specified in the TDS.

- To facilitate the preparation of the TDs, its Clause Numbers are numbered with the same numbers of the corresponding ITT Clauses

Sections of the STD (PW3)

Section 3 : General Conditions of Contract (GCC)

- Provides the GCC that will **apply to the Contract** for which the Tender Document is issued.

- GCC clearly **identifies the provisions** that may normally need to be specified for a particular Tendering process and **need to be addressed** through the PCC.

- GCC is a **Contract document** and, therefore, is a **part of the Contract.**

- Text of the clauses in this Section **shall not be modified.**

Sections of the STD (PW3)

Section 4 : Particular Conditions of Contract (PCC)

- Provides **clauses specific to the particular Contract** that **modify or supplement Section 3**: GCC.

- PE should include at the time of issuing the Tender Documents **all possible information that the GCC indicate**, in the PCC.

- To facilitate the preparation of the PCC, its **Clause Numbers are numbered with the same numbers** of the corresponding GCC Clauses.

Sections of the STD (PW3)

Section 5 : Tender and Contract Forms

1. Tender Submission Letter (Form PW3-1)
2. Tenderer information sheet (PW3-2)
3. JV Partner Information (Form PW3-3)
4. Subcontractor Information (Form PW3-4)
5. Personnel Information (Form PW3-5)
6. **Tender Security** (Form PW3-6) and **Bank's Letter of Commitment** for Line of Credit (PW3-7) to be submitted by the Tenderer)
7. **Notification of Award** (Form PW3-8)
8. **Contract/ Agreement** (Form PW3-9)
9. Forms for **Bank Guarantee** for Performance Security (Form PW3-10)
10. **Bank Guarantee** for Advance Payment (Form PW3-11)
11. **Bank Guarantee** for Refund of Retention Money (Form PW3-12)

Sections of the STD (PW3)

Section 6: Bill of Quantities

- Provides the **items and estimated quantities of Works** to be performed and must be carefully prepared by the PE for each object of procurement.

Section 7: General Specifications

- Provides the **General Specifications that describe the Works and Associated Services** to be procured.

Section 8: Particular Specifications

- Provides **further details** as to precise requirements not included in the General Specifications, or which modify or clarify the General Specifications for the particular Works and physical Services to be procured.

Section 9. Drawings

- Contains any Drawings that supplement the General and Particular Specifications for the Works and Associated Services to be procured.

Thank You