



which superseded their other covering letter dated 15th December 2009, hence the financial proposal of M/s Van Oord may be opened.

c. M/s. Jan De Nul

They submitted some clarifications with their Tender (Annexure -B).

Since these clarifications of M/s Jan De Nul related only to financial implication, bidder may be asked to accept all terms and conditions of tender without qualifications so that their tender can be opened on 31-12-2009. Accordingly a letter was issued to M/s Jan De Nul. (Annexure -C)

3. Even after opening of a non responsive tender, the Bid cost Rs. 1,176,903,650/- is higher than the cost quoted by the JV of capital dredging as confirmed to PQA by JV in Nov 2009 Rs 1.099 Billion, which is still Rs 70 million lower, i.e., 7% less. This tender has not been discharged by PQA, and as such the bid price is still lower than the new tendered price.

4. Board Technical Committee does not have any role in evaluation report. According to PQA procurement manual it is the departmental Evaluation Committee which is the only forum to conduct evaluation. All board Committee, or board member are not part of the department evaluate committee. Kindly refer to PPRA Rules. The Evaluation Report of Departmental Evaluation Committee cannot be changed by Board Members. PQA shall refer to PQA Procurement Manual approved by PQA, page No. 16, which states that "It is agreed between PQA and TIP that the respective Departmental Evaluation Committee shall be the Grievance Committees also, to examine the objections of the bidders. (See attachments)

5. Board members who are as members of Approving Committee, can object to the evaluation report, and if their objections are correct, the Departmental Evaluation Committee has to reevaluate the tenders. The Tender of PQA Grain & Fertilizer Terminal, being developed by M/s Fauji Akbar Portia was a typical case of PQA Board member interference in the evaluation report by changing the best evaluated firm as the least evaluated firm, and the lowest ranking firm was made the highest ranking firm by the Board Members Committee. This caused a high level inquiry by Intelligence agencies. TI Pakistan views were upheld, and the evaluation report of the Consultant was upheld by declaring the PQA Board Committee report as incorrect.

TI Pakistan request PQA to provide the reports and documents without further loss of time.

Yours sincerely,



Syed Aftab Gilani
Chairman

Copies forwarded for the information of;

1. Minister of Finance, Ministry of Finance, Islamabad
2. Chairman, Public Accounts Committee, National Assembly, Islamabad.
3. Auditor General Pakistan, Islamabad,
4. Chairman, NAB, Islamabad
5. Managing Director, PPRA, Islamabad

(c) **Bid Security:** The bidding document may require submission of a bid security. If so, the bid security must conform to the requirements of the ITB, and it must accompany the bid. If the bid security is issued as a bank guarantee, it must be consistent with the wording of the bid security form provided in the bidding document. Submission of a copy of the security is unacceptable. Furthermore, securities for an amount smaller or for a period shorter than the one specified in the ITB are not acceptable. The security for a bid submitted by a joint venture should be in the name of the joint venture.

(d) **Completeness of Bid:** Unless the bidding documents have specifically allowed, bids not offering all of the required items should ordinarily be considered non-responsive. However, under works contracts, missing prices for occasional work items are considered to be included in prices for closely related items elsewhere; if such provision exists in the preamble of Bill of Quantity. If any erasures, interlineation, additions, or other changes have been made, these should be initialed by the bidder. Exception from bid conditions are acceptable if they are corrective, editorial, explanatory; otherwise, they should be treated as deviations. Missing pages in the original copy of the bid which affect the ranking of the Bidders may be a cause for rejection of the bid.

(e) **Substantial Responsiveness:**

(A) **Major (Material) deviations**

Major deviations to the commercial requirements and technical specifications are a basis for the rejection of bids. As a general rule, major deviations are those, that if accepted, would not fulfill the purposes for which the bid is requested, or would prevent a fair comparison or affect the ranking of the bids that are compliant with the bidding documents. Examples of major deviations include:-

- (i) Stipulating price adjustment when fixed price bids were called for.
- (ii) Failing to respond to specifications.
- (iii) Failing to comply with Mile-stones/critical dates provided in Bidding Documents.
- (iv) Subcontracting contrary to the Conditions of Contract specified in Bidding Documents.
- (v) Refusing to bear important responsibilities and liabilities allocated in the Bidding Documents, such as performance guarantees and insurance coverage.
- (vi) Taking exception to critical provisions such as applicable law, taxes and duties and dispute resolution procedures.
- (vii) Those deviations that are specified in the ITB requiring rejection of the bid (such as, in the case of works, participating in the submission of other bids other than as a subcontractor).

(B) **Minor Deviations**

Bids that offer deviations acceptable to the Employer and which can be assigned a monetary value may be considered substantially responsive at least as to the issue of fairness. This value would however be added as an adjustment for evaluation purposes only during the detailed evaluation process

(f) A bid is likely not to be considered in the light of paras(a) to(e) above if:

- (i) It is submitted by a Bidder who has participated in more than one Bid.
- (ii) It is received after the time and date fixed for its receipt.
- (iii) It is submitted through fax, telex, telegram or e-mail.
- (iv) It is not accompanied with Bid Security.
- (v) It is unsigned.
- (vi) Its validity is less than specified.
- (vii) It is submitted for incomplete Scope of Work.
- (viii) It indicates completion date later than specified.
- (ix) It indicates that prices quoted are not firm during currency of the contract except those prices where escalation/adjustments are permitted in the Conditions of Contracts.
- (x) It indicates that material to be supplied does not meet the eligibility requirements.
- (xi) It indicates that Bid Prices do not include the amount of taxes & duties.
- (xii) If Bidder refuses to accept the arithmetic corrections.
- (xiii) It is materially and substantially different from the Conditions/Specifications of Bidding Documents.
- (xiv) It provides Sub-contracting, contrary to conditions specified in the Bidding Documents.
- (xv) It fails to comply Mile-Stones/critical dates specified in Bidding Documents.

(g) Results of Preliminary Examination

The results of preliminary examination should be presented in Table-5 of Annex-I. It should be however realized that Table 1 to Table 4 Annex-I are for summarizing the essential information from the bids. If the bid fails in preliminary acceptance, the reasons must be clearly explained in footnotes or in an attachment, as necessary. An example is shown in Annex-II.

3.13.4 Detailed Examination of Bids

Only Responsive bids as a result of preliminary examination shall be examined in detail.

- (a) Correction for Errors:** The methodology for correction of computational errors is described in the ITB. The read-out bid prices and their corrections should be noted in Table-6 column-d of Annex-I. The corrections are considered binding on the bidder. Unusual or large corrections that could affect the comparative ranking of bids should be explained in footnotes.
- (b) Correction for Provisional Sums :** Bids if it contains provisional sums set by the Employer/Engineer for contingencies or for nominated subcontractors, etc. As these sums are the same for all bids, they should be subtracted from the read out prices in Table 6, column-e of Annex-I to allow for a proper comparison of bids in subsequent steps. However, those provisional sums set aside for Day-work etc, where priced competitively, should not be included in the deductions.
- (c) Modifications and Discounts:** In accordance with the ITB, bidders are allowed to submit, prior to bid opening, modifications to their original bid. The impact of modifications should be fully reflected in the examination and evaluation of the bids. These modifications may include either increases or discounts to the bid amounts that reflect last-minute business decisions. Accordingly, the original bid prices should be modified at this point in the evaluation. Discounts offered in accordance with the ITB that are conditional on the simultaneous award to the same bidder of other contracts (cross-discounts) shall not be incorporated until the completion of evaluation of other contracts. The effect of unconditional discounts (or alternatively, increases) should be shown as in Table-6 of Annex-I (columns g and h). Any discount expressed in percent must be applied to the appropriate base specified in the bid (i.e., check to see if it applies to any provisional sums). Employer may reserve the right to consider the cross discounts.

the Budget approval is received.

- Notification for Prequalification(if being undertaken) 03Days
- Receipt of Prequalification documents from bidders (minimum) 15 Days
- Evaluation of Prequalification and approval. 07 Days
- Invitation to Qualified Bidders. 01 Day
- Receipt of Tenders (local minimum) 15 Working Days
- (International minimum) 30 Working Days
- Opening & Evaluation of tenders (Technical & financial) by DEC *15 Days
- Public Declaration of Evaluation Report 10 Days
- Evaluation Report
 - Finalization of DEC 06 Days
 - Approval of ER by Departmental Tender Committee. 02 Days
 - Approval of Award of Contract by PQA.Board 15 Days
 - Issue of Letter of Award 02 Days
 - Signing of Agreement 7-28 Days

Tender processing from the date of receipt of Tenders, upto the issue of Letter of Award is 50 Days for NCB and 65 Days for ICB.

Note: * Evaluation period may be amended depending on the complexity of the Tender, but the period shall be decided prior to the issue of tenders.

Note: Following Procurement Committee will function.

DEPARTMENTAL EVALUATION COMMITTEE (DEC)

To ensure compliance to the Public Procurement Rules for evaluation of the pre-qualification applications for all the goods, services and works and technical proposal Evaluation, following Committee is proposed:-

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|-------------------------------|----------|
| 1. DG (Concerned Department) | Convener |
| 2. DGMS (Finance) | Member |
| 3. GM Legal | Member |
| 4. GM (Concerned Department) | Member |
| 5. Co-opted member | Member |

Same evaluation committees will be the redressal committee. As evaluation committee will be the best Judge to examine and respond to the objections raised by the bidders.

Departmental Tender Committee (DTC)

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|--------------------------------|----------|
| 1. DG (Technical) | Convener |
| 2. DG (Finance) | Member |
| 3. DGM (Concerned Department) | Member |

APPROVING AUTHORITY.

Board of PQA

STANDARDIZED/PROPRIETARY/SINGLE SOURCE PURCHASE

To comply with Public Procurement Rule 42C. regarding appropriate forum for authorizing procurement of proprietary items. It is proposed that all cases to be referred to DTC for authorizing procurement on proprietary/standardized or single source basis.

Consultants: In cases where PQA is procuring new technology or has shortage of in-house capacity, Consultants may be appointed (in accordance with Public Procurement Rules 2004) , who will also be authorized to carry out the Evaluation of Bids and submit their report to PQA which shall be considered by the Evaluation Committee.

Note: Publication of the Evaluation Report

PQA shall announce the results of bid evaluation in the form of a report giving justification for acceptance or rejection of bids at least ten days prior to the award of procurement contract.

PQA shall publish on its website the following information:

- (i) Name of all bidders who submitted a bid;
- (ii) Bid prices as read out at bid opening;
- (iii) Name and evaluated prices of all bids that had been evaluated;
- (iv) Name of bidders that were disqualified and the reasons for their disqualification; and
- (v) Name of the bidder recommended for award and reason for recommendation, price, duration and summary scope of the contract

Note: In order to expedite the evaluation process, the Bidders shall be asked to submit compliance report of all technical and contractual requirements. For this purpose a compliance chart shall be included in the Bid documents, which shall include columns for compliance, reference of page numbers of the supporting documents of bidder in the submitted bid.

The Bid Documents (TOR) shall also specify the mandatory Non Responsive Conditions for information of Bidders.

Major deviations to the commercial requirements and technical specifications are a basis for the rejection of bids. As a general rule, major deviations are those that, if accepted, would not fulfill the purposes for which the bid is requested, or would prevent a fair comparison with bids that are properly compliant with the bidding documents. Examples of major deviations include:

- (i) Stipulating price adjustment when fixed price bids were called for
- (ii) Failing to respond to specifications by offering instead a different design or product that does not offer substantial equivalence in critical performance parameters or in other requirements