

Procurement process for FSM projects

Presented by

Dr. V. Sathyanarayana & Sandhya Haribal,
Infrastructure Development Corporation (Karnataka) Limited,
Bengaluru



Date: 19-01-2017

Place: Bhagalpur, Bihar

Under Sanitation Capacity Platform
(SCBP)





Procedure for procurement

Define scope of services



Check eligibility of bidder to implement



Financial evaluation- bid parameter



Selection of Contractor/Service Provider

Request for Proposal

- *Purpose*
- The RfP process is aimed at obtaining financial offers from the eligible bidders
- **In case of complex projects, are the technical proposals/plans submitted at the RFP stage?**
 - At the Bid stage (RFP) pre-qualified applicants submit only financial offers
 - In case of exceptionally complex projects where the project authority determines that the bidders must submit their technical proposals/plans, the required proposals should be invited either at:
 - ✓ At the Qualification stage along with the initial applications, or
 - ✓ At an intermediate stage preceding the RFP stage

Technical evaluation at the RFP stage would lead to difficulties in evaluating diverse proposals on a common set of parameters

RFP

- *Bidding Parameters: Options*

- Lowest bid in terms of the present value of user fees;
- Highest revenue share to the Government;
- Highest up front fee;
- Shortest contract period;
- Lowest present value of the subsidy;
- Lowest capital cost and Operation & Management cost for Projects having a definite scope;
- Quantum of State Support solicited in present value.

Model Request for Proposal

- *Contents*

Section 1: Introduction

Section 2: Instructions to Bidders

Section 3: Evaluation of Bids

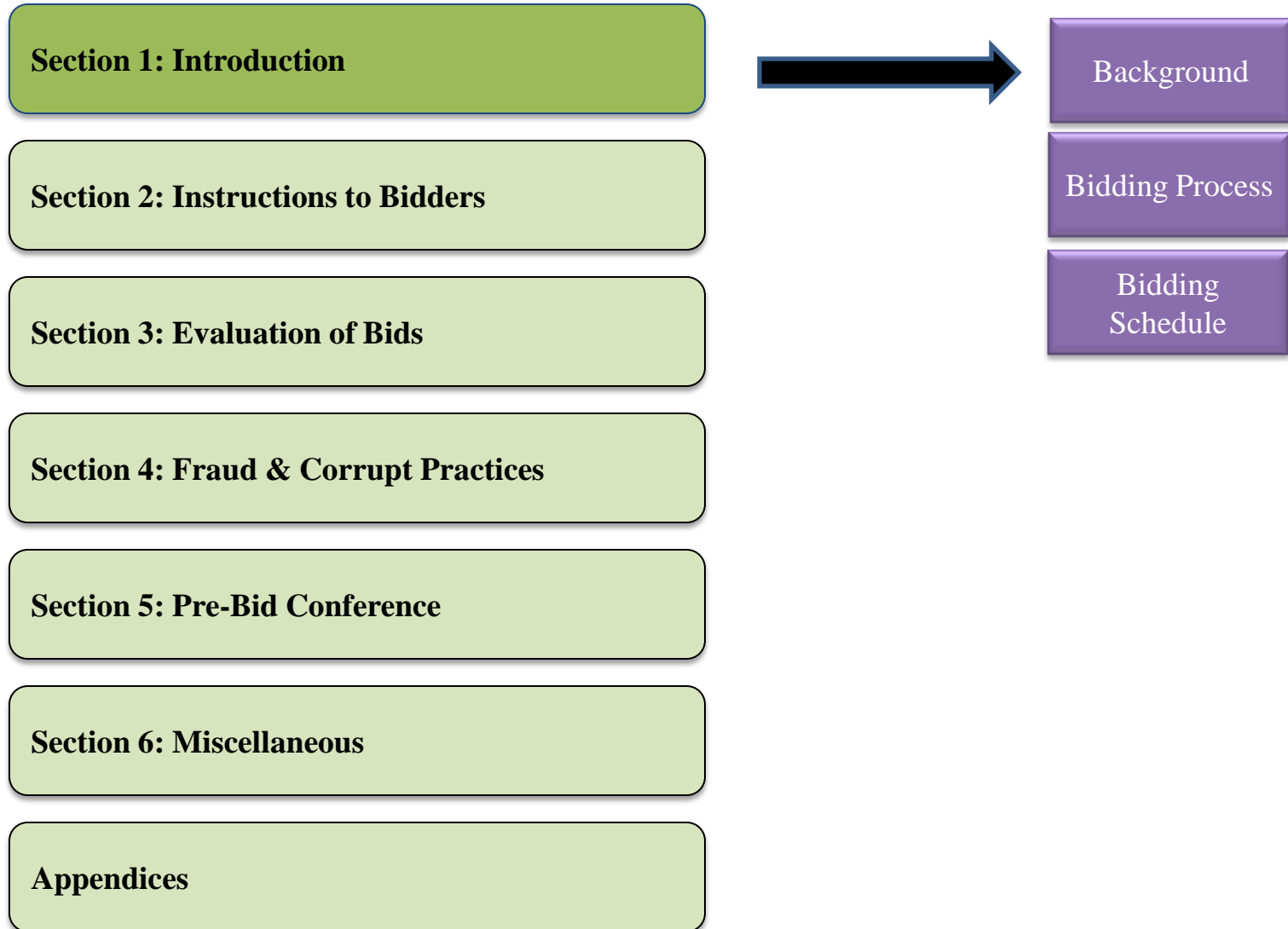
Section 4: Fraud & Corrupt Practices

Section 5: Pre-Bid Conference

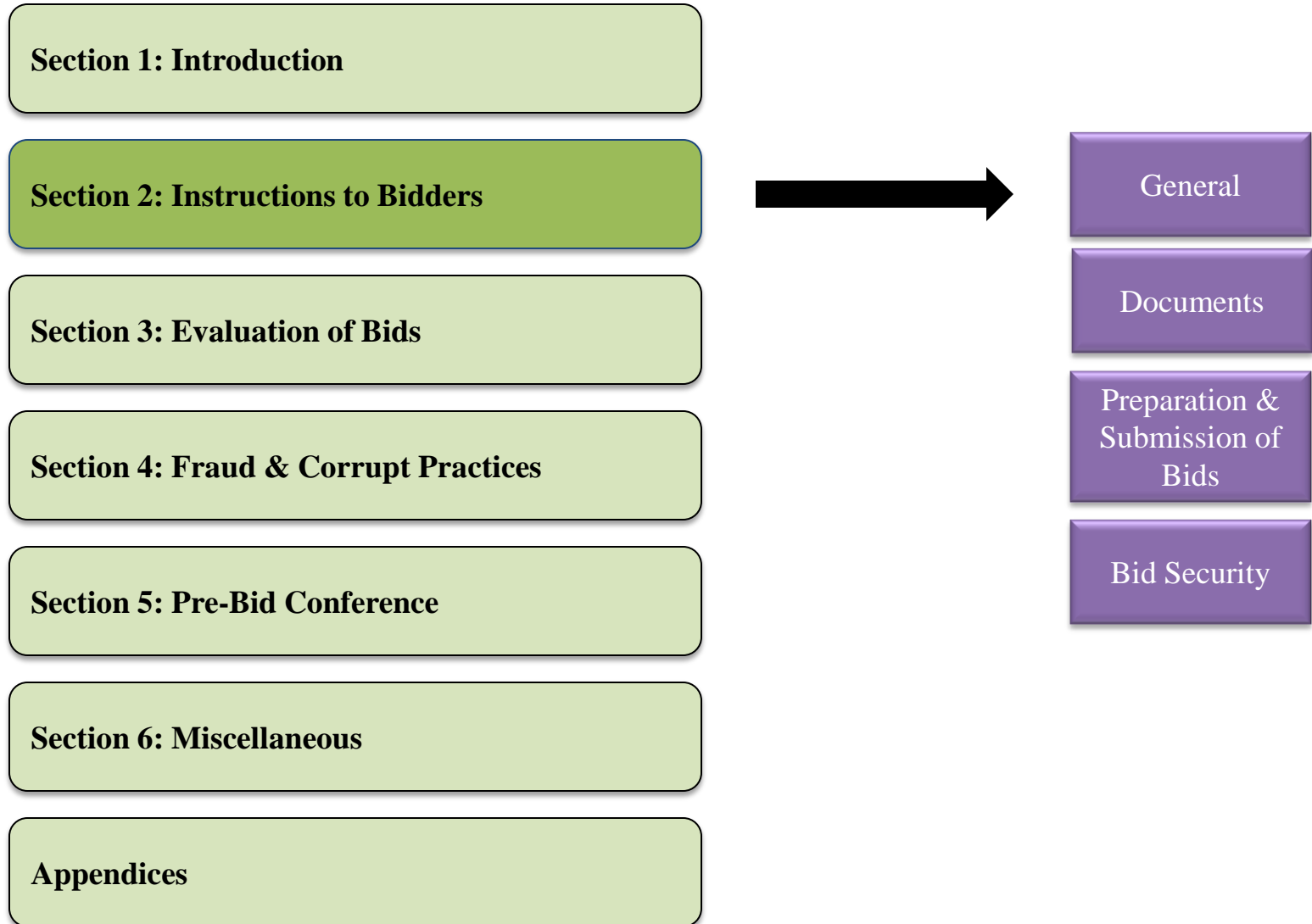
Section 6: Miscellaneous

Appendices

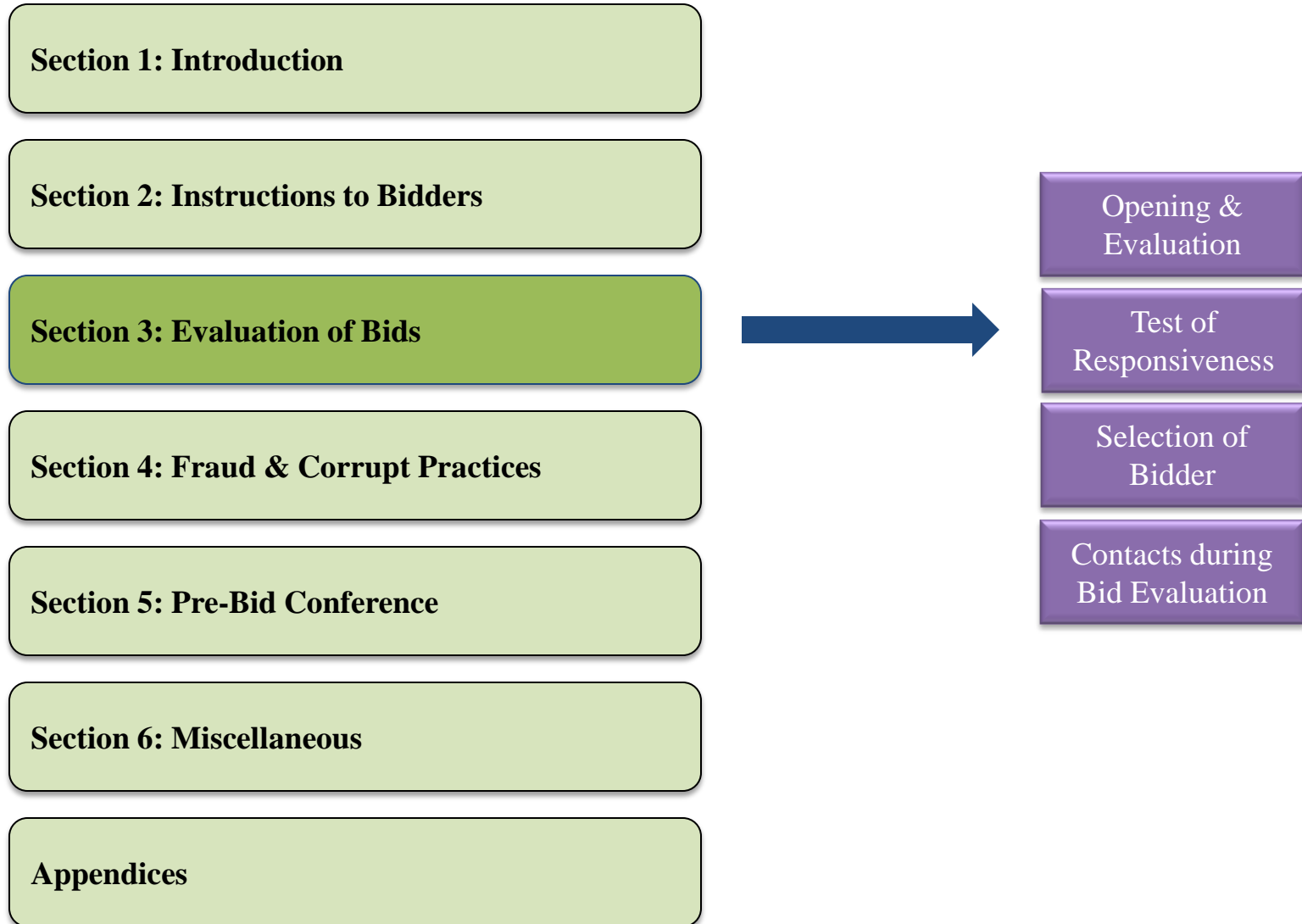
Request for Proposal



Request for Proposal

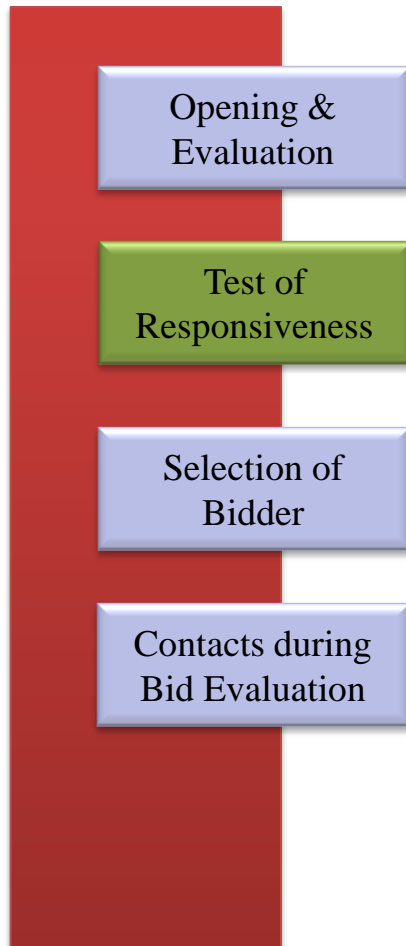


Request for Proposal



Request for Proposal

- *Section 3: Evaluation of Bids*

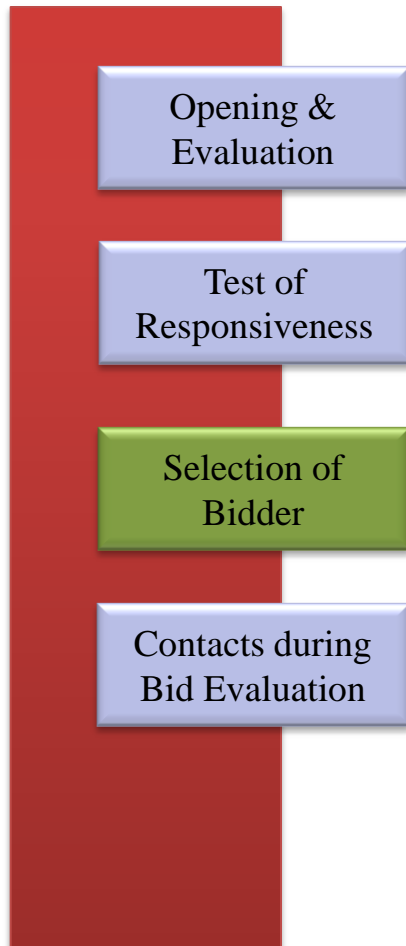


Description

- Before evaluation, the Authority shall test responsiveness of the bids to the requirements of the RFP. This includes checking that bids are
 - received in the correct format
 - received by the Bid Due Date
 - signed, sealed, bound together in hard cover and marked as required by RFP
 - accompanied by the Bid Security
 - accompanied by the required Power(s) of Attorney and;
 - contains all the information as requested in the RfP or bid documents
 - the bid does not contain any conditions or qualifications

Request for Proposal

- *Section 3: Evaluation of Bids*



Description

- Subject to bid evaluation and short listing thereafter (Test of Responsiveness), the bidder offering **highest premium** or (where no premium is offered by any bidder) the **lowest grant** requirement, is declared as Selected Bidder. This bidder is the “highest bidder”
- In case of “Tie bidders”, selection will be by draw of lots
- 2nd round of bidding: may be called for in case selected bidder withdraws for any reason. Remaining bidders can be asked to match highest bidder.
 - If more than one bidder matches, the one which had the higher score in the first round will be declared as selected bidder.

Request for Proposal

Section 1: Introduction

Section 2: Instructions to Bidders

Section 3: Evaluation of Bids

Section 4: Fraud & Corrupt Practices

Section 5: Pre-Bid Conference

Section 6: Miscellaneous

Appendices



Corrupt
Practice

Fraudulent
Practice

Coercive
Practice

Undesirable
Practice

Restrictive
Practice

Request for Proposal

Section 1: Introduction

Section 2: Instructions to Bidders

Section 3: Evaluation of Bids

Section 4: Fraud & Corrupt Practices

Section 5: Pre-Bid Conference

Section 6: Miscellaneous

Appendices



Pre-bid conference/ meeting conducted on designated date, time and place

Maximum 2 representatives are allowed from each bidder

Bidders may seek clarifications and make suggestions to the Authority

In the case of complex projects, more than 1 pre-bid meetings may be called for.

Request for Proposal

Section 1: Introduction

Section 2: Instructions to Bidders

Section 3: Evaluation of Bids

Section 4: Fraud & Corrupt Practices

Section 5: Pre-Bid Conference

Section 6: Miscellaneous

Appendices

- Jurisdiction coverage
- Discretionary rights to authority to control and manage the bid process while not compromising efficiency and transparency of the process
- Over riding protection to authority against liability/ claims
- Bidding documents to be given priority over RfQ in case of any perceived conflicts in interpretation

Request for Proposal

Section 1: Introduction

Section 2: Instructions to Bidders

Section 3: Evaluation of Bids

Section 4: Fraud & Corrupt Practices

Section 5: Pre-Bid Conference

Section 6: Miscellaneous

Appendices

Request for Proposal

- *Appendices*



Letter comprising the bid

Bank Guarantee of Bid
Security

Power of Attorney for signing
of Bid

Power of Attorney for lead
member of consortium

Description

Letter comprising the Bid:

- To be signed by authorized signatory
- Mention date of signing and place of signing
- Mention name and designation of the authorized signatory



Thank You!



www.niua.org

www.ideck.in



National Institute of Urban Affairs
Core 4B, India Habitat Centre,
Lodhi Road
New Delhi 110003

9/7, K.C.N. Bhavan, Yamunabai
Road, Madhavnagar Extension, Off
Race Course Road, Bengaluru
560001



011-24617517, 24643284

Phone: +91 80 4344 8000



agupta@niua.org, jdash@niua.org sathya@idfc.com



National Institute of Urban Affairs