



Guidelines for Preparing Responsive Bids for

Procurement of Medium and Large Works Contract

National and International
Competitive Bidding

PPRA

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Further Information may be
obtained on www.ppra.go.tz

1.0 INTRODUCTION

When Procuring Entities advertise for bid opportunities they aim at obtaining maximum competition from the bidders. This can only be achieved if bidders submit commercially and technically responsive bids, so that eventually they are compared on their price.

Normally the evaluation of bids for works contract is conducted in four sequential stages.

- a) a preliminary examination to determine the eligibility of bidders and the administrative compliance of bids received;
- b) a detailed evaluation to determine the commercial and technical responsiveness of the eligible and compliant bids; and
- c) a financial comparison including arithmetic corrections to compare costs of the eligible, compliant, responsive bids received and to determine the best evaluated bid.
- d) Post-qualification of the lowest evaluated and complaint bidder to ensure that he/she is qualified to perform the contract satisfactorily. This applies in situations where there was no pre-qualification of the bidders.

Experience shows that few bidders make it to the last stage of financial comparison. In most tenders more than 75% of bidders are dropped in the first and the second stage of bid evaluation thus defeating the whole process of competition in bidding.

This guideline is intended to assist bidders to prepare responsive bids in conformity with the bidding documents.

2.0 IMPORTANCE OF STANDARD BIDDING DOCUMENTS

In the bidding process, it is recommended that Procuring Entities use the Standard Bidding Documents (SBD's) which aims at:-

- a) increasing predictability and uniformity in the bidding process,
- b) increasing efficiency of the bidding process and reduce costs,
- c) reducing unresponsive bids and thus increasing competition; and

d) reducing preparation and review time.

For the works contracts, they use the Standard Bidding Document: Procurement of Medium and Large Works Contracts using National and International Competitive Bidding of July, 2007 prepared by the Public Procurement Regulatory Authority (PPRA).

It is unfortunate that many bidders do not spend enough time to acquaint themselves with the content of the Bidding documents. In particular the Bidders are required to understand all contents of the Instruction to Bidder's (ITB) and the Bid Data Sheet (TDS). These sections of a bidding document are important since they narrate to the bidders on how to prepare their bids; the list of documents to be submitted; how to seek clarifications during the bid process; how, when and where to submit bids and how the bids will be evaluated.

Other important sections in the bidding document are the General Conditions of Contract (GCC) and Special Conditions of Contract (SCC). These documents explain terms of execution of the contract. Some of the provisions in these documents have a cost implication to the bidder, so it is important that the bidder understands them and their effect in terms of costs.

Most bidders spend a lot of time in the Bills of Quantities and Technical specification sections since this is where they are able to see the quantity of the work to be executed together with the quality requirements. However in some occasions they fail to comprehend the quantity and quality of work to be executed thus ending in submitting bids that are too low or too high.

The standard bidding documents also provide sample forms for submitting various information for the tender. The bidder should ensure that these forms are properly filled, signed and stamped as appropriate.

3.0 CHECKLIST FOR SUBMISSION OF A RESPONSIVE BID

The following is a checklist aimed at assisting bidder to prepare a responsive bid in accordance with the Standard Bidding Document for Procurement of Medium and Large Works – National and International Competitive Bidding issued by the PPRA. The document is available in PPRA Web Site

3.1 Ensure that you have read and understood the contents of the bidding document and whether you are able to submit a responsive and compliant bid. This stage is important to enable you to save cost

and money for preparing a bid which you are absolutely aware that you can not meet its bidding and execution requirements. To bid or not to bid is one of the most important decisions that a bidder has to make before starting the process of preparing a bid.

- 3.2 Further to para. 3.1, list down all issues that you need to seek clarifications from the Client. Use the procedure shown in ITB Clause 8.
- 3.3 Make sure that your bid is complete, properly filled, and properly signed in accordance with ITB Clause 19.
- 3.4 Ensure that you submit all the documents required in the as per ITB Clause 11. 12.2 and 12.3.
- 3.5 Make sure that you submit one bid as per ITB Clause 4.
- 3.6 Ensure that you attend site visit and pre bid meeting as per Clause 6.
- 3.7 If you are submitting your bid as a joint venture ensure that you fulfill requirements provided in ITB Clause 12.4.
- 3.8 Check that all documents, interlineations, erasures or over writing are initialed as per ITB Clause 19.2 and 19.3.
- 3.9 Make sure that the bid is submitted in the language of the bid as per ITB Clause 10.
- 3.10 Ensure that the bid security is furnished as per ITB Clause 17.
- 3.11 Make sure that you meet eligibility requirements as per ITB Clause 3.
- 3.12 Remember to attach business license and relevant registration documents.
- 3.13 Ensure to attend site visit and pre-bid meeting if provided for as per ITB Clause 6. Prepare well for these two events to ensure that you raise relevant queries for clarifications.
- 3.14 Do not forget to attach documents to prove your financial, technical and production capability to perform the contract as per ITB Clause 12.3.

- 3.15 Make sure that you attach documents to establish compliance with qualifications criteria as per ITB Clause 12.
- 3.16 Ensure that your bid price is in accordance with ITB Clause 14.
- 3.17 Ensure that you are in agreement with the provided period of validity of bids as per ITB Clause 16.
- 3.18 Make sure that you are in agreement with the proposed construction period, if one is provided.
- 3.19 Ensure that you are aware of the criteria to be used for the evaluation, comparison of tenders and post-qualification of bidder as per ITB Clause 27 to 33; and ensure compliance.
- 3.20 Make sure that you are aware with the contents of the GCC and SCC and their cost implication during the execution of the contract.
- 3.21 Check that your bid is properly addressed and sealed in accordance with ITB Clause 19.1 and 20.
- 3.22 Make sure that you are not engaged in corrupt or fraudulent practices in accordance with ITB Clause 43.
- 3.23 Ensure that your bid is submitted at the right time and at the correct address as per ITB Clause 21.
- 3.24 And finally make sure that you are aware of “Review of Procurement Decisions” as outlined in part G of ITB.

4.0 CONCLUSION

It should be appreciated that the guideline is an attempt to bring to the attention of bidders important provisions in the bidding documents. It should not be taken as a replacement of the standard bidding documents. Bidders still have the responsibility of reading carefully the bidding documents for each particular bid and to ensure that their bids comply with the provisions of such documents. However, it is our expectation that by reading this guideline, bidders will find it easy to understand the relevant bidding documents for specific bids in which they are participating.