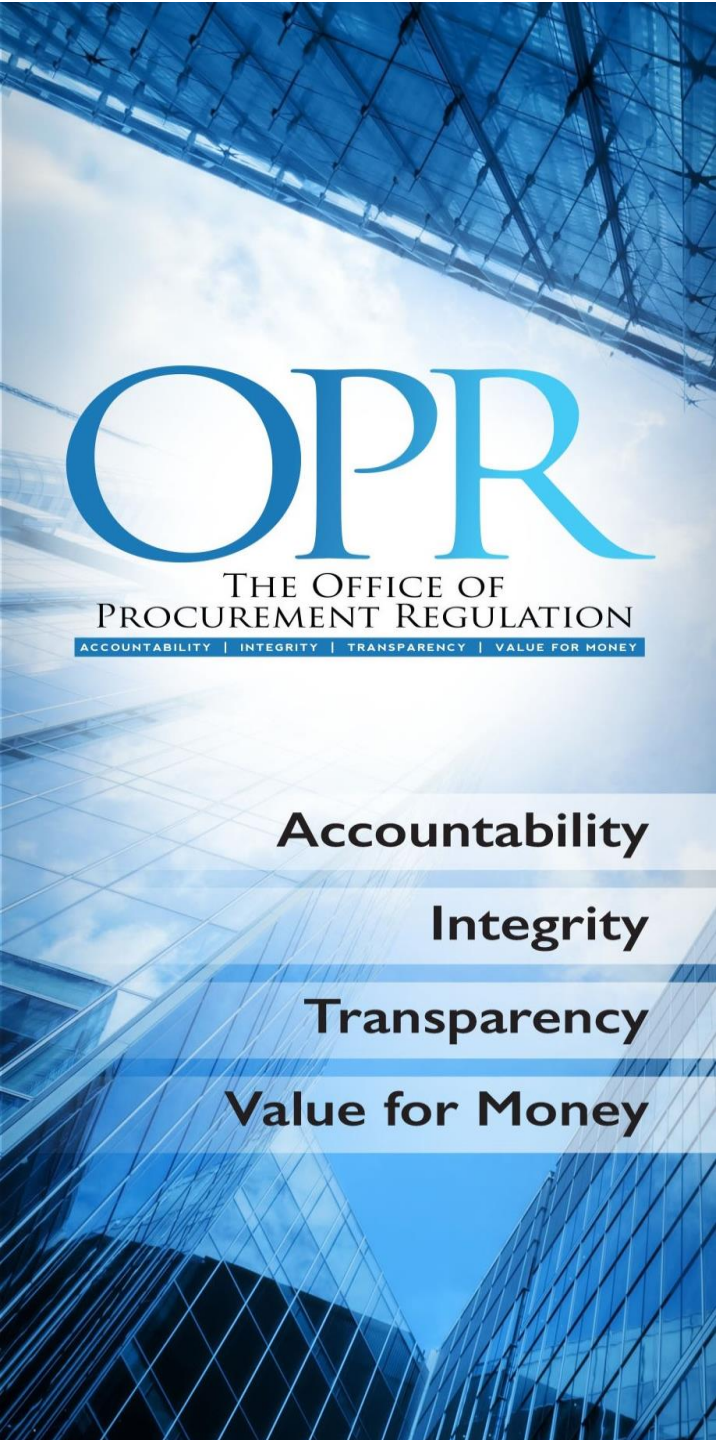

SENSITISATION SESSION: ENVIRONMENTAL MANAGEMENT AUTHORITY

Evaluation of Proposals

Presenters: Samantha Marchan
Melissa Ramkumarsingh

Date: August 12th 2021

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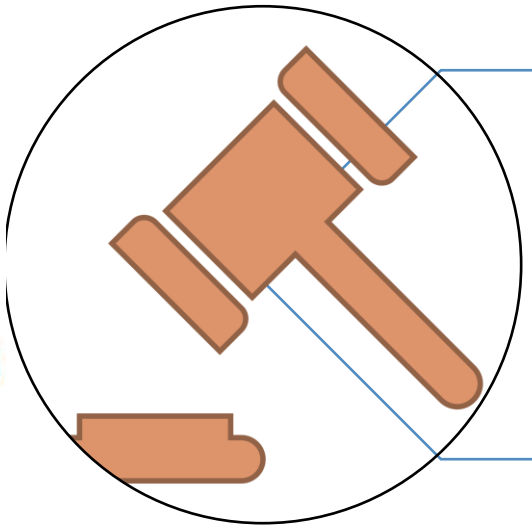
OBJECTIVES



To sensitise the Environmental Management Authority (EMA) on the Evaluation of Proposals

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What Is The Evaluation Process?

- Evaluation is a process that enables the selection of the bid that best satisfies the requirements of the procuring entity while ensuring compliance with the objects of the Act.

Establishing the Framework for the Evaluation Process

- The successful outcome to an evaluation begins during the planning stages of the procurement process; and
- The evaluation process begins with the drafting of the solicitation documents.

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The Evaluation Process

The Need for an Evaluation Process

The need for the evaluation process is two-fold.

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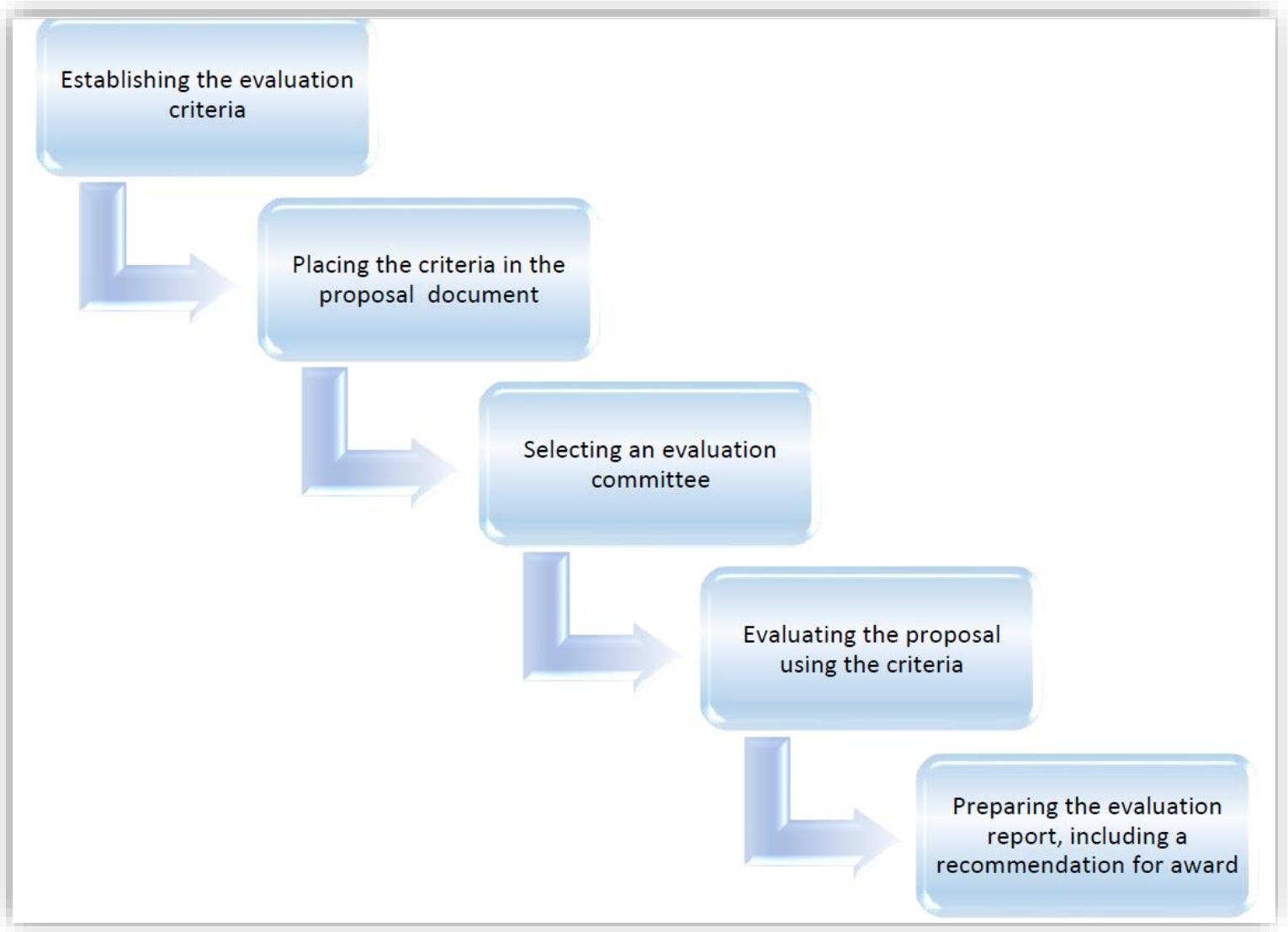
The Evaluation Process



Establishing the Evaluation Criteria

Mandatory Criteria	Weighted Criteria
• Mandatory criteria establish the basic requirements of the invitation (i.e. the minimum number of years' experience of the bidder in providing the particular good, work or service. • A bidder unable to satisfy these requirements shall be deemed incapable of performing the contract and must be rejected. Bidders either meet or do not meet mandatory criteria. A point system is not used.	• Weighted criteria represent "desirable" features, which add value or functionality to the proposal. With weighted criteria, the relative importance of each criterion to the overall requirements and to the other criteria must be determined.

Establishing the Evaluation Criteria (Cont'd)

Characteristics of an Effective Evaluation Criteria:

- Objective
- Relate to defined requirements
- Non-discriminatory
- Realistic
- Measurable
- Economical to use
- Justifiable

Establishing the Evaluation Criteria (Cont'd)

Non-price factors may include:

- quality of methodology and work plan
- relevant experience
- client references

Price factors may include:

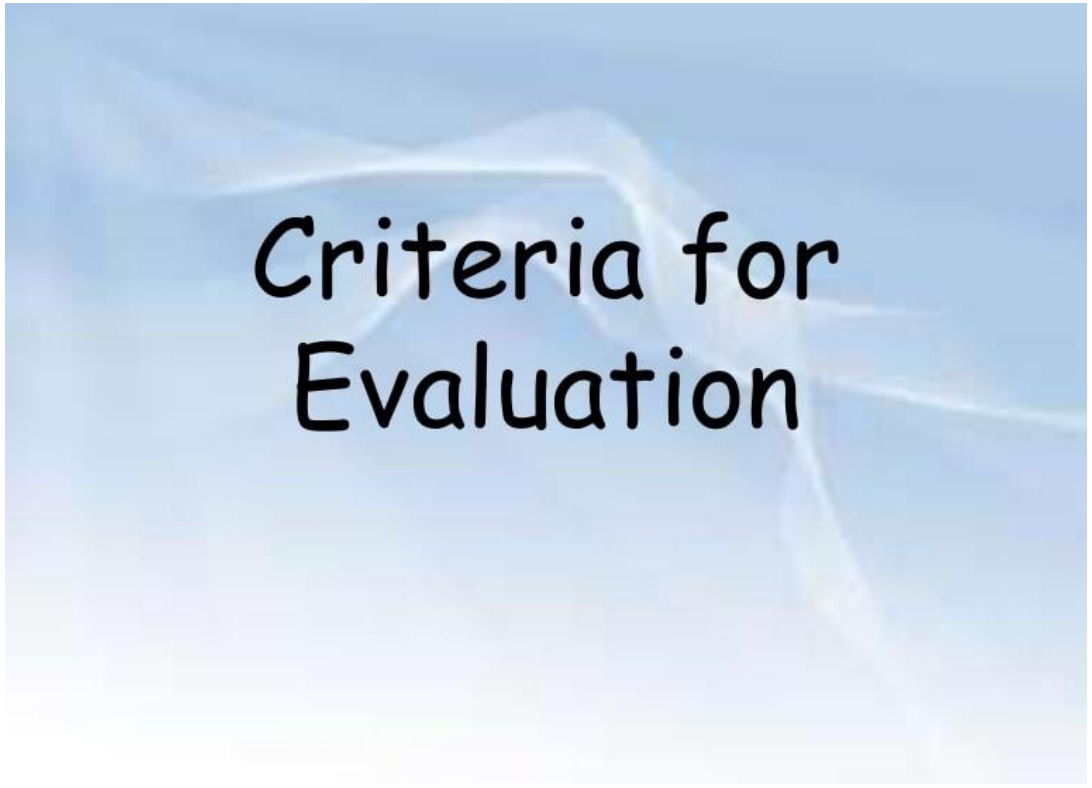
- payment terms
- extended warranties
- life-cycle operating costs
- after-sale services and technical assistance
- supply of spare parts related to the use of goods
- period of completion and/or delivery of goods

Establishing the Evaluation Criteria (Cont'd)

The evaluation criteria should:

- Be completed prior to the solicitation of bids;
- Not be altered after the opening of bids; and
- Be applied equally and uniformly in the evaluation of proposals.

The procuring entity shall select the successful bidder based only on the evaluation criteria and methodology specified in detail in the bidding documents.



Placing The Criteria in The Solicitation Document

The Solicitation Document Should:

- Define the evaluation process in summary form.
- Specify the major categories on which the bid or proposal will be evaluated and the weight assigned to each factor.
- Explain the criteria that can or will result in the rejection of an offer, affirm that the evaluation will include the price, and state the relative importance of each major selection evaluation criteria.
- Specify the evaluation criteria, sub-criteria, scoring system and methodology to guide the bidder in the preparation of its bid or proposal.

Selecting An Evaluation Committee

Typically, an evaluation committee should comprise three to six persons. Evaluation committee members must possess experience in the following areas:

- Technical knowledge of the subject matter being procured;
- Applicable law;
- The procurement process;
- Commercial acumen; and
- In-house technology

Standing vs Ad Hoc Evaluation Committees

Benefits of Standing Evaluation Committees:

- Process Efficiency
- Effectiveness
- Reduced Value for Money (HR)

Benefits of Ad Hoc Committee:

- Reduced potential for collusive behaviour
- Reduced risk of corrupt practices
- New perspectives

Project Lead As Part of the Evaluation Committee

Best practice is to set up the evaluation committee when the project is initiated and have a project manager assigned. In this case, the evaluation committee can make a much greater contribution in assisting the project manager with the following critical activities:

- Developing the procurement activity plan
- Reviewing requirements and contributing to the creation of the bidding documents
- Assisting in establishing the evaluation criteria and points system
- Evaluating proposals

The Role of the Chairperson of an Evaluation Committee

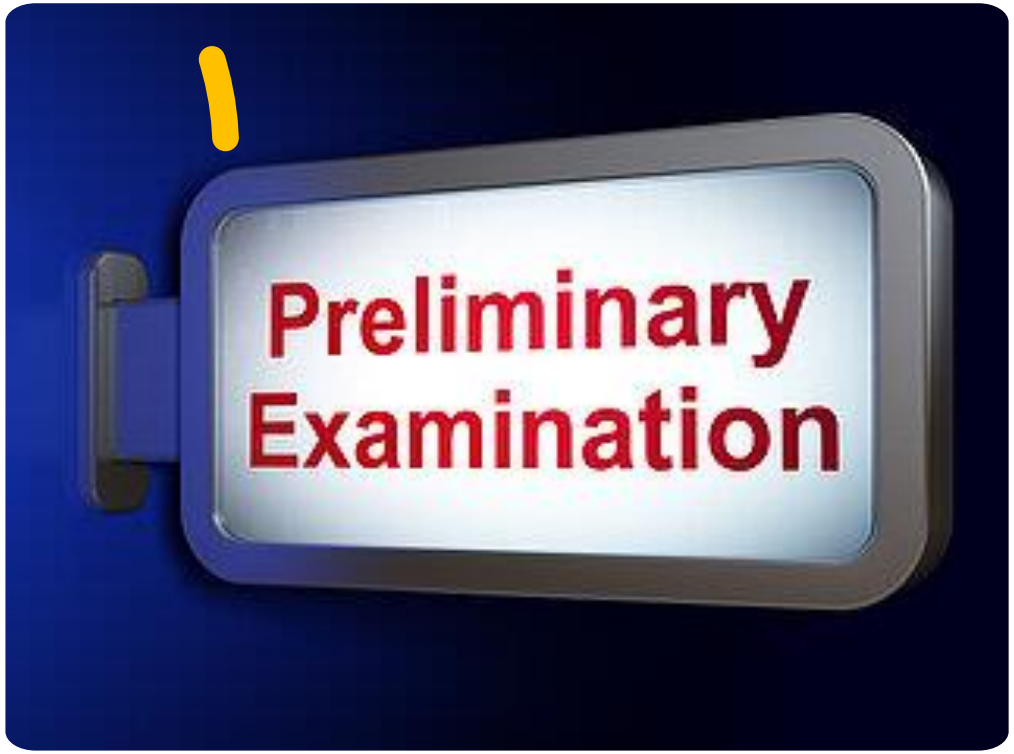
The chairperson of the evaluation committee is responsible for drafting an evaluation report after the completion of the detailed evaluation by the evaluation committee

He/she is also responsible for presiding over evaluation proceeding and obtaining the signatures from evaluation committee members

Evaluating The Proposals Using The Criteria

Preliminary Examination includes the following checks applied by the evaluation committee:

- Verification;
- Eligibility;
- Bid Security;
- Completeness of Bid; and
- Substantial Responsiveness



Seeking Clarification During Preliminary Evaluation

During the evaluation of submissions deemed compliant, the procuring entity:

- May seek clarification in writing from any bidder to facilitate evaluation;
- Shall neither ask nor permit any bidder to change the price or any other aspect of the bid when providing the requested clarification; and
- Shall reject any bidder and forfeit its bid security if a bidder amends its bid in any manner.

Detailed Evaluation

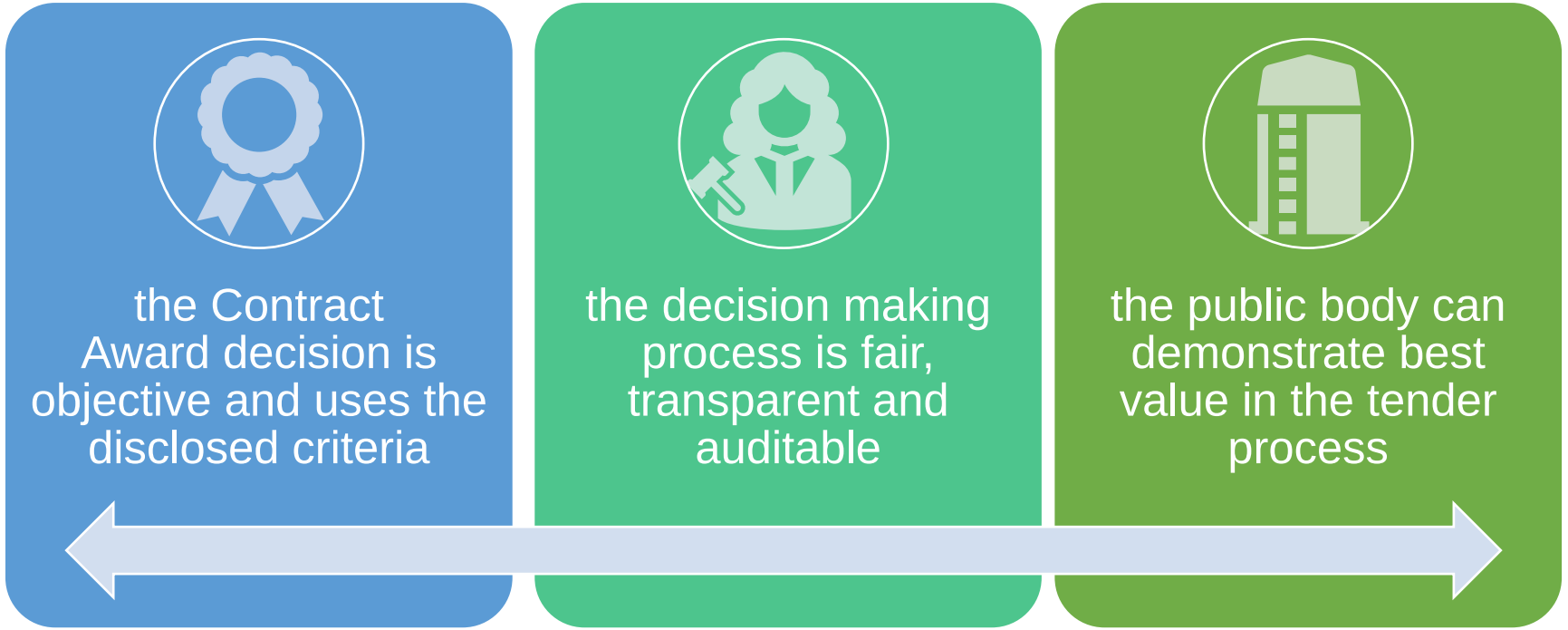
- This stage involves the detailed analysis of each offer against the evaluation criteria.
- A template/matrix is used to record the evaluation scores with respect to the relevant criteria.
- The process for a procurement seeking the supply of goods and services consists of a:
  - technical/qualification evaluation; and
  - commercial evaluation.

Technical Evaluation

- In the technical/qualification evaluation, members of the committee evaluate and rank the technical proposals in accordance with the pre-established criteria specified in the bidding document.
- Scoring can be done using Consensus or Independent Scoring.
- Technical/Qualifications proposals that fail to meet the relevant minimum requirements specified in the bidding document shall be considered non-responsive and shall be rejected.

Technical Evaluation (Cont'd)

Technical Evaluation ensures that:

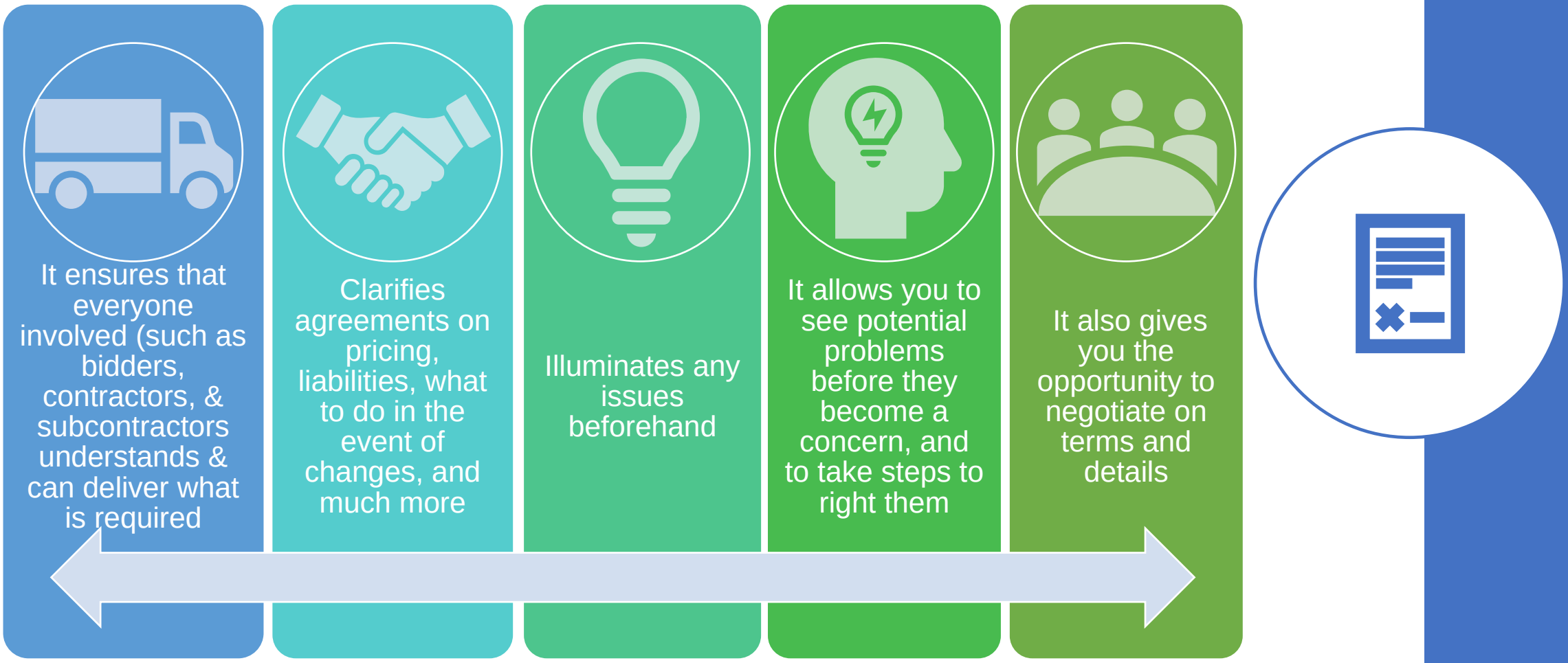


Commercial Evaluation

- Only technical proposals that meet or exceed the relevant minimum technical requirements are considered for commercial/price evaluation.
- In the commercial/price evaluation, the price is examined for computational errors.
- If bids are priced in more than one currency, they are converted to a single currency.
- Commercial proposal are analysed, verified, compared and rank using the weights assigned.

Commercial Evaluation (Cont'd)

Commercial Evaluation:



Abnormally Low Bids

An Abnormally Low Bid (ALB) is a submission in which the price is so low in relation to the subject matter of the public procurement that it raises concerns with the procuring entity as to the ability of the supplier or contractor that presented it to perform the procurement contract.

Risk: While an ALB may appear to represent value for money, it can result in greater overall costs, contract delays or even the collapse of a contract.

Abnormally Low Bid: Steps in Treating

1

Identify:

the potential ALB based on comparison with market prices or the procuring entity's cost estimate

2

Clarify:

seek clarification from the bidder

3

Justify:

the bidder prepares a justification of their price based on the request from the procuring entity

4

Verify:

the procuring entity fully analyses the bidder's justification to verify if it is an ALB

5

Decide:

the procuring entity fully documents the decision to accept or reject the bid

Abnormally Low Bids: Reducing the Risk

The risk of receiving an ALB is reduced if the following have been satisfactorily addressed:

- Adequate market research and planning through the procurement strategy;
- High quality bidding documentation (in particular comprehensive technical specifications and TORs);
- The procuring entity engages with the market sufficiently to encourage a competitive response and ensure clarity of the requirements;
- Ample time is allowed for the preparation of bids;
- The procuring entity issues suitable and timely responses to clarification requests;
- The procuring entity undertakes a prequalification phase, where appropriate;
- The procuring entity ensures the qualification criteria are adequate and appropriate;
- The procuring entity maintains an updated price data base and prepares a realistic cost estimate.

Preparation of The Evaluation Report

- Typical contents of an evaluation report include:
  - Introduction
  - Background
  - Evaluation of Bids
  - Recommendation for Award of Contract

- The evaluation report is then signed by the members of the evaluation committee and approval by the designated approver.

Approval of The Evaluation Report

- Low-Risk and Low-Value Procurement: NPO
- High-Risk and High-Value Procurement:
  - Procurement and Disposal Advisory Committee (PDAC); and
  - Accounting Officer

Award of Contract

Standstill Period

- The Act defines the standstill period as the period from the dispatch of a notice as required by section 35(2), during which a procuring entity cannot accept the successful submission and suppliers, or contractors can challenge the decision so notified.

Notification of Award of Contract

- Upon fulfilment of the requirements of the standstill period, where applicable, the Notification of Award shall be made to the successful bidder.

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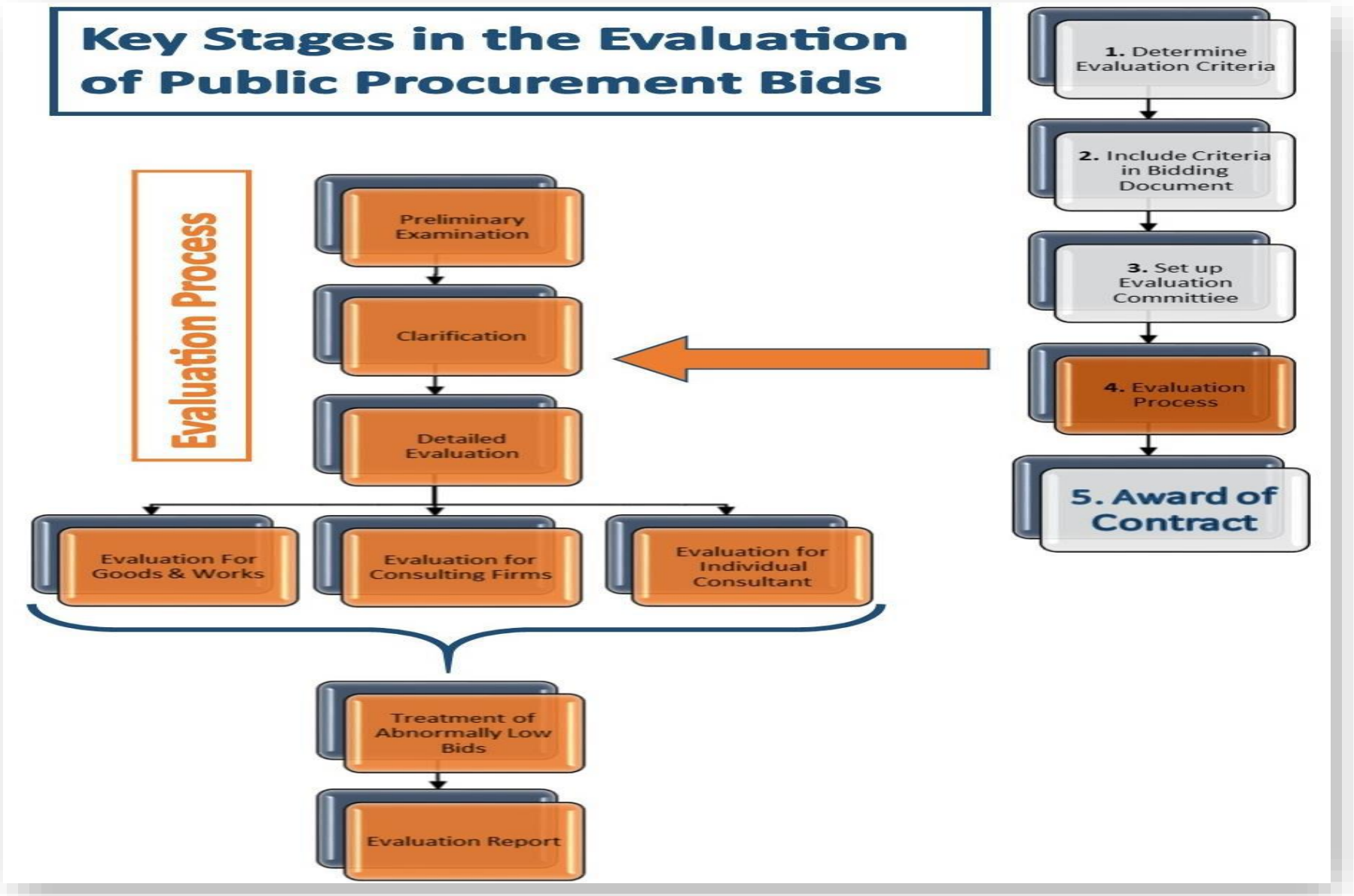

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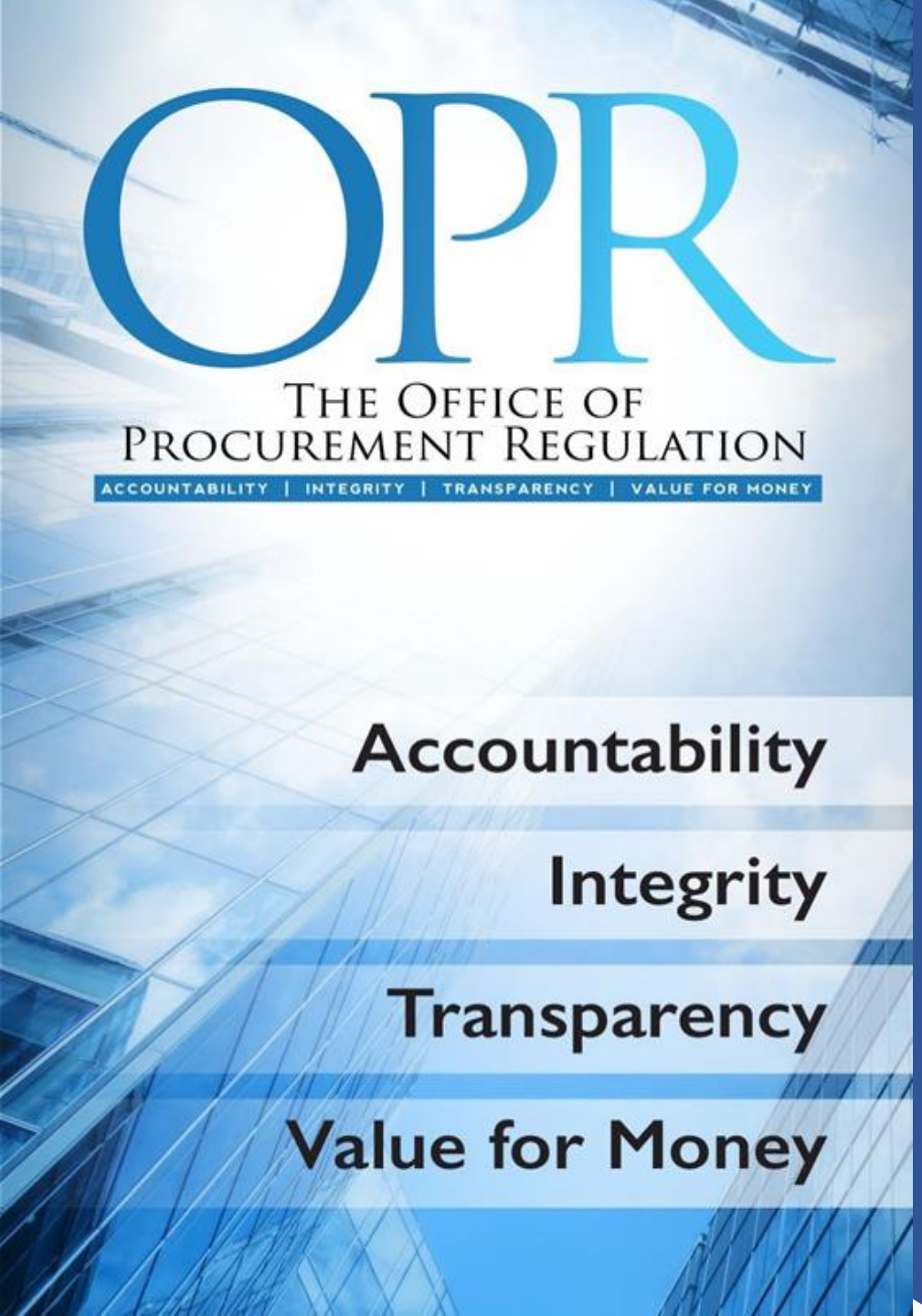

Thank you for your kind attention!

We are happy to answer any questions you may have.

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