

Tender Process & Assessment

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Content

Grant Agreement

Case Study “EUMETSAT”

Case Study “Timor”

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Case Study “Food Alert – Germany”

Case Study “ePetition – Germany”

Summary

Grant Agreement

I.11.2 Implementation contracts:

Where the value of the procurement contract awarded in accordance with the provisions of Article II.9 of the General Conditions exceeds EUR 25 000, the beneficiary shall obtain quotations from at least three suppliers and retain the one offering best value for money.

The co-ordinator must clearly document the tendering procedure and retain the documentation in particular for audit purposes in accordance with article II.19.

II.9.1 If the beneficiaries have to conclude contracts in order to carry out the action and they constitute costs of the action under an item of eligible direct costs in the estimated budget, they shall award the contract to the bid offering best value for money; in doing so they shall take care to avoid any conflict of interests.

Guidelines for the Use of the Grant, No. 5.6

“In the financial statements, the coordinator must indicate, in the space provided on the list of invoices for equipment, the names of firms consulted (minimum three).

The beneficiaries may not split the purchase of equipment into smaller contracts with individual amounts lower than the EUR 25 000 threshold.”

FAQs – Update from 30 Nov., Question 50

“When purchasing any kind of goods or services in the framework of the Tempus project, beneficiaries should refer to the procedure described in **Article II.9** of the Grant Agreement (Award of Contracts).

Where the value of the invoice/contract exceeds EUR 25,000, beneficiaries must obtain quotations from at least three suppliers and retain the one offering **best value for money** (**Article I.11.2**). ... the beneficiaries should be able to **prove that market research has been carried out** and that the bid meeting the **technical requirements** and **offering best value for money** has been chosen.”

Essential Request

Best value for money

Dimensions

- Price
- Total cost over time
- Ability to perform

Costs – benefits – assessment (whole of life)

Dimensions

- Procedure
- Assessment

Case Study “EUMETSAT”


https://eumits.eumetsat.int/EUMITS/index.jsf

Google

Google eumetsat tender

Suche Weitergeben Lesezeichen

QuinScape GmbH ... Flug suchen: Flüg... Hansa Theater Hö... EUMETSAT - E...



EUMETSAT
EUMETSAT Invitation to Tender System

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3.1.4

EUMITS (EUMETSAT's Invitation to Tender System)

Welcome to EUMITS, EUMETSAT's Invitation to Tender System.

This on-line service provides all relevant documentation and information relating to EUMETSAT's Invitations to Tender (ITTs). Registered users can download ITT documents, ask questions and express their Intention to Bid via this system.

To get full access to EUMITS, please **register** on-line. A confirmation email containing your user details will be sent to the email address provided when registering. A password will be sent in a separate email.

To find out more about EUMITS, please refer to the **EUMITS User Guide** and **Doing Business with EUMETSAT via EUMITS** documents, which provide further information about the system and EUMETSAT's requirements.

For general questions or technical issues, please contact the EUMITS Document Administrator via eumits@eumetsat.int or fax: +49 6151 807 829.

 Print



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European Organisation for the Exploitation of Meteorological Satellites

Case Study EUMETSAT: General Procedure

- Tender Evaluation Board, TEB
- Write & publish tender
- During the offer period: bidder meetings possible to clarify questions
- Tender Opening Board, checking if deadline met, offers correctly submitted, complete, ...
- Evaluation by TEB
- Decision by General Director of EUMETSAT or (if procurement above 1,5 Mio. €) EUMETSAT council

Publishing

- Open Competition Tender – published at Internet with EUMITS, (<http://www.eumetsat.int/eumits>) and distribution via email list etc.
- Restricted Tender – distributed only to potential bidder (from state, ...) for certain reasons
- Direct negotiations with a single company if only they are able to make offers

Tender documents for an open bid

- Title / Cover Note
- Statement of Work
- Technical Specification
- Draft Contract
- Special Tender Conditions
- General Tender Conditions
- Evaluation Criteria

Main aspects for the evaluation process

- Strict confidentiality during the process
- Definition of a performance matrix with a adjectival evaluation
- Reference projects and expertise can be regarded
- Possible to contact the bidder to clarify details
- One or more offers can be chosen for negotiations
- Confidential negotiations to adapt performance and price
- Final Report of the TEB with a recommendation
- Final negotiation with the winner before presenting the contract
- Possible to debrief not accepted bidders by TEB

A **debriefing** or *psychological debriefing* is a one-time, semi-structured conversation with an individual who has just experienced a stressful or [traumatic event](#). In most cases, the purpose of debriefing is to reduce any possibility of psychological harm by informing people about their experience or allowing them to talk about it.^[1] *...let the participants reflect what happened, giving important insights with the aim of that project towards the future, linking the challenge with the actions and the future."*

Evaluation:
Case Study „Timor“

1. Technical capabilities / Professional competence

- Meet essential & desirable requirements of the tender
- Customer service (whole life servicing & maintenance)
- Quality assurance
- Capacity to perform
- Past performance
- Strategic issues (e.g. location, network)

2. Commercial analysis

- Viability of bidders and their business
- Risk management (including insurance, use of authorized sub-contractors)
- Compliance to conditions of contract
- Conflicts of interest
- Ownership & substance of the business
- Financial strength of the business
- Past record in dealing with government

3. Industry or local development

- Enhancement of industry
- Supporting small to medium size firms
- Level of skills & technology transfer
- Local content
- Regional & district development opportunities
- Training activities or programs supported by bidder

4. Financial analysis

- Entire life cycle – full cost
- purchase price, installation, training & operation costs

Whole of Life Criteria	Supply: Ba Futura	Supply: Sunrise Island
Purchase Price	\$100	\$130
Life of the asset (warranty period)	5 years	10 years
Maintenance Cost per year (whole of life cost)	\$10 per year OR \$50 (over 5 years)	\$10 per year OR \$100 (over 10 years)
Operating Cost per year (whole of life cost)	\$20 per year OR \$100 (over 5 years)	\$10 per year OR \$100 (over 10 years)
Total Cost of Asset--whole of life	$(\$100 + \$50 + \$100 =)$ \$250 (over 5 years) OR ($\250×2 supply) \$500 (over 10 years)	$(\$130 + \$100 + \$100 =)$ \$330 (over 10 years)

Step 1: Tender Planning--Score Importance of Evaluation Criteria

GUIDE TO IMPORTANCE SCORING	
1	= Minimum requirement
2	= Of benefit, will add some value to contract
3	= High levels of performance
4	= Superior level of performance required
5	= Absolutely required, critical to contract performance

EXAMPLE: Evaluation Criteria Table

EVALUATION CRITERIA	HOW IMPORTANT SCORE
1. TECHNICAL/PROFESSIONAL COMPETENCE	
1.1 Compliance to Tender Specifications - meets requirements - meets standards	5
1.2 Customer Service - policy and practice - surveys customers - systems to measure customer satisfaction - backup and advice	5
1.3 Quality system for deliverables - certification - documented system	2
1.4 Capability - staffing structure - availability of experienced staff - previous work - state of technology	4
1.5 Past Performance - experience in the industry - previous public sector experience - referee's view	4
1.6 Strategic - location - networking	4
2. COMMERCIAL	
2.1 Financial viability-- Satisfies key financial ratios for industry	3
2.2 Risk and Insurance - adequate insurance - allocate and acceptance of risk	3
2.3 Compliance to Conditions of Contract - complies to the terms and conditions - ease of legal recourse	3
2.4 Conflict of Interest - existing or potential - process for protection against	3
3. LOCAL DEVELOPMENT	
3.1 Enhancement of industry and business capability in Timor Leste	5
3.2 Regional and district development opportunities	5
4. FINANCIAL	
4.1 Tendered price 4.2 Disbursements 4.3 Price variations (through contact period) 4.4 Contingencies.	Total Cost \$ _____

Step 2: Evaluate Tenders—Assess Compliance with Evaluation Criteria

CRITERIA ASSESSMENT SCORING	
0	Not acceptable, has not met any reasonable criteria
1 to 4	Has only met some minimum requirements, and may not be acceptable
5	Acceptable
6 to 9	Acceptable, has met all requirements and exceed some
10	Acceptable, has well exceeded all requirements

Example: Evaluation Table

EVALUATION CRITERIA	Importance Score	SUPPLIER A TENDER: BA FUTURA	
		Compliance Score	Compliance Score X Importance Score
Compliance to specification	5	6	5 x 6= 30
Capability	5	5	5 x 5 25
Quality Assurance	2	6	2 x 6 12
Past Performance	4	5	4 x 5= 20
Financial Strength	5	6	5 x 6= 30
Local Development	4	7	4 x 7= 28
TOTAL for BA FUTURA	--	--	145

STEP 3: Comparison of Tenders by TOTAL SCORE and PRICE

Example: Final Tender Comparison and Decision

COMPARISON OF TENDER SUPPLIERS	SUPPLIER A: BA FUTURA	SUPPLIER B SUNRISE ISLAND**
TOTAL SCORE	145	173
PRICE \$\$	\$100, 000	\$120, 000

Main aspects for the evaluation process

The evaluation can be carried out with a simple compliance checklist covering a number of criteria and coded or coloured as follows:

- Compliant (green color);
- Clarification required (yellow color); and
- Non-compliant (red color)

Two Envelope Tendering System

- Numerical scores or points attributed to each evaluation criteria
- Tender evaluation criteria included in “request for tender”
- Numerical scores also disclosed in rft
- Envelope one: criteria 1 – 3
- Envelope two: criteria 4 (prices)
- Bidders shortlisted on ability to meet or exceed preset threshold scores for envelope one => obtain value
- Only then evaluation team considers whole-of-life costs of bid in envelope two

Letter of Intent to winner and enter into contract negotiations ;

Evaluation:

Case Study „Tasmania“

Principles

- selection criteria that reflect the critical elements of the project and that can be assigned a weighting;
- weightings that reflect the relative importance of selection criteria;
- scores that are based on information submitted with the tender bid; and
- normalizing the non-price criteria and the tender price before applying the
- weightings to allow for the true effect and advantage of the weighting system.

Weighting on the tender price normally exceeds 60%. A lower weighting on tender price would represent extraordinary circumstances. Evaluation Committees adopting a weighting of less than 60% will be required to justify their decision to the their agency Procurement Review Committee.

The weighting for price would be lowest for tenders requiring innovative input and methodology. A lower price weighting results in a high price having a relatively low impact on the total score.

Selection Criteria

- relevant experience
- appreciation of the task
- past performance
- management and technical skills
- resources
- management systems
- methodology and
- price

Relevant Experience

- Description and relevance to the tendered project
- Role of the tenderer
- Project cost and
- Duration of projects

Past Performance

- Project name
- Client's project manager (name and phone/fax numbers)
- Quality standards, target performance levels
- Tender price, variations and final cost
- Completion date and extensions of time granted and
- Details of OHS&R records

Technical Skills

- Names
- Function
- Technical expertise and
- CV's to be provided

Management Skills and Systems

- Quality system
- Project management tools
- Program software
- Environmental management system and
- OHS&R management system

Resources

- Intellectual property
- Subcontracting

Methodology

- Program of works
- Key performance indicators
- Division of works into subcontracts
- Innovative procedures to be used
- Reporting and recording systems and
- Quality Plan

Price

- Fixed capital cost
- Variable tender costs during the contract period
- Special adjustments during the contract period
- Maintenance costs and
- Operating costs

Weighting on the tender price normally exceeds 60%. A lower weighting on tender price (innovation !!!) would represent extraordinary circumstances. Evaluation Committees adopting a weighting has to justify decision

Price: Range Criteria

Minimum / Maximum

- Non-Price 10 - 40%
 - Relevant Experience 5 - 20%
 - Past Performance 5 - 20%
 - Technical Skills 0 - 20%
 - Resources 0 - 20%
 - Management Skills 0 - 20%
 - Methodology 0 - 20%

- Price 60 - 90%

Scoring „Non-Price“ Criteria

1. Add the individual scores for each non-price criterion. Each criterion is given a point score from 0 (poor) to 10 (excellent) in increments of 0.5 .
2. Weigh the individual scores for each non-price criteria according to the pre-determined weightings. The weighted score is calculated by multiplying the score by the weight. In the example given below, the weighted score for tender 1, criteria 1 is calculated as $9 \times 20\% = 1.80$.
3. The sum of non-price scores for each tender is then normalized to 10. Normalizing is a transformation applied uniformly to each element in a set of data so that the set has some statistical property.
4. The following formula is applied to normalize the non-price scores:
$$= \frac{\text{Sum of non-price score for each tender} \times 10}{\text{Highest sum of non-price scores}}$$
5. This score is then adjusted for the total weighting of all the non-price criteria to obtain the overall weighted non-price score.

Scoring „Non-Price“ Criteria

		Tender 2	Tender 3	Tender 1
		Lamplights Pty Ltd	Fireglow Pty Ltd	J H Sparkes
Criteria 1, weight 20%	Score	9.00	8.00	9.00
	Weighted score	1.80	1.60	1.80
Criteria 2, weight 10%	Score	7.00	8.00	7.50
	Weighted score	0.70	0.80	0.75
Criteria 3, weight 10%	Score	7.00	6.00	9.00
Total weighted sum = 40%	Weighted score	0.70	0.60	0.90
Total non-price criteria		3.20	3.00	3.45
Normalised non-price		$3.20 \times 10/3.45$	$3.00 \times 10/3.45$	10.00
		9.28	8.70	10.00
Weighted non-price	40%	3.71	3.48	4.00

Scoring Price

Scores for price are based on the following method: (Note that the lower the price, the higher the score.)

Normalized price score = lowest tender price x 10 / tender price

Tenderer	Tenders (in ascending order)	Normalised Price
Lamplights Pty Ltd	\$1 282 000	10
Fireglow Pty Ltd	\$1 333 000	9.62
J H Sparkes	\$1 925 000	6.66

=> Total Scores

Evaluation:

Case Study „Food Alert“

Portal for Food Alert

Criteria for exclusion

Basic requirements of software architecture must be fulfilled (SAGA)

Detailed requirement specification must be generated by contractor

No installation of additional software required for user (besides browser)

Cookies should not be used (only if non-persistent)

All contents has to be accessible for handicapped persons

Case Study: Portal for Food Alert

- **Modification of requirements**
 - Are modifications of the tender document reasonable or essential from the standpoint of bidder?
 - Are modifications of the hardware requirements needed?
- **Project work**
 - Please describe the course of the project with details about
 - Mile stones
 - Order of actions
 - Effort
 - Dead-lines
 - Please describe your co-operation with the buyer
 - Please describe how maintenance in different projects was executed and the period of time of life of the software
 - Please describe your project team and the roles within the team

Case Study: Portal for Food Alert

■ Quality Management

- How do you guarantee quality (standards used)?
- How do you ensure quality management in your company? Which Tools and test procedures are used?

■ Technical implementation

- Which libraries and frameworks are used? What are the license models for these?
- Which hardware is needed? Which software is needed? How do these components communicate?
- Can you ensure that html and css are validated?

■ Data migration

- How are data migrated to the new system?

Case Study: Criteria for Exclusion

- **Workflows**
 - Which workflows do you identify and how are they implemented?
- **Performance**
 - How do you ensure performance requirements and how high-performance will the system be?
- **Content and functional attributes**
 - Please make a draft of the project realization
- **Miscellaneous**
 - How is backup and recovery ensured
 - A complete help function is needed

Best value for money

A scenic view of a mountain range with tall, vertical rock formations and dense green forests. The image shows a vast landscape of rugged, grey rock peaks rising from a thick forest of green trees. The sky is a pale, hazy blue, suggesting a misty or overcast day. The overall atmosphere is serene and majestic.

**Thank You for
Your Attention !**