

Notice of Request for Proposals

Request for Proposals

Works

(Design and Build)

Employer: PNG Power Limited

Project: Port Moresby Transmission Lines Project: Edevu to Moitaka

Contract title: [insert the name of the contract]

Country: The Independent State of Papua New Guinea (PNG)

Loan No. /Credit No. / Grant No.: [insert reference number for loan/credit/grant]

RFP No: [insert RFP reference number from Procurement Plan]

Issued on: [insert date when RFP is issued to the market]

To: [Proposer's name and address]

1. The Independent State of Papua New Guinea has received financing from the Australian Infrastructure Financing Facility for the Pacific (AIFFP) toward the cost of the Port Moresby Transmission Lines Project: Edevu to Moitaka, and intends to apply part of the proceeds toward payments under the contract for [insert title of contract].
PNG Power Limited now invites sealed Proposals from initially selected eligible Applicants (on the DFAT Capital Infrastructure Panel) to provide detailed engineering, procurement, construction, installation, and commissioning services for the following facilities:
 - A new 35 km 132 kV double-circuit transmission line to connect the existing PNG Power Ltd. Moitaka station to the Edevu Hydropower station being developed by PNG Hydro Ltd.
 - Two (2) new 132 kV/66 kV bays extension to the Moitaka substation.
 - A new 66 kV/11 kV substation at Gerehu to integrate into the existing L546 66 kV single-circuit line.
 - A new 132 kV substation at Edevu with one (1) bay to connect to the Edevu Hydropower station and two (2) bays to connect to the Moitaka station.
2. The procurement will be conducted through international competitive procurement using Request for Proposals (RFP) as specified in AIFFP/Australia Department of Foreign Affairs and Trade (DFAT) "Procurement Guidance Note(s) for Financing Partners" ("Procurement Regulations"), and is open to all initially selected eligible Proposers.

3. Initially selected eligible Proposers may obtain further information from *[insert name of implementing agency, insert name and e-mail of officer in charge]* and inspect the RFP Document during office hours *[insert office hours if applicable i.e. 0900 to 1700 hours]* at the address given below *[state address at the end of this RFP]*¹.
4. The RFP will be distributed electronically, with the tender management process undertaken online.
5. A single-stage, two envelope RFP process will be used, and the Proposal will consist of (i) the Technical Part, without any reference to prices; and (ii) the Financial Part, as detailed in the RFP Document. The Technical and Financial Parts of the Proposals shall be submitted simultaneously in two separate sealed envelopes.
6. The Proposal, both the Technical Part and the Financial Part, must be delivered on or before *[insert time and date]*. Electronic Procurement will be permitted. Late Proposals will be rejected. The Technical Part of the Proposals will be publicly opened in the presence of the Proposers' designated representatives (via video link in the event of travel restrictions) and anyone who chooses to attend at the address below *[state address at the end of this RFP]* on *[insert time and date]*. The Financial Part shall remain unopened and will be held in safe custody of the Employer until the second public opening of the Financial Part, following the evaluation of the Technical Part of the Proposals.
7. All Proposals must be accompanied by a Proposal-Securing Declaration.
8. All Proposals must be accompanied by a Sexual Exploitation and Abuse (SEA) and/or Sexual Harassment (SH) Declaration.
9. Attention is drawn to the Procurement Regulations requiring the Financing Recipient to disclose information on the successful Proposer's beneficial ownership, as part of the Contract Award Notice, using the Beneficial Ownership Disclosure Form as included in the RFP document.
10. Please confirm receipt of this letter immediately in writing by electronic mail or fax. If you do not intend to submit Proposal, we would appreciate being so notified in writing at your earliest opportunity.
11. The address (es) referred to above is (are):

PNG POWER LIMITED, NATIONAL OFFICE, CNR WARDS RD & CORDIA STREET, HOHOLA, PORT MORESBY, NCD, PAPUA NEW GUINEA]

[PNG POWER LIMITED]

[DANAE PALA – TEAM LEADER TENDERS & SUPPLY MANAGEMENT]

[P O BOX 1105, BOROKO, NCD, 111, PAPUA NEW GUINEA]

[+ 675 324 3433]

[dpala@pngpower.com.pg or tenders@pngpower.com.pg]

[www.pngpower.com.pg]

¹ The office for inquiry and issuance of RFP Document and that for Proposal submission may or may not be the same.

Request for Proposals Works

Design and Build
(Single-Stage RFP after Initial Selection)

Procurement of:
[Insert identification of the Works]

Employer: *PNG Power Limited*

Project: *Port Moresby Transmission Lines Project: Edevu to Moitaka*

Contract title: *[insert the name of the contract]*

Country: *The Independent State of Papua New Guinea (PNG)*

Loan No. /Credit No. / Grant No.: *[insert reference number for loan/ credit/ grant]*

RFP No: *[insert RFP reference number from Procurement Plan]*

Issued on: *[insert date when RFP is issued to the market]*

Table of Content – Summary Description

PART 1 Request for Proposal Procedures

Section I - Instructions to Proposers (ITP)

This section specifies the course of actions to be taken by Proposers in the preparation and submission of their Proposals following a two-stage bidding procedure. Information is also provided on the submission, opening, and evaluation of Proposals and on the award of Contract.

Section II - Proposal Data Sheet (PDS)

This section consists of provisions that are specific to the procurement and supplement the information or requirements included in Section I - Instructions to Proposers.

Section III. Evaluation and Qualification Criteria

This section contains the criteria that the Employer shall use to evaluate Proposals and qualify Proposers. The Proposer shall provide all the information requested in the forms included in Section IV (Proposal Forms).

Section IV - Proposal Forms

This section contains the forms which are to be completed by the Proposer and submitted as part of their Proposal.

Section V - Eligible Countries

This section contains requirements for the eligible countries.

Section VI - Fraud and Corruption

This section contains anti-corruption guidelines.

PART 2 Employer's Requirements

Section VII. Employer's Requirements

This section contains the scope of the works, the specifications, drawings, and supplementary information that describe the plant and services to be procured.

PART 3 Conditions of Contract and Contract Forms

Section VIII - General Conditions (GC)

This section contains the general clauses to be applied in all contracts. These Conditions are subject to the variations and additions set out in Section IX (Particular Conditions).

Section IX - Particular Conditions (PC)

This section supplements the General Conditions (GC). Whenever there is a conflict, the provisions herein shall prevail over those in the GC. The clause number of the PC is the corresponding clause number of the GC.

Section X - Contract Forms

This section contains the Letter of Acceptance, the Contract Agreement and Appendices to the Contract Agreement which, once completed, will form part of the Contract.

PART 1 – REQUEST FOR PROPOSAL PROCEDURES

TABLE OF CONTENT

Section I - Instructions to Proposers (ITP)

Section II - Proposal Data Sheet (PDS)

Section III - Evaluation and Qualification Criteria

Section IV - Proposal Forms

Section V - Eligible Countries

Section VI - Fraud and Corruption

SECTION I - INSTRUCTIONS TO PROPOSERS (ITP)**TABLE OF CONTENT**

A. General.....	3
1. Scope of Proposal.....	3
2. Source of Funds.....	4
3. Fraud and Corruption.....	4
4. Eligible Proposers.....	5
5. Eligible Materials, Equipment, and Services.....	7
B. Contents of RFP Document.....	8
6. Sections of RFP Document.....	8
7. Clarification of RFP Document, Site Visit, Pre-Proposal Meeting.....	8
8. Amendment of RFP Document.....	10
9. Cost of Proposals.....	10
10. Contacting the Employer.....	10
11. Language of Proposals.....	10
C. Preparation of Proposals.....	10
12. Documents Comprising the Proposal.....	10
13. Letter of Proposal, and Schedules.....	12
14. Alternative Technical Proposals.....	12
15. Proposal Prices.....	12
16. Proposal Currencies.....	14
17. Documents Establishing the Qualification of the Proposer.....	14
18. Documents Establishing Conformity of the Works.....	15
19. Securing the Proposal.....	15
20. Period of Validity of Proposals.....	17
21. Format and Signing of Proposal.....	18
D. Submission of Proposals.....	18
22. Submission, Sealing and Marking of Proposals.....	18
23. Deadline for Submission of Proposals.....	19
24. Late Proposals.....	19
25. Withdrawal, Substitution, and Modification of Proposals.....	20
E. Opening of Technical Parts of Proposals.....	20
26. Opening of Technical Part by Employer.....	20
F. Evaluation of Proposals – General Provisions.....	21
27. Confidentiality.....	21
28. Clarification of Proposals.....	22
29. Deviations, Reservations, and Omissions.....	22
G. Evaluation of Technical Parts of Proposals.....	22
30. Determination of Responsiveness of Technical Parts.....	22

31. Evaluation of Technical Proposals	23
32. Evaluation of Proposer's Qualification	23
33. Notification of evaluation of Technical Parts	23
H. Opening of Financial Parts	24
34. Public Opening of Financial Parts when BAFO or negotiations do not apply	24
35. Opening of Financial Parts when BAFO or negotiations apply.....	25
I. Evaluation of Financial Part	26
36. Nonmaterial Nonconformities.....	26
37. Arithmetic Correction.....	26
38. Conversion to Single Currency	27
39. Margin of Preference	27
40. Evaluation Process Financial Parts.....	27
41. Abnormally Low Proposals	28
42. Unbalanced or Front Loaded Proposals.....	28
J. Evaluation of Combined Technical and Financial Part.....	28
43. Evaluation of Combined Technical and Financial Proposals	28
44. Best and Final Offer (BAFO).....	28
45. Most Advantageous Proposal (MAP).....	29
46. Negotiations	29
47. Employer's Right to Accept Any Proposal, and to Reject Any or All Proposals.....	29
48. Standstill Period	29
49. Notification of Intention to Award.....	30
K. Award of Contract	30
50. Award Criteria.....	30
51. Notification of Award.....	30
52. Debriefing by the Employer.....	31
53. Signing of Contract.....	32
54. Performance Security.....	32
55. Procurement Related Complaint	33

SECTION I - INSTRUCTIONS TO PROPOSERS

A. GENERAL

1. **Scope of Proposal**
- 1.1 The Employer, as specified **in the PDS**, issues this Request for Proposals (RFP) Document for the Design and build of the Works as specified in Section VII, Employer's Requirements. The name, identification and number of lots (contracts) of this RFP are specified **in the PDS**.
- 1.2 Unless otherwise stated, throughout this RFP Document definitions and interpretations shall be as prescribed in the Section VIII, General Conditions.
- 1.3 Throughout this RFP Document:
- (a) the term **"in writing"** means communicated in written form (e.g. by mail, e-mail, fax, including if specified **in the PDS**, distributed or received through the electronic-procurement system used by the Employer) with proof of receipt;
 - (b) if the context so requires, **"singular"** means **"plural"** and vice versa;
 - (c) **"Day"** means calendar day, unless otherwise specified as **"Business Day"**. A Business Day is any day that is an official working day of the Financing Recipient. It excludes the Financing Recipient's official public holidays;
 - (d) **"Works"** refers to Works, subject of this request for proposals document, to be executed on design and build contracting arrangement;
 - (e) **"ES"** means environmental and social (including Sexual Exploitation and Abuse (SEA), and Sexual Harassment (SH));
 - (f) **"Sexual Exploitation and Abuse"** **"(SEA)"** means the following:
 - Sexual Exploitation** is defined as any actual or attempted abuse of position of vulnerability, differential power or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another;
 - Sexual Abuse** is defined as the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions;

- (g) **“Sexual Harassment” “(SH)”** is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature by the Contractor’s Personnel with other Contractor’s or Employer’s Personnel;
- (h) **“Contractor’s Personnel”** is as defined in Sub-Clause 1.1.16 of the General Conditions; and
- (i) **“Employer’s Personnel”** is as defined in Sub-Clause 1.1.32 of the General Conditions.
- (j) Wherever **“Bidder”** and **“Bid”** are used, they shall have the same meaning as **“Proposer”** and **“Proposal”** respectively.

A non-exhaustive list of (i) behaviors which constitute SEA and (ii) behaviors which constitute SH is attached to the Code of Conduct form in Section IV.

- 2. **Source of Funds**
 - 2.1 The Financing Recipient or Recipient (hereinafter called **“Financing Recipient”**) indicated in the **PDS** has applied for or received financing (hereinafter called **“funds”**) from the Australian Infrastructure Financing Facility for the Pacific (hereinafter called **“AIFFP”**) in an amount specified in the **PDS** toward the project named in the **PDS**. The Financing Recipient intends to apply a portion of the funds to eligible payments under the contract(s) for which this RFP Document is issued.
 - 2.2 Payments by AIFFP will be made only at the request of the Financing Recipient and upon approval by AIFFP in accordance with the terms and conditions of the Loan (or other financing) Agreement between the Financing Recipient and AIFFP (hereinafter called the Loan Agreement), and will be subject in all respects to the terms and conditions of that Loan (or other financing) Agreement. The Loan (or other financing) Agreement prohibits a withdrawal from the loan account for the purpose of any payment to persons or entities, or for any import of equipment, materials or any other goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. No party other than the Financing Recipient shall derive any rights from the Loan (or other financing) Agreement or have any claim to the proceeds of the Loan (or other financing).
- 3. **Fraud and Corruption**
 - 3.1 AIFFP requires compliance with AIFFP/Australian Department of Foreign Affairs and Trade (DFAT) Anti-Corruption Guidelines and its prevailing sanctions policies and procedures, as set forth in Section VI.

3.2 In further pursuance of this policy, Proposers shall permit and shall cause their agents (where declared or not), subcontractors, sub-consultants, service providers, suppliers, and personnel, to permit AIFFP to inspect all accounts, records and other documents relating to any initial selection process, prequalification process, bid submission, proposal submission and contract performance (in the case of award), and to have them audited by auditors appointed by AIFFP.

4. Eligible Proposers

4.1 A Proposer may be a firm that is a private entity, a state-owned enterprise or institution subject to **ITP 4.6**—or any combination of such entities in the form of a joint venture (JV) under an existing agreement or with the intent to enter into such an agreement supported by a letter of intent. In the case of a joint venture, all members shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms. The JV shall nominate a Representative who shall have the authority to conduct all business for and on behalf of any and all the members of the JV during the RFP process and, in the event the JV is awarded the Contract, during contract execution. Unless specified in the PDS, there is no limit on the number of members in a JV.

4.2 A Proposer shall not have a conflict of interest. Any Proposer found to have a conflict of interest shall be disqualified. A Proposer may be considered to have a conflict of interest for the purpose of this RFP process, if the Proposer:

- (a) directly or indirectly controls, is controlled by or is under common control with another Proposer; or
- (b) receives or has received any direct or indirect subsidy from another Proposer; or
- (c) has the same legal representative as another Proposer; or
- (d) has a relationship with another Proposer, directly or through common third parties, that puts it in a position to influence the Proposal of another Proposer, or influence the decisions of the Employer regarding this RFP process; or
- (e) any of its affiliates participates as a consultant in the preparation of the Employer's Requirements for the Works that are the subject of the Proposal; or
- (f) or any of its affiliates has been hired (or is proposed to be hired) by the Employer or Financing Recipient as the Engineer for the Contract implementation; or
- (g) would be providing goods, works, or non-consulting services resulting from or directly related to consulting

- services for the preparation or implementation of the project specified in the PDS ITP 2.1 that it provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm; or
- (h) has a close business or family relationship with a professional staff of the Financing Recipient (or of the project implementing agency, or of a recipient of a part of the loan) who: (i) are directly or indirectly involved in the preparation of the RFP Document or specifications of the Contract, and/or the Proposal evaluation process of such Contract; or (ii) would be involved in the implementation or supervision of such Contract unless the conflict stemming from such relationship has been resolved in a manner acceptable to AIFFP throughout the RFP process and execution of the Contract.
- 4.3 A firm that is a Proposer (either individually or as a JV member) shall not participate in more than one Proposal, except for permitted alternative Proposals. This includes participation as a subcontractor in other Proposals. Such participation shall result in the disqualification of all Proposals in which the firm is involved. A firm that is not an individual Proposer or a JV member in a Proposal may participate as a subcontractor in more than one Proposal.
- 4.4 A Proposer may have the nationality of any country, subject to the restrictions pursuant to ITP 4.8. A Proposer shall be deemed to have the nationality of a country if the Proposer is constituted, incorporated or registered in and operates in conformity with the provisions of the laws of that country, as evidenced by its articles of incorporation (or equivalent documents of constitution or association) and its registration documents, as the case may be. This criterion also shall apply to the determination of the nationality of proposed sub-contractors or sub-consultants for any part of the Contract including related Services.
- 4.5 A Proposer that has been sanctioned by AIFFP, pursuant to AIFFP's Anti-Corruption Guidelines, and in accordance with its prevailing sanctions policies and procedures as set forth in Section VI paragraph 2.2 d., shall be ineligible to be initially selected for, prequalified for, bid for, submit proposal for, or be awarded a AIFFP-financed contract or benefit from a AIFFP-financed contract, financially or otherwise, during such period of time as AIFFP shall have determined. The list of debarred firms and individuals is available at the electronic address specified in the PDS.

- 4.6 Proposers that are state-owned enterprises or institutions in the Employer's Country may be eligible to compete and be awarded a Contract(s) only if they can establish, in a manner acceptable to AIFFP, that they (i) are legally and financially autonomous (ii) operate under commercial law, and (iii) are not under supervision of the Employer.
 - 4.7 A Proposer shall not be under suspension from submitting Proposals by the Employer as the result of the operation of a Bid Securing Declaration or Proposal-Securing Declaration.
 - 4.8 Firms and individuals may be ineligible if so indicated in Section V and (a) as a matter of law or official regulations, the Financing Recipient's country prohibits commercial relations with that country, provided that AIFFP is satisfied that such exclusion does not preclude effective competition for the supply of goods or the contracting of works or services required; or (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Financing Recipient's country prohibits any import of goods or contracting of works or services from that country, or any payments to any country, person, or entity in that country. When the procurement is implemented across jurisdictional boundaries (and more than one country is a Financing Recipient, and is involved in the procurement), then exclusion of a firm or individual on the basis of ITP 4.8 (a) above by one country may be applied to that procurement across other countries involved, if AIFFP and the Financing Recipients involved in the procurement agree.
 - 4.9 A Proposer shall provide such documentary evidence of eligibility satisfactory to the Employer, as the Employer shall reasonably request.
 - 4.10 A firm that is under a sanction of debarment by the Financing Recipient from being awarded a contract is eligible to participate in this procurement, unless AIFFP, at the Financing Recipient's request, is satisfied that the debarment; (a) relates to fraud or corruption, and (b) followed a judicial or administrative proceeding that afforded the firm adequate due process.
- 5. Eligible Materials, Equipment, and Services**
- 5.1 The materials, equipment and services to be supplied under the Contract may have their origin in any country subject to the restrictions specified in Section V, Eligible Countries, and all expenditures under the Contract will not contravene such restrictions. At the Employer's request, Proposers may be required to provide evidence of the origin of materials, equipment and services.

B. CONTENTS OF RFP DOCUMENT

6. **Sections of RFP Document**
- 6.1 The RFP Document consists of Parts 1, 2, and 3, which include all the sections indicated below, and should be read in conjunction with any Addenda issued in accordance with **ITP 8**:
- PART 1 Request for Proposal Procedures**
- Section I - Instructions to Proposers (ITP)
 - Section II - Proposal Data Sheet (PDS)
 - Section III - Evaluation and Qualification Criteria
 - Section IV - Proposal Forms
 - Section V - Eligible Countries
 - Section VI - Fraud and Corruption
- PART 2 Employer's Requirements**
- Section VII - Employer's Requirements
- PART 3 Conditions of Contract and Contract Forms**
- Section VIII - General Conditions
 - Section IX - Particular Conditions
 - Section X - Contract Forms
- 6.2 The Specific Procurement Notice, Notice of Request for Proposals (RFP) issued by the Employer, is not part of this RFP Document.
- 6.3 Unless obtained directly from the Employer, the Employer is not responsible for the completeness of the document, responses to requests for clarification, the Minutes of the pre-Proposal meeting (if any), or Addenda to the RFP Document in accordance with **ITP 8**. In case of any contradiction, documents obtained directly from the Employer shall prevail.
- 6.4 The Proposer is expected to examine all instructions, forms, terms, and specifications in the RFP Document and to furnish with its Proposal all information or documentation as is required by the RFP Document.
7. **Clarification of RFP Document, Site Visit, Pre-Proposal Meeting**
- 7.1 A Proposer requiring any clarification of the RFP Document shall contact the Employer in writing at the Employer's address specified **in the PDS** or raise its enquiries during the pre-Proposal meeting if provided for in accordance with **ITP 7.4**. The Employer will respond to any request for clarification, provided that such request is received prior to the deadline for submission of Proposals within a period specified **in the PDS**. The Employer shall forward copies of its response to all Proposers who have

acquired the RFP Document in accordance with **ITP 6.3**, including a description of the inquiry but without identifying its source. If so specified **in the PDS**, the Employer shall also promptly publish its response at the web page identified **in the PDS**. Should the Employer deem it necessary to amend the RFP Document as a result of a request for clarification, it shall do so following the procedure under **ITP 8**.

- 7.2 The Proposer is advised to visit and examine the Site of the Works and its surroundings and obtain for itself on its own responsibility all information that may be necessary for preparing the Proposal and entering into a contract. The costs of visiting the site shall be at the Proposer's own expense.
- 7.3 The Proposer and any of its personnel or agents will be granted permission by the Employer to enter upon its premises and lands for the purpose of such visit, but only upon the express condition that the Proposer, its personnel, and agents will release and indemnify the Employer and its personnel and agents from and against all liability in respect thereof, and will be responsible for death or personal injury, loss of or damage to property, and any other loss, damage, costs, and expenses incurred as a result of the inspection.
- 7.4 The Proposer's designated representative is invited to attend a pre-Proposal meeting and/or a site visit, if provided for **in the PDS**. The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage. Nonattendance at the pre-Proposal meeting will not be a cause for disqualification of a Proposer.
- 7.5 The Proposer is requested to submit any questions in writing, to reach the Employer not later than one week before the meeting.
- 7.6 Minutes of the pre-Proposal meeting, including the text of the questions raised without identifying the source, and the responses given, together with any responses prepared after the meeting, will be transmitted promptly to all Proposers who have acquired the RFP Document in accordance with **ITP 6.3**. Any modification to the RFP Document that may become necessary as a result of the pre-Proposal meeting shall be made by the Employer exclusively through the issue of an Addendum pursuant to **ITP 8** and not through the minutes of the pre-Proposal meeting.

- 8. Amendment of RFP Document**
- 8.1 At any time prior to the deadline for submission of Proposals, the Employer may amend the RFP Document by issuing addenda.
- 8.2 Any addendum issued shall be part of the RFP Document and shall be communicated in writing to all who have obtained the RFP Document from the Employer in accordance with **ITP 6.3**.
- 8.3 To give prospective Proposers reasonable time in which to take an addendum into account in preparing their Proposals, the Employer may, at its discretion, extend the deadline for the submission of Proposals, pursuant to **ITP 23.2**.
- 9. Cost of Proposals**
- 9.1 The Proposer shall bear all costs associated with the preparation and submission of its Proposal, and the Employer will in no case be responsible or liable for those costs.
- 10. Contacting the Employer**
- 10.1 From the time of Proposal opening to the time of Contract award, if any Proposer wishes to contact the Employer on any matter related to the Proposal, it should do so in writing.
- 10.2 If a Proposer tries to directly influence the Employer or otherwise interfere in the Proposal evaluation process and the Contract award decision, its Proposal may be rejected.
- 11. Language of Proposals**
- 11.1 Unless otherwise specified **in the PDS**, the Proposal prepared by the Proposer and all correspondence and documents related to the Proposal exchanged by the Proposer and the Employer shall be written in the English Language. Any printed literature furnished by the Proposer as part of its Proposal may be in a language not specified **in the PDS**, as long as such literature is accompanied by a translation of its pertinent passages into the language of the Proposal, in which case, for purposes of interpretation of the Proposal, the translation shall govern.

C. PREPARATION OF PROPOSALS

- 12. Documents Comprising the Proposal**
- 12.1 The Proposal shall comprise two Parts, namely the Technical Part and the Financial Part. These two Parts shall be submitted electronically in two separate files (in alignment with a single-stage, two-envelope RFP process). One file shall contain only information relating to the Technical Part and the other, only information relating to the Financial Part. These two separate files shall be enclosed in one overarching file marked "Original Proposal".
- 12.2 The Technical Part submitted by the Proposer shall comprise the following:

- (a) Letter of Proposal - Technical Part, prepared in accordance with ITP 13;
 - (b) Security: Proposal Security or Proposal-Securing declaration, in accordance with ITP 19;
 - (c) Alternative Proposal - Technical Part, if permissible in accordance with ITP 14;
 - (d) Written confirmation authorizing the signatory of the Proposal to commit the Proposer, in accordance with ITP 21.1;
 - (e) Documentary evidence that the Proposer continues to be eligible and qualified to perform the contract if its Proposal is accepted;
 - (f) Method statement, equipment, personnel, and any other information as stipulated in Section IV, Proposal Forms
 - (g) Documentary evidence in accordance with ITP 18 that the Works offered by the Proposer conform to the RFP Document;
 - (h) Details of any departures in their Technical Part from the RFP documents;
 - (i) In the case of a Technical Part submitted by a JV, JV agreement, or letter of intent to enter into a JV including a draft agreement, indicating at least the parts of the Works to be executed by the respective partners;
 - (j) List of subcontractors, in accordance with ITP 18.3;
 - (k) Sexual Exploitation and Abuse (SEA), and/or Sexual Harassment (SH) Declaration using the form included in Section IV, Proposal Forms; and
 - (l) Any other document required in the PDS.
- 12.3 The Financial Part submitted by the Proposer shall comprise the following:
- (a) **Letter of Proposal - Financial Part:** prepared in accordance with ITP 13;
 - (b) **Price Schedules:** completed prepared in accordance with ITP 15 and ITP 16;
 - (c) **Alternative Proposal – Financial Part:** if permissible in accordance with ITP 14;
 - (d) **Financial Disclosure:** The Proposer shall furnish in the Letter of Proposal information on commissions and

gratuities, if any, paid or to be paid to agents or any other party relating to this Proposal; and

(e) **Other:** any other document required in the PDS.

12.4 The Technical Part shall not include any financial information related to the Proposal price. Where material financial information related to the Proposal price is contained in the Technical Part, the Proposal shall be declared non-responsive.

12.5 The Proposer shall furnish in the Letter of Proposal-Technical Part three names of the potential DAAB members and attach their curriculum vitae. The list of potential DAAB members proposed by the Employer (Contract Data 21.1) and by the Proposer (Letter of Proposal) shall be subject to AIFFP/DFAT's No-objection.

13. Letter of Proposal, and Schedules

13.1 The Proposer shall complete the Letter of Proposal – Technical Part and Letter of Proposal - Financial Part using the relevant forms furnished in Section IV, Proposal Forms. The forms must be completed without any alterations to the text, and no substitutes shall be accepted except as provided under **ITP 21.3**. All blank spaces shall be filled in with the information requested.

14. Alternative Technical Proposals

14.1 Alternative Proposal - Technical Part: the Proposer wishing to offer alternative technical Proposal shall (i) document that the proposed technical alternatives are to the benefit of the Employer, that they fulfill the principal objectives of the contract, and that they meet the basic performance and technical criteria specified in the RFP Documents; and (ii) further provide all information necessary for a complete technical evaluation of the alternative by the Employer, including as relevant drawings, design calculations, technical specifications, and proposed construction methodology and other relevant details.

14.2 Alternative Proposal - Financial Part: The Proposer submitting alternative technical Proposal shall provide all information necessary for a complete financial evaluation of the alternative by the Employer, including breakdown of prices relevant to the offered technical alternative and in the manner and detail called for in the Schedule of Rates and Prices (if any) included in Section IV – Proposal Forms.

14.3 Only the technical alternatives, if any, of the Proposer with the Most Advantageous Proposal conforming to the basic performance and technical criteria specified in the RFP Documents shall be considered by the Employer.

15. Proposal Prices

15.1 Unless otherwise **specified in the PDS**, Proposers shall quote for the entire Works on a “single responsibility” basis such that the total lump sum Proposal price, subject to any adjustments, in

accordance with the Contract, covers all the Contractor's obligations mentioned in or to be reasonably inferred from the RFP Document in respect of the design, manufacture, including procurement and subcontracting (if any), delivery, construction and completion of the Works. This includes all requirements under the Contractor's responsibilities for testing, pre-commissioning and commissioning (as applicable) of the Works and, where so required by the RFP Document, the acquisition of all permits, approvals and licenses, etc.; the operation, maintenance and training services and such other items and services as may be specified in the RFP Document, all in accordance with the requirements of the General Conditions.

- 15.2 Proposers shall give a breakdown of the prices in the manner and detail called for in the Schedule of Priced Activities and Sub-activities included in Section IV, Proposal Forms with further breakdown prices for sub activities, as appropriate. The total of the prices of the items in the Schedule of Priced Activities is the Proposer's offer to complete the works on a "single responsibility" basis. The cost of any items that the Proposer may have omitted is deemed to be included in the price of other items in the Schedule of Priced Activities and Sub-activities and will not be paid for separately by the Employer.
- 15.3 The prices shall be either fixed or adjustable as specified **in the PDS**.
- 15.4 In the case of **Fixed Price**, prices quoted by the Proposer shall be fixed during the Proposer's performance of the contract and not subject to variation on any account. A Proposal submitted with an adjustable price quotation will be treated as non-responsive and rejected.
- 15.5 In the case of **Adjustable Price**, prices quoted by the Proposer shall be subject to adjustment during performance of the contract to reflect changes in the cost elements such as labor, material, transport and Contractor's equipment in accordance with the procedures specified in the corresponding Schedule of Cost Indexation. A Proposal submitted with a fixed price quotation will not be rejected, but the price adjustment will be treated as zero. Proposers are required to indicate the source of labor and material indices in the corresponding Form in Section IV, Proposal Forms.
- 15.6 If so indicated in **ITP 1.1**, Proposals are being invited for individual lots (contracts) or for any combination of lots (packages). Proposers wishing to offer any price reduction (discount) for the award of more than one Contract shall specify in their Letter of Proposal the price reductions applicable to each package, or alternatively, to individual Contracts within the package, and the

manner in which the price reductions will apply. **However, discounts for the award of more than one contract will not be considered for proposal evaluation purpose.**

15.7 Proposers wishing to offer any unconditional discount shall specify in their Letter of Proposal the offered discounts and the manner in which price discounts will apply.

15.8 All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of Proposals, shall be included in the Proposal price submitted by the Proposer.

16. Proposal Currencies

16.1 The currency (ies) of the Proposal and the currency (ies) of payments shall be the same and shall be as specified in the PDS.

16.2 Proposers may be required by the Employer to justify, to the Employer's satisfaction, their local and foreign currency requirements, and to substantiate that the amounts included in the Schedule of Priced Activities and Sub-activities Schedules and shown in the Table of Adjustment Data in the Appendix to the Proposal are reasonable, in which case a detailed breakdown of the foreign currency requirements shall be provided by Proposers.

17. Documents Establishing the Qualification of the Proposer

17.1 In accordance with Section III, Evaluation and Qualification Criteria, to establish that the Proposer continues to meet the qualification criteria used at the time of Initial Selection, the Proposer shall provide updated information on any assessed aspect that changed from that time including on Sexual Exploitation and Abuse (SEA) / SH disqualification status.

17.2 If a margin of preference applies in accordance with ITP 39.1, domestic Proposers, individually or in joint ventures, applying for eligibility for domestic preference shall supply all information required to satisfy the criteria for eligibility specified in accordance with ITP 39.1.

17.3 Any change in the structure or formation of a Proposer after being initially selected and invited to submit Proposals (including, in the case of a JV, any change in the structure or formation of any member and any change in any Specialized Subcontractor) shall be subject to the written approval of the Employer prior to the deadline for submission of Proposals. Such approval shall be denied if (i) a Proposer proposes to associate with a disqualified Proposer or in case of a disqualified joint venture, any of its members; (ii) as a consequence of the change, the Proposer no longer substantially meets the qualification criteria set forth in the Initial Selection Documents; (iii) no longer continues to be in the list of Initially Selected Proposers as a result of the Employer's re-evaluation of

the Application in accordance with criteria specified in the Initial Selection Documents; or (iv) in the opinion of the Employer, the change may result in a substantial reduction in competition. Any such change should be submitted to the Employer not later than fourteen (14) days after the Notice of Request for Proposals.

18. Documents Establishing Conformity of the Works

- 18.1 Pursuant to **ITP 12.2 (f)**, the Proposer shall furnish, as part of its Proposal documents establishing the conformity to the RFP Documents of the Works that the Proposer proposes to design, and build under the Contract.
- 18.2 The documentary evidence of the conformity of the Works with the RFP documents may be in the form of literature, drawings and data, and shall include:
- (a) the documents specified in Section IV (Proposal Forms) - Technical Proposal;
 - (b) detailed description of the essential technical and functional/performance characteristics of the proposed Works, in response to the Employer's Requirements; and
 - (c) adequate evidence demonstrating the substantial responsiveness of the Works to the Employer's Requirements. Proposers shall note that standards for workmanship, materials and equipment designated by the Employer in the RFP Document are intended to be descriptive (establishing standards of quality and performance) only and not restrictive. The Proposer may substitute alternative standards, in its technical proposal, provided that it demonstrates to the Employer's satisfaction that the substitutions are substantially equivalent or superior to the standards designated in the Performance / Functional requirements specified by the Employer.
- 18.3 The Proposer shall be responsible for ensuring that any proposed subcontractor complies with the requirements of **ITP 4**, and that any Works to be provided by the subcontractor comply with the requirements of **ITP 5** and **ITP 18.1**. The Proposer shall submit its Code of Conduct that meets the requirements set out in Section IV-Proposal Forms.

19. Securing the Proposal

- 19.1 The Proposer shall furnish as part of its Proposal, either a Proposal-Securing Declaration or a Proposal Security as specified **in the PDS**, in original form and, in the case of a Proposal Security, in the amount and currency specified **in the PDS**.
- 19.2 A Proposal-Securing Declaration shall use the form included in Section IV, Proposal Forms.

- 19.3 If a Proposal Security is specified pursuant to **ITP 19.1**, the Proposal security shall be a demand guarantee in any of the following forms at the Proposer's option:
- (a) an unconditional guarantee issued by a bank or a non-bank financial institution (such as an insurance, bonding or surety company);
 - (b) an irrevocable letter of credit;
 - (c) a cashier's or certified check; or
 - (d) another security indicated **in the PDS**,
from a reputable source from an eligible country. If an unconditional guarantee is issued by a non-bank financial institution located outside the Employer's Country the issuing non-bank financial institution shall have a correspondent financial institution located in the Employer's Country to make it enforceable unless the Employer has agreed in writing, prior to Proposal submission, that a correspondent financial institution is not required.
- 19.4 In the case of a bank guarantee, the Proposal Security shall be submitted either using the Proposal Security Form included in Section IV, Proposal Forms or in another substantially similar format approved by the Employer prior to Proposal submission. In either case, the form must include the complete name of the Proposer. The Proposal Security shall be valid for twenty-eight days (28) beyond the original date of expiry of the Proposal validity, or beyond any extended date if requested under **ITP 20.2**.
- 19.5 If a Proposal Security or a Proposal-Securing Declaration is specified pursuant to **ITP 19.1**, any Proposal not accompanied by a substantially responsive Proposal Security or Proposal-Securing Declaration shall be rejected by the Employer as non-responsive.
- 19.6 If a Proposal Security is specified in accordance with **ITP 19.1**, the Proposal Security of the Proposers shall be returned as promptly as possible once the successful Proposer has signed the Contract, furnished the required Performance Security, and if required **in the PDS**, the Environmental and Social (ES) Performance Security.
- 19.7 The Proposal Security may be forfeited:
- (a) if a Proposer withdraws its Proposal prior to the expiry date of the Proposal validity specified by the Proposer on the Letter of Proposal or any extended date provided by the Proposer; or
 - (b) if the successful Proposer fails to:
 - (i) sign the Contract in accordance with **ITP 53**; or

(ii) furnish a Performance Security and if required **in the PDS**, the Environmental and Social (ES) Performance Security, in accordance with **ITP 54**.

19.8 The Proposal Security or the Proposal-Securing Declaration of a JV shall be in the name of the JV that submits the Proposal. If the JV has not been legally constituted into a legally enforceable JV at the time of submission of Proposals, the Proposal Security or the Proposal-Securing Declaration shall be in the names of all future members as named in the letter of intent referred to in **ITP 4.1**.

19.9 If a Proposal Security is not required **in the PDS**, and:

- (a) if a Proposer withdraws its Proposal prior to the expiry date of the Proposal validity specified by the Proposer on the Letter of Proposal or any extended date provided by the Proposer ;
or
- (b) if the successful Proposer fails to:
 - (i) sign the Contract in accordance with **ITP 53**; or
 - (ii) furnish a performance security and if required **in the PDS**, the Environmental and Social(ES) Performance Security, in accordance with **ITP 54**,

the Employer may, if provided for **in the PDS**, declare the Proposer disqualified to be awarded a contract by the Employer for a period of time as stated **in the PDS**.

20. Period of Validity of Proposals

20.1 Proposals shall remain valid until the date specified **in the PDS** or any extended date if amended by the Employer in accordance with ITP 8. A Proposal that is not valid until the date specified **in the PDS**, or any extended date if amended by the Employer in accordance with ITP 8, shall be rejected by the Employer as nonresponsive. -

20.2 In exceptional circumstances, prior to the date of expiry of the Proposal validity, the Employer may request that the Proposers extend the date of validity until a specified date. The request and the responses to the request shall be made in writing. A Proposer may refuse the request without risking execution of the Proposal-Securing Declaration or forfeiting the Proposal Security. Except as provided in **ITP 20.3**, a Proposer agreeing to the request will not be required or permitted to modify its Proposal, but will be required to ensure that the Proposal Security is extended for a correspondingly longer period, pursuant to **ITP 19.4**.

20.3 In the case of fixed price contracts, if the award is delayed by a period exceeding fifty-six (56) days beyond the date of expiry of the Proposal validity specified in accordance with ITP 20.1, the contract price will be adjusted as specified **in the PDS**. Proposal

evaluation will be based on the Proposal prices without taking into consideration the above correction.

21. Format and Signing of Proposal

- 21.1 The original and all copies of the Proposal, each consisting of the documents listed in **ITP 12**, shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized to sign on behalf of the Proposer. The authorization must be in writing as specified in the **PDS**, and included in the Proposal pursuant to **ITP 12.2(d)**. The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the Proposal where entries or amendments have been made shall be signed or initialed by the person signing the Proposal.
- 21.2 In case the Proposer is a JV, the Proposal shall be signed by an authorized representative of the JV on behalf of the JV, and so as to be legally binding on all the members as evidenced by a power of attorney signed by their legally authorized representatives.
- 21.3 The Proposal shall contain no interlineations, erasures, or overwriting, except to correct errors made by the Proposer, in which case such corrections shall be initialed by the person or persons signing the Proposal.
- 21.4 The Proposer shall furnish in the Proposal Submission Form (Section IV) information regarding commissions or gratuities, if any, paid or to be paid to agents relating to this procurement and to the execution of the Contract should the Proposer be successful.

D. SUBMISSION OF PROPOSALS

22. Submission, Sealing and Marking of Proposals

- 22.1 Unless the **PDS** states that Proposals are to be submitted electronically the following procedures shall apply.
- (a) The Proposer shall deliver the Proposal in two separate, sealed envelopes. One envelope containing the Technical Part and the other the Financial Part. These two envelopes shall be enclosed in a sealed outer envelope and clearly marked "Proposal - Original".
- (b) In addition, the Proposer shall prepare copies of the Proposal, in the number specified in the **PDS**. Copies of the Technical Part shall be placed in a separate sealed envelope marked "Copies: Technical Part". Copies of the Financial Part shall be placed in a separate sealed envelope marked "Copies: Financial Part". The Proposer shall place both of these envelopes in a separate, sealed outer envelope marked "Proposal - Copies". In the event of any discrepancy

between the original and the copies, the original shall prevail.

- (c) If alternative Proposals are permitted in accordance with **ITP 14**, the alternative Proposals shall be submitted as follows: the original of the alternative Proposal Technical Part shall be placed in a sealed envelope marked "Alternative Proposal – Technical Part" and the Financial Part shall be placed in a sealed envelope marked "Alternative Proposal – Financial Part" and these two separate sealed envelopes then enclosed within a sealed outer envelope marked "Alternative Proposal – Original", the copies of the alternative Proposal will be placed in separate sealed envelopes marked "Alternative Proposal – Copies Of Technical Part", and "Alternative Proposal – Copies Of Financial Part" and enclosed in a separate sealed outer envelope marked "Alternative Proposal - Copies"

22.2 The inner and outer envelopes shall:

- (a) bear the name and address of the Proposer;
- (b) be addressed to the Employer, at the address given **in the PDS for ITP 23.1**; and
- (c) bear the Contract(s) name, the Invitation for Proposals (RFP) title and number, as specified **in the PDS for ITP 1.1**, and the statement "Do Not Open Before [time and date]," to be completed with the time and date specified **in the PDS for ITP 19.1**.

22.3 If the outer envelope is not sealed and marked as required by **ITP 22.1** and **ITP 22.2**, the Employer will assume no responsibility for the Proposal's misplacement or premature opening.

23. Deadline for Submission of Proposals

23.1 Proposals must be received by the Employer at the address specified, and no later than the time and date specified, **in the PDS**. Proposers have the option of submitting their Proposals electronically if specified **in the PDS**.

23.2 The Employer may, at its discretion, extend the deadline for submission of Proposals by amending the RFP Documents in accordance with **ITP 8.3**, in which case all rights and obligations of the Employer and Proposers will thereafter be subject to the deadline as extended.

24. Late Proposals

24.1 The Employer shall not consider any Proposal that arrives after the deadline for submission of Proposals, in accordance with **ITP 23**. Any Proposal received by the Employer after the deadline for

submission of Proposals shall be declared late, rejected, and returned unopened to the Proposer.

25. Withdrawal, Substitution, and Modification of Proposals

25.1 A Proposer may withdraw, substitute, or modify its Proposal after it has been submitted, and before the deadline for submission of Proposals, by sending a written notice, duly signed by an authorized representative, including a copy of the authorization in accordance with **ITP 21.1**, (except that withdrawal notices do not require copies). The corresponding substitution or modification of the Proposal must accompany the respective written notice. All notices must be:

- (a) prepared and submitted in accordance with **ITP 21** and **ITP 22** (except that withdrawals notices do not require copies), and in addition, the respective envelopes shall be clearly marked , (“Technical Part” and/or “Financial Part”)” “Modification (“Technical Part” and/or “Financial Part”),” and
- (b) received by the Employer prior to the deadline prescribed for submission of Proposals, in accordance with **ITP 23**.

E. OPENING OF TECHNICAL PARTS OF PROPOSALS

26. Opening of Technical Part by Employer

26.1 Except as in the cases specified in **ITP 24** and **ITP 25**, the Employer shall conduct the Technical part opening in public, in the presence of Proposers’ designated representatives and anyone who chooses to attend, and at the address, date and time specified **in the PDS**. Any specific electronic Proposal opening procedures, if permitted, shall be as specified **in the PDS**.

26.2 First, the written notice of withdrawal in the envelopes marked “Withdrawal” shall be opened and read out and the envelope with the corresponding Proposal shall not be opened, but returned to the Proposer. No Proposal withdrawal shall be permitted unless the corresponding withdrawal notice contains a valid authorization to request the withdrawal and is read out at Proposal opening.

26.3 Next, envelopes marked “Substitution” shall be opened and read out and exchanged with the corresponding Technical Part being substituted, and the substituted Proposal shall not be opened, but returned to the Proposer. No Proposal substitution shall be permitted unless the corresponding substitution notice contains a valid authorization to request the substitution and is read out at Proposal opening.

26.4 Next, envelopes marked “Modification” shall be opened and read out with the corresponding Proposal. No Proposal modification shall be permitted unless the corresponding modification notice

contains a valid authorization to request the modification and is read out at Proposal opening.

- 26.5 Next, all other envelopes marked "Technical Part" shall be opened one at a time. All envelopes marked "Financial Part" shall remain sealed, and kept by the Employer in safe custody until they are opened, at a later public opening, following the evaluation of the Technical Part of the Proposals. On opening the Technical Part envelopes, the Employer shall read out: the name of the Proposer and whether there is a modification; the presence or absence of a Proposal security or a Proposal-Securing Declaration; and other details as the Employer, at its discretion, may consider appropriate.
- 26.6 Only Technical Parts of Proposals and Alternative Proposal - Technical Parts that are opened and read out at Proposal opening shall be considered further. At the Proposal opening the Employer shall neither discuss the merits of any Proposal nor reject any Proposal (except for late Proposals, in accordance with **ITP 24.1**).
- 26.7 The Employer shall prepare a record of the Technical Parts of public opening that shall include, as a minimum: the name of the Proposer and whether there is a withdrawal, substitution, or modification. The Proposers' representatives who are present shall be requested to sign the record. The omission of a Proposer's signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Proposers who submitted Proposals in time, and posted online when electronic procurement is permitted.

F. EVALUATION OF PROPOSALS – GENERAL PROVISIONS

- 27. Confidentiality** 27.1 Information relating to the evaluation of the Technical Part shall not be disclosed to Proposers or any other persons not officially concerned with the RFP process until the notification of evaluation of the Technical Part in accordance with **ITP 33**.
- 27.2 Information relating to the evaluation of the Financial Part and recommendation of contract award, shall not be disclosed to Proposers or any other persons not officially concerned with the RFP process until the Notification of Intention to Award the Contract is transmitted to all Proposers in accordance with **ITP 49**.
- 27.3 Any effort by a Proposer to influence the Employer in the evaluation of the Proposals may result in the rejection of its Proposal.
- 27.4 Notwithstanding **ITP 27.1** and **ITP 27.2**, from the time of Proposal opening to the time of Contract award, if any Proposer

wishes to contact the Employer on any matter related to the RFP process, it should do so in writing.

- 28. Clarification of Proposals**
- 28.1 To assist in the examination, evaluation, and comparison of the Proposals, and qualification of the Proposers, the Employer may, at its discretion, ask any Proposer for a clarification of its Proposal. Any clarification submitted by a Proposer that is not in response to a request by the Employer shall not be considered. The Employer's request for clarification and the response shall be in writing.
- 28.2 If a Proposer does not provide clarifications of its Proposal by the date and time set in the Employer's request for clarification, its Proposal may be rejected.
- 29. Deviations, Reservations, and Omissions**
- 29.1 During the evaluation of Proposals, the following definitions apply:
- (a) "Deviation" is a departure from the requirements specified in the RFP document;
 - (b) "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the RFP document; and
 - (c) "Omission" is the failure to submit part or all of the information or documentation required in the RFP document.

G. EVALUATION OF TECHNICAL PARTS OF PROPOSALS

- 30. Determination of Responsiveness of Technical Parts**
- 30.1 The Employer will examine the Technical Parts, including any alternatives submitted by Proposers, to determine whether they are complete, have been properly signed, and are generally in order.
- 30.2 The Employer's determination of a Technical Part's substantial responsiveness is to be based on the contents of the Proposal itself. For purposes of this determination, a substantially responsive Proposal is one that materially conforms to the requirements of the RFP Document without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that:
- (a) if accepted, would:
 - (i) affect in any substantial way the scope, quality, or performance of the Works specified in the Contract; or
 - (ii) limit in any substantial way, inconsistent with the RFP Document, the Employer's rights or the Proposer's obligations under the proposed Contract; or

- (b) if rectified, would unfairly affect the competitive position of other Proposers presenting substantially responsive Proposals.
- 30.3 Provided that a Technical Part is substantially responsive, the Employer may waive any nonmaterial nonconformity in the Proposal.
- 30.4 Provided that a Proposal is substantially responsive, the Employer may request that the Proposer submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities in the Proposal related to documentation requirements...
- 31. Evaluation of Technical Proposals**
- 31.1 The Employer's evaluation of technical proposals will be carried out as specified in Section III, Evaluation and Qualification Criteria.
- 31.2 The scores to be given to technical factors and sub factors are specified **in the PDS**.
- 32. Evaluation of Proposer's Qualification**
- 32.1 The Employer shall determine to its satisfaction that, on the basis of updated documentary evidence submitted in accordance with **ITP 12.2 (e)**, and Section III- Evaluation and Qualification Criteria, the Proposer continues to be qualified to satisfactorily perform the Contract.
- 32.2 Prior to Contract award, the Employer will verify that the successful Proposer (including each member of a JV) is not disqualified by AIFFP due to noncompliance with contractual SEA/SH prevention and response obligations. The Employer will conduct the same verification for each subcontractor proposed by the successful Proposer. If any proposed subcontractor does not meet the requirement, the Employer will require the Proposer to propose a replacement subcontractor.
- 32.3 Only Proposals that are both substantially responsive to the RFP document and are qualified shall have their envelopes marked "FINANCIAL PART" opened at the second public opening.
- 33. Notification of evaluation of Technical Parts**
- 33.1 Following the completion of the evaluation of the Technical Parts of Proposals, the Employer shall make the following notifications:
- (a) Notify in writing those Proposers whose Proposals were considered substantially non-responsive to the requirements in the RFP, advising them of the following information:
- (i) the grounds on which their Technical Part has been considered to be non-responsive;

- (ii) their envelope marked "Financial Part" will be returned to them unopened after the completion of the Proposal evaluation process and the signing of the Contract;
- (b) simultaneously, notify in writing those Proposers whose Proposals were considered substantially responsive to the requirements in the RFP, advising them that their Proposal has been evaluated as substantially responsive to the RFP; and
- (c) notify all Proposers in accordance with the one of following two options:
 - (i) Option 1: when **BAFO or negotiations is not to be applied**, the date, time and location of the public opening of the envelopes marked 'Financial Part', or;
 - (ii) Option 2: when BAFO or negotiations apply as specified in the PDS ITP 44 and ITP 46 respectively, that: (i) the envelopes marked 'Financial Part' will not be opened in public, but in the presence of a Probity Assurance Provider (Probity Auditor) appointed by the Employer, and that (ii) the announcement of the names of the Proposers whose Financial Parts will be opened and the total Proposal prices will be deferred to the time that the Notification of Intention to Award the contract is issued.

H. OPENING OF FINANCIAL PARTS

- 34. Public Opening of Financial Parts when BAFO or negotiations do not apply**
- 34.1 When BAFO or negotiations do not apply as specified in the PDS, the Financial Parts will be opened in public by the Employer in the presence of Proposers, or their designated representatives, and anyone else who chooses to attend. Each envelope marked "Financial Part" shall be inspected to confirm that it has remained sealed and unopened. These envelopes shall then be opened by the Employer. The Employer shall read out the names of each Proposer, the technical score, the total Proposal prices, per lot (contract) if applicable, including any discounts, the presence or absence of a Proposal Security or Proposal-Securing Declaration, if required and any other details as the Employer may consider appropriate. Only discounts read out at the public opening shall be considered for evaluation. The Letter of Proposal - Financial Part and the Price Schedules are to be initialed by representatives

of the Employer attending the public opening in the manner specified in the PDS.

34.2 The Employer shall prepare a record of the Financial Part of the Proposal opening that shall include, as a minimum:

- (a) the name of the Proposers whose Financial Part was opened;
- (b) the Proposal prices, per lot (contract) if applicable, including any discounts.

34.3 The Proposers whose envelopes marked "Financial Part" have been opened, or their representatives who are present, shall be requested to sign the record. The omission of a Proposer's signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Proposers.

**35. Opening of
Financial Parts
when BAFO or
negotiations
apply**

35.1 When, as specified in the PDS, BAFO or negotiations apply the Financial Parts will not be opened in public, and will be opened in the presence of a Probity Assurance Provider appointed by the Employer.

35.2 At the opening each of the envelopes marked "Financial Part" shall be inspected to confirm that they have remained sealed and unopened. These envelopes shall then be opened by the Employer. The Employer shall record the names of each Proposer, and the total Proposal prices and any other details as the Employer may consider appropriate. The Letter of Proposal - Financial Part and the Price Schedules are to be initialed by representatives of the Employer attending the public opening and by the Probity Assurance Provider.

35.3 The Employer shall prepare a record of the opening of the Financial Part envelopes that shall include, as a minimum:

- (a) the name of the Proposers whose Financial Part was opened;
- (b) the Proposal prices including any discounts. And
- (c) the Probity Assurance Provider's report of the opening of the Financial Part.

35.4 The Probity Assurance Provider shall sign the record. The contents of the envelopes marked 'Financial Part' and the record of the opening shall be kept in safe custody by the Employer and not disclosed to anyone until the time of the transmission of the Notification of Intention to Award the contract.

I. EVALUATION OF FINANCIAL PART

- 36. Nonmaterial Nonconformities**
- 36.1 Provided that a Proposal is substantially responsive, the Employer shall rectify quantifiable nonmaterial nonconformities related to the Proposal Price. To this effect, the Proposal Price shall be adjusted, for comparison purposes only, to reflect the price of a missing or non-conforming item or component by adding the average price of the item or component quoted by substantially responsive Proposers. If the price of the item or component cannot be derived from the price of other substantially responsive Proposers, the Employer shall use its best estimate.
- 37. Arithmetic Correction**
- 37.1 The Employer shall correct arithmetical errors on the following basis:
- (a) **Schedule of Priced Sub-activities:** where there are errors between the total of the amounts given under the column for Sub-activity Price and the amount given under the total for the Sub-activity, the former shall prevail and the latter will be corrected accordingly;
 - (b) **Schedule of Priced Activities:** where there are errors between the total of the amounts given under the column for the Activity Price and the amount given under the total price of Activities, the former shall prevail and the latter will be corrected accordingly;
 - (c) where there are errors between the total of the amounts in the Schedule of **Priced Sub-activities** and the corresponding amount in the Schedule of **Priced Activities**, the former shall prevail and the latter will be corrected accordingly;
 - (d) **Grand Summary:** where there are errors between the total price of Activities in the Schedule of **Priced Activities** and the amount given in **Grand Summary**, the former shall prevail and the latter will be corrected accordingly; and
 - (e) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) to (d) above.
- 37.2 A Proposer shall be requested to accept the correction of arithmetical errors. Failure to accept the correction in accordance with ITP 37.1 shall result in the rejection of the Proposal.

- 38. Conversion to Single Currency** 38.1 For evaluation and comparison purposes, the currency (ies) of the Proposal shall be converted into a single currency as specified **in the PDS.**
- 39. Margin of Preference** 39.1 Unless otherwise specified **in the PDS**, a margin of preference for domestic Proposers¹ shall not apply.
- 40. Evaluation Process Financial Parts** 40.1 To evaluate each Proposal's Financial Part, the Employer shall consider the following:
- (a) the Proposal price, excluding provisional sums and the provision, if any, for contingencies in the Schedule of Priced Activities, but including Daywork items, where priced competitively;
 - (b) price adjustment for correction of arithmetic errors in accordance with **ITP 37.1**;
 - (c) price adjustment due to discounts offered in accordance with **ITP 15.7**;
 - (d) price adjustment due to quantifiable nonmaterial nonconformities in accordance with **ITP 36.1**;
 - (e) converting the amount resulting from applying (a) to (c) above, if relevant, to a single currency in accordance with **ITP 38.1**; and
 - (f) any additional evaluation factors indicated **in the PDS** and detailed in Section III, Evaluation and Qualification Criteria.
- 40.2 If price adjustment is allowed in accordance with **ITP 15.5**, the estimated effect of the price adjustment provisions of the Conditions of Contract, applied over the period of execution of the Contract, shall not be taken into account in Proposal evaluation.
- 40.3 If this RFP allows Proposers to quote separate prices for different lots (contracts), each lot will be evaluated separately to determine the Most Advantageous Proposal using the methodology specified in Section III, Evaluation and Qualification Criteria. **Discounts that are conditional on the award of more than one lot, or slice shall not be considered for proposal evaluation.**

¹ An individual firm is considered a domestic Proposer for purposes of the margin of preference if it is registered in the country of the Employer, has more than 50 percent ownership by nationals of the country of the Employer, and if it does not subcontract more than 10 percent of the contract price, excluding provisional sums, to foreign contractors. JVs are considered as domestic Proposer and eligible for domestic preference only if the individual member firms are registered in the country of the Employer or have more than 50 percent ownership by nationals of the country of the Employer, and the JV shall be registered in the country of the Borrower. The JV shall not subcontract more than 10 percent of the contract price, excluding provisional sums, to foreign firms. JVs between foreign and national firms will not be eligible for domestic preference.

- 41. Abnormally Low Proposals**
- 41.1 An Abnormally Low Proposal is one where the Proposal price, in combination with other elements of the Proposal, appears so low that it raises material concerns as to the capability of the Proposer to perform the Contract for the offered Proposal Price.
- 41.2 In the event of identification of a potentially Abnormally Low Proposal, the Employer shall seek written clarifications from the Proposer, including detailed price analyses of its Proposal price in relation to the subject matter of the contract, scope, proposed methodology, schedule, allocation of risks and responsibilities and any other requirements of the RFP Document.
- 41.3 After evaluation of the price analyses, in the event that the Employer determines that the Proposer has failed to demonstrate its capability to perform the Contract for the offered Proposal Price, the Employer shall reject the Proposal.
- 42. Unbalanced or Front Loaded Proposals**
- 42.1 If the Proposal that is evaluated as the lowest evaluated cost is, in the Employer's opinion, seriously unbalanced or front loaded the Employer may require the Proposer to provide written clarifications. Clarifications may include detailed price analyses to demonstrate the consistency of the Proposal prices with the scope of the Works, proposed methodology, schedule and any other requirements of the RFP Document.
- 42.2 After the evaluation of the information and detailed price analyses presented by the Proposer, the Employer may:
- (a) accept the Proposal, or
 - (b) if appropriate, require that the total amount of the Performance Security be increased, at the expense of the Proposer, to a level not exceeding twenty percent (20%) of the Contract Price; or
 - (c) reject the Proposal.

J. EVALUATION OF COMBINED TECHNICAL AND FINANCIAL PART

- 43. Evaluation of Combined Technical and Financial Proposals**
- 43.1 The Employer's evaluation of responsive Proposals will take into account technical factors, in addition to cost factors in accordance with Section III Evaluation and Qualification Criteria. The weight to be assigned for the Technical factors and cost is specified in the PDS. The Employer will rank the proposals based on the evaluated proposal score (B).
- 44. Best and Final Offer (BAFO)**
- 44.1 After completion of the combined technical and financial evaluation of proposals, if **specified in the PDS**, the Employer may invite those Proposers to submit their BAFOs. The procedure for

submitting BAFOs will be **specified in the PDS**. BAFO is a final opportunity for Proposers to improve their Proposals without changing the specified business function and performance requirements in accordance with the RFP Document. Proposers are not obliged to submit a BAFO. Where BAFO is used there will be no negotiation after BAFO.

- 44.2 BAFO will apply a two envelope procurement process. The submission of BAFOs, opening of the Technical Parts and Financial Parts and the evaluation of Proposals will follow the procedures described for the Technical, Financial and Combined evaluation above, as appropriate.
- 45. Most Advantageous Proposal (MAP)**
- 45.1 The Most Advantageous Proposal is the Proposal of the Proposer that meets the Qualification Criteria, and whose Proposal has been determined to be:
- (a) substantially responsive to the RFP; and
 - (b) the best evaluated Proposal i.e. the highest scoring Proposal, in the combined technical and financial evaluation.
- 46. Negotiations**
- 46.1 If specified **in the PDS**, the Employer may conduct negotiations following the evaluation of Proposals and before the final contract award. The procedure of the negotiations will be **specified in the PDS**.
- 46.2 Negotiations shall be held in the presence of Probity Assurance Provider appointed by the Employer.
- 46.3 Negotiations may address any aspect of the contract so long as they do not change the specified business function and performance requirements.
- 46.4 The Employer may negotiate first with the Proposer that has the Most Advantageous Proposal. If the negotiations are unsuccessful the Employer may negotiate with the Proposer that has the next best Most Advantageous Proposal, and so on down the list until a successful negotiated outcome is achieved.
- 47. Employer's Right to Accept Any Proposal, and to Reject Any or All Proposals**
- 47.1 The Employer reserves the right to accept or reject any Proposal, and to annul the RFP process and reject all Proposals at any time prior to contract award, without thereby incurring any liability to Proposers. In case of annulment, all Proposals submitted and specifically, Proposal securities shall be promptly returned to the Proposers.
- 48. Standstill Period**
- 48.1 The Contract shall not be awarded earlier than the expiry of the Standstill Period. The Standstill Period shall be ten (10) Business Days unless extended in accordance with **ITP 52**. The Standstill

Period commences the day after the date the Employer has transmitted to each Proposer (that has not already been notified that it has been unsuccessful) the Notification of Intention to Award the Contract. Where only one Proposal is submitted, or if this contract is in response to an emergency situation recognized by AIFFP, the Standstill Period shall not apply.

- 49. Notification of Intention to Award**
- 49.1 The Employer shall send to each Proposer (that has not already been notified that it has been unsuccessful) the Notification of Intention to Award the Contract to the successful Proposer. The Notification of Intention to Award shall contain, at a minimum, the following information:
- (a) the name and address of the Proposer submitting the successful Proposal;
 - (b) the Contract price of the successful Proposal;
 - (c) the total combined score of the successful Proposal;
 - (d) the names of all Proposers who submitted Proposals, and their Proposal prices as readout and as evaluated prices and technical score;
 - (e) a statement of the reason(s) the Proposal (of the unsuccessful Proposer to whom the notice is addressed) was unsuccessful;
 - (f) the expiry date of the Standstill Period; and
 - (g) instructions on how to request a debriefing or submit a complaint during the standstill period;

K. AWARD OF CONTRACT

- 50. Award Criteria**
- 50.1 Subject to **ITP 47.1**, the Employer shall award the Contract to the Proposer with the Most Advantageous Proposal, provided that the Proposer is determined to be eligible and qualified to perform the Contract satisfactorily.
- 51. Notification of Award**
- 51.1 Prior to the date of expiry of the Proposal validity, and upon expiry of the Standstill Period, specified in **ITP 48.1** or any extension thereof, and upon satisfactorily addressing any complaint that has been filed within the Standstill Period, the Employer shall notify the successful Proposer, in writing, that its Proposal has been accepted. The notification of award (hereinafter and in the Conditions of Contract and Contract Forms called the "Letter of Acceptance") shall specify the sum that the Employer will pay the Contractor in consideration of the execution of the Contract (hereinafter and in the Conditions of Contract and Contract Forms called "the Contract Price").

- 51.2 Within ten (10) Business days from the transmission of the Letter of Acceptance, the Employer shall publish the Contract Award Notice which shall contain, at a minimum, the following information:
- (a) name and address of the Employer;
 - (b) name and reference number of the contract being awarded, and the selection method used;
 - (c) names of all Proposers that submitted Proposals, and their Proposal prices as read out at Proposal opening, and as evaluated;
 - (d) name of Proposers whose Proposals were rejected and the reasons for their rejection;
 - (e) the name of the successful Proposer, the final total contract price, the contract duration and a summary of its scope; and
 - (f) successful Proposer's Beneficial Ownership Disclosure Form, if specified in **PDS ITP 53.1**.
- 51.3 The Contract Award Notice shall be published on the Employer's website with free access if available, or in at least one newspaper of national circulation in the Employer's Country, or in the official gazette. The Employer shall also publish the contract award notice in UNDB online.
- 51.4 Until a formal contract is prepared and executed, the Letter of Acceptance shall constitute a binding Contract.

52. Debriefing by the Employer

- 52.1 On receipt of the Financing Recipient's Notification of Intention to Award referred to in **ITP 49**, an unsuccessful Proposer has three (3) Business Days to make a written request to the Employer for a debriefing. The Employer shall provide a debriefing to all unsuccessful Proposers whose request is received within this deadline.
- 52.2 Where a request for debriefing is received within the deadline, the Employer shall provide a debriefing within five (5) Business Days, unless the Employer decides, for justifiable reasons, to provide the debriefing outside this timeframe. In that case, the standstill period shall automatically be extended until five (5) Business Days after such debriefing is provided. If more than one debriefing is so delayed, the standstill period shall not end earlier than five (5) Business Days after the last debriefing takes place. The Employer shall promptly inform, by the quickest means available, all Proposers of the extended standstill period.
- 52.3 Where a request for debriefing is received by the Employer later than the three (3)-Business Day deadline, the Employer should provide the debriefing as soon as practicable, and normally no later

than fifteen (15) Business Days from the date of publication of Public Notice of Award of contract. Requests for debriefing received outside the three (3)-day deadline shall not lead to extension of the standstill period.

52.4 Debriefings of unsuccessful Proposers may be done in writing or verbally. The Proposer shall bear their own costs of attending such a debriefing meeting.

53. Signing of Contract

53.1 The Employer shall send to the successful Proposer the Letter of Acceptance including the Contract Agreement, and, if specified in the PDS, a request to submit the Beneficial Ownership Disclosure Form providing additional information on its beneficial ownership. The Beneficial Ownership Disclosure Form, if so requested, shall be submitted within eight (8) Business Days of receiving this request.

53.2 The successful Proposer shall sign, date and return to the Employer, the Contract Agreement within twenty-eight (28) days of its receipt.

54. Performance Security

54.1 Within twenty-eight (28) days of the receipt of the Letter of Acceptance from the Employer, the successful Proposer shall furnish the Performance Security and if required in the PDS, the Environmental and Social (ES) Performance Security, in accordance with the General Conditions, subject to ITP 42.2 (b), using the Performance Security and ES Performance Security Forms included in Section X, Contract Forms, or another form acceptable to the Employer. If the performance security furnished by the successful Proposer is in the form of a bond, it shall be issued by a bonding or insurance company that has been determined by the successful Proposer to be acceptable to the Employer. A foreign institution providing a bond shall have a correspondent financial institution located in the Employer's Country, unless the Employer has agreed in writing that a correspondent financial institution is not required.

54.2 Failure of the successful Proposer to submit the above-mentioned Performance Security and if required in the PDS, the Environmental and Social (ES) Performance Security, or sign the Contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the Proposal security. In that event the Employer may award the Contract to the next lowest evaluated Proposer whose offer is substantially responsive and is determined by the Employer to be qualified to perform the Contract satisfactorily.

**55. Procurement
Related
Complaint**

55.1 The procedures for making a Procurement-related Complaint are as specified **in the PDS**.