



Program Management and Implementation Unit

Sindh Basic Education Program

Procurement

Policies and procedure manual

Code	PMIU_PPM_003
Version	1.0.0
Custodian	Program Manager Support Services (PM – SS)

Contents

Acronyms.....	6
1. The Manual.....	7
1.1. Scope, Purpose and Objective	7
1.2. Responsibility and Authority.....	8
1.3. Approval, Revisions and Updates in the Manual	8
2. Document Approvals.....	8
3. Revision History	9
4. Introduction.....	9
4.1. Objective of the program.....	9
4.2. Components of the program	9
4.3. Program Steering Committee (PSC)	10
A. Members of the PSC include.....	10
B. Terms of reference of the PSC.....	10
4.4. Program Management and Implementation Unit (PMIU)	10
A. Terms of Reference / Functions of PMIU	11
B. Organogram	12
C. Procurement Section at PMIU.....	13
5. Definitions	13
6. Procurement Policy and Principles.....	18
6.1. General Principles.....	18
A. Conflict with International and Inter-Governmental Agreements.....	18
B. Language	18
C. Confidentiality.....	18
D. Bar on negotiations	18
E. Discriminatory and difficult conditions	18
F. Payments on account of contracts	18
6.2. Principles of hiring of consultants	19
A. Fair Selection of Consultancy Services.....	19
B. Bar on hiring in cases of Conflict of Interests	19
C. Hiring of Government Officials and Academics.....	19
D. Equal Access to Information.....	19
E. Rights and obligations of the PMIU and consultants	19
F. Association or Consortium between Consultants	19
G. Intellectual Property Rights.....	20
H. Extent of Contract Negotiation	20

I.	Professional Liability of Consultants	20
7.	Persons affected.....	20
8.	Responsibilities	21
9.	Constitution of Procurement Committees.....	22
9.1.	Committee for Works, Goods and Support Services	22
9.2.	Focal Person	22
9.3.	Proceedings of Committee	22
A.	Meetings	22
B.	Proceedings.....	22
10.	Procurement Planning	24
10.1.	Fundamentals of the Procurement Planning	24
10.2.	Planning Activities	25
10.4.	Review and Update.....	26
11.	Procurement Procedures	28
11.1.	Methods of Procurement.....	29
I.	Opening Competitive Bidding	29
II.	Procurement through prequalified Bidders	30
III.	Request for Quotations	31
IV.	Direct Contracting	33
V.	Force Account	36
VI.	Petty Purchases.....	36
VII.	Repeat Orders.....	36
11.2.	Procurement of works through bidding	39
A.	Preparation of Bidding Documents	39
B.	Advertisement and Publication of NIT.....	42
C.	Receiving and Submission of bids	46
D.	Modification, withdrawal, or substitution of bids	48
E.	Cancellation of bids	48
F.	Bid Evaluation.....	49
G.	Preparation of comparative Statement	58
H.	Announcement of Evaluation Report	59
I.	Acceptance of bids and award of contract of procurement contracts.....	59
11.3.	Procurement of goods through bidding	61
A.	Preparation of Bidding Documents	61
B.	Advertisement and Publication of NIT.....	63
i.	Reissuance of Tender Notice in case of modification of bidding	66
ii.	Pre bid meeting for clarification and modification of bidding documents.....	66
C.	Receiving and Submission of bids	66

D.	Cancellation of bids	67
E.	Bid Evaluation	68
F.	Acceptance of bids and award of contract of procurement contracts	72
11.4.	Pre-qualification	73
A.	Pre-qualification in case of procurement of goods	73
B.	Pre-qualification of contractors / suppliers in case of procurement of works	75
11.5.	Procurement of Consultancy services	83
A.	Selection Committee	83
B.	Proceedings of Selection Committee	83
C.	Methods of selection of Consultants	83
D.	Steps in Selection Process	85
E.	Pre-Procurement Activities	86
F.	Procurement Activities	87
11.6.	Redressal of Grievances and Settlement of Disputes	91
A.	Constitution of committee	91
B.	The Composition of Committee	91
C.	Complaint	91
D.	Proceedings & Decisions	91
E.	Appeal	92
11.7.	Arbitration	93
12.	Annexures	94
13.	Checklists	127
13.1.	SPPRA Checklist	127
A.	Identifying the need – Is the purchase necessary?	127
B.	WRITING THE SPECIFICATION	127
C.	ESTIMATING COST	128
D.	SECURING APPROVALS AND FUNDING	128
E.	DETERMINING THE BEST PROCUREMENT STRATEGY	128
F.	DECIDING ON THE TENDERING PROCEDURE THAT SHOULD BE FOLLOWED	128
G.	PREPARING Notice Inviting Tender (NIT)	128
H.	ALLOWING SUFFICIENT TIME FOR SUBMISSION OF TENDERS	129
I.	ISSUING TENDER DOCUMENTS, SUPPORTING DOCUMENTS AND CLARIFICATIONS WITHOUT DELAY	129
J.	RECEIPTING AND OPENING TENDERS	129
K.	EVALUATING TENDERS	129
L.	AWARDING THE CONTRACT	130
M.	MANAGING THE CONTRACT	130
13.2.	Procurement Process	131

A.	NIT preparation to bid submission	132
B.	Checklists – EOI / PRE-QUALIFICATION SUBMISSION	136
C.	COMPLAINT REDRESSAL MECHANISM	137
D.	CHECKLIST – CONTRACT EVALUATION REPORT	138
14.	Mandatory references.....	140
a.	Legal framework.....	140
i.	Laws.....	140
ii.	Rules	140
iii.	Regulations	142
iv.	Policy guidelines.....	143
v.	Manual.....	143
b.	Administrative instructions.....	143
i.	Circulars.....	143
ii.	Notifications	143
15.	Effective Date.....	143

Acronyms

APP	Annual Procurement Plan
BDS	Bio Data Sheet
BER	Bid Evaluation Report
BOQ	Bill of Quantity
CSR	Composite Schedule of Rates
DPD	Deputy Program Director
EOI	Expression of Interest
GCC	General Conditions of Contract
GOP	Government of Pakistan
GOS	Government of Sindh
INCB	International Competitive Bidding
ITB	Instruction to Bidder
ITC	Information to Consultant
JDs	Job Descriptions
JV	Joint Venture
LOA	Letter of Acceptance
LOI	Letter of Invitation
M&E	Monitoring and Evaluation
MIS	Management Information System
NCB	National Competitive Bidding
NIT	Notice Inviting Tender
PA	Procuring Agency
PD	Program Director, PMIU SBEP
P&DB	Planning & Development Board, GoS
PEC	Pakistan Engineering Council
PM	Program Manager
PMIU	Program Management and Implementation Unit
PSC	Program Steering Committee
RFP	Request For Proposal
SBEP	Sindh Basic Education Program
SELD	School Education & Literacy Department
SMP	Senior Manager Procurement
SOPs	Standard Operating Procedures
SPN	Specific Procurement Notice
SPPRA	Sindh Public Procurement Regulatory Authority
SPPRR, 2010	Sindh Public Procurement Rules, 2010
SCC	Special Conditions of Contract
SMO	Senior Manager Procurement
TORs	Terms of Reference
USAID	United States Agency for International Development

1. The Manual

The PMIU is mandated to procure goods / services / works for the implementation of the Sindh Basic Education Program (SBEP / the Program). This Procurement Manual therefore establishes policies and procedures for the all major and minor procurement of goods, services and works undertaken by PMIU under GoS and USAID-funded SBEP, following Sindh Public Procurement Rules, 2010. Accordingly, the purpose of this manual is to provide guidance common to all categories of procurement and also to distinctly encapsulate specific requirements for each category.

1.1. Scope, Purpose and Objective

Sindh Basic Education Program is managed through a Program Management and Implementation Unit (PMIU) as provided in the approved PC-I of the Program. This Manual will ensure implementation of the SBEP in a systematic, transparent and accountable manner. The processes and procedure laid in this Manual focus on the PMIU and related implementing partners in the Provincial Government.

The purpose of this Manual is to provide required assistance and guidelines in the management of Procurement and outline the policies and procedures laid down by the authorities of this program and the Government. This manual also provides a step-by-step guidelines to procurement officials of PMIU-SBEP, engineers, contractors, and their respective advisors to understand general policies and procedures concerning the procurement of works, goods, related services thereof (such as transportation, insurance, installation, commissioning, training, initial maintenance, piling, mapping and other operations) and consultancy services.

It is to serve as a code of conduct as well as determinate the role of actors involved in this program. The manual has been designed in compliance with the laws, rules, guidelines and policies governing the program and procurement management of the provincial Government. This manual will serve as a guide and on-going reference to streamline the day to day working and monitoring and tracking the procurement activities of the program.

The basic objective of procurement manual is to ensure compliance with all the provisions of procurement requirements of the Sindh Basic Education Program in accordance with Sindh Public Procurement Rules (SPPR) 2010. However Rule 5 of SPPR, 2010 allows for additional compliance by stating that "Wherever these regulations are inconsistent with, or in conflict with, any obligation or commitment of the Government of Sindh arising out of an international treaty or an agreement with a foreign country or countries, or any international financial institution, the provisions of such international treaty or agreement shall override the provisions of these rules.

To ensure that the procurement is in line with the agreed procedures and guidelines as specified in the program documents, this manual:

- i. provides equal opportunity to all interested bidders to compete in the procurement process;
- ii. ensures transparency and fairness in the process;
- iii. avoids cost and time over run; and
- iv. ensures best value for money.

It will serve as the Standard Operating Procedure (SOP) in relation to comprehensive reference of policies, procedures and general information concerning the operations of the Program Management and Implementation Unit (PMIU) of Sindh Basic Education Program.

1.2. Responsibility and Authority

This manual is the property of the PMIU Government of Sindh. The Senior Manager Procurement Head of the Procurement Section in the PMIU of the Program is responsible for safeguarding and implementation of the Procurement Manual under the supervision of Program Manager Support Services (PM – SS) who is responsible to maintain and keep the manual up-dated as and when required.

1.3. Approval, Revisions and Updates in the Manual

Program Steering Committee is the forum for approval of this Manual and any subsequent changes made in this Manual.

The policies and procedures contained in this Manual are subject to modification. The PMIU is responsible for any revisions, deletions and additions in the manual, in accordance with the required needs. Any changes / revisions in the manual is given in Section 14 of this Manual.

The updates are to be communicated to the users via official e-mail or otherwise as well. Upon receipt of new or revised information, the user can print and insert the replacement pages with the superseded pages. New or revised policies and procedures become effective when issued unless otherwise specified.

2. Document Approvals

Name and Designation	Ref to the section where change is required	Suggested Changes	Signature and Date	Comments of Sectional head	Approval of PD

3. Revision History

Date	Revision no.	Change	Reference sections
			-

4. Introduction

Under Kerry-Logger Bill, the Government of US has committed to work with GoP /GoS to improve the education sector in the areas affected by the floods / torrential rains, in Sindh in year 2010. Considering the damages to the schools in the various districts and in the selected towns of the Karachi, the USAID committed to provide an aid of US \$81 million for construction of new and bigger schools for enhancing accessibility and quality of the education for the poor / marginalized communities in those areas.

For this purpose both governments have signed an Activity Agreement for execution of the program through a well-established Program Management Implementation Unit (PMIU) to be funded through GoS counterpart fund.

4.1. Objective of the program

Through a partnership between USAID and the Government of Sindh (GoS), SBEP is aimed to achieve "increased and sustained student enrollment in primary, middle and secondary schools and provide improved infrastructure in specified geographical locations in Sindh". The objective of the PMIU is to manage and implement the program and monitor the construction of schools in the eight programmed districts specified below that were severely affected by the floods during 2010 in the Sindh Province:

- Jacobabad
- Shahdadkot @ Kamber
- Karachi (Selected towns i.e. Kemari, Orangi, Gadap, Bin Qasim)
- Kashmore @ Kandhkot
- Larkana
- Sukkur
- Khairpur
- Dadu

4.2. Components of the program

- Construction of schools affected by 2010 floods;
- Support to Government of Sindh (GOS) Policy Reforms to merge, consolidate and upgrade schools through construction of schools;
- Improvement in early grade reading in primary schools;
- Community mobilization with a focus on increasing girls enrolment and improving nutritional status of children;
- Technical assistance to the SELD.
- Monitoring & Evaluation and
- School Construction Design and Construction Management & Supervision.

4.3. Program Steering Committee (PSC)

A Program Steering Committee (PSC) with one representative from USAID in the capacity of observer will be responsible for the oversight of the Program and overall coordination among all GOS Departments is to be chaired by Secretary, SELD.

A. Members of the PSC include

- a. Secretary, SELD (Chair-person);
- b. Secretary, Planning & Development;
- c. Additional Secretary, Finance Department;
- d. Chief Program Manager, Reform Support Unit School Education Department & Literacy Department;
- e. A Deputy Commissioner (DC) from one the program district;
- f. Program Director, SBEP will act as Member / Secretary of the PSC; and
- g. Representative of USAID / Pak will attend the meetings of the PSC as an observer and may contribute to the discussions.

B. Terms of reference of the PSC

Primary function of the Program Steering Committee is to take responsibility for the achievement of outcomes of the Program, overall coordination, and guidance on and approval of major business decisions.

The Program Steering Committee is responsible for:

- a) Monitoring and review of the program status, as well as providing oversight of the program deliverables rollout;
- b) Controlling program scope in the changing circumstances, ensuring that scope aligns with the agreed outcome requirements of GoS and USAID. Scope management will be particularly important in pre-budget meetings and at the time of Mid-Term Review of the Program;
- c) Resolving program conflicts and disputes, reconciling differences of opinion and approach;
- d) Granting formal acceptance of program deliverables as reported through various progress reports;
- e) Granting acceptance/clearance to the sub-project PC-Is for placing in PDWP for formal approval; and
- f) Championing and building support for the Program

PSC may review, redefine, add or modify the above terms of reference in its meetings. PSC will meet on quarterly basis or as required. The Program Director SBEP facilitates the PSC meetings. Program Director, SBEP will be responsible for preparing Minutes of the PSC Meetings to be shared with the Chief Minister Secretariat, members of the Committee, all Program staff, and general public through the Program website.

4.4. Program Management and Implementation Unit (PMIU)

Program Management and Implementation Unit (PMIU) is established in the School Education & Literacy Department, Government of Sindh. PMIU is headed by a Program Director (PD) who reports directly to the Secretary, who is also the Chairman of the Program Steering Committee (PSC). PMIU will serve as the Secretariat of the PSC and PD as its Secretary. The PMIU management is also mandated to develop policies and procedures to ensure that its directives are followed. The Program Director is assisted by a Deputy Program Director and four Program Managers (PM) supervising different sections of the program:

- a) Schools Construction Design and Construction Management & Supervision;
- b) Learning, Reforms and Community Mobilization; and
- c) Support Services; and

A. Terms of Reference / Functions of PMIU

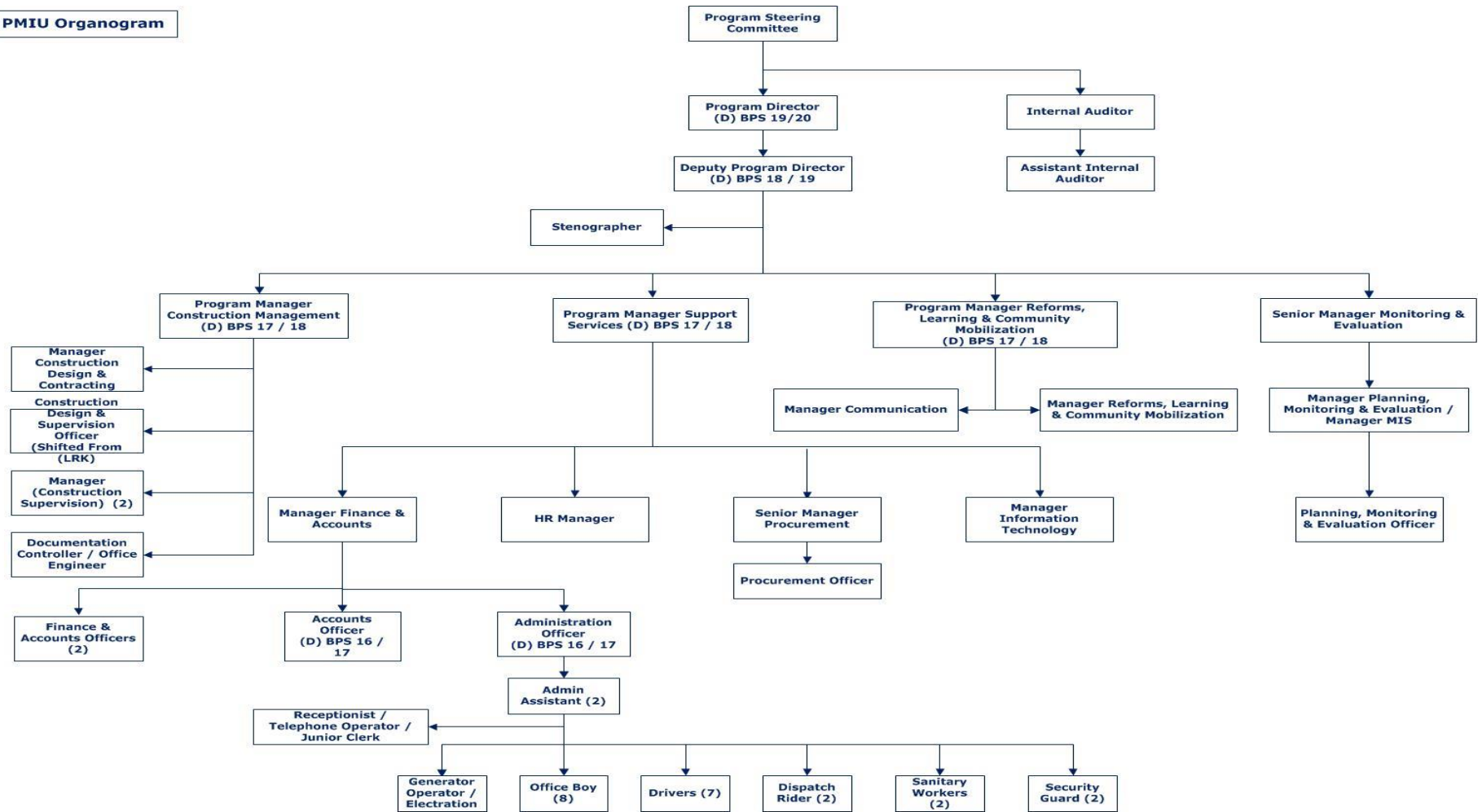
Overall objective of the PMIU is the transparent and efficient management of SBEP, ensuring programmatic quality and effectiveness, technical coordination, internal and external communication, accountability, and sound administration. PMIU is accountable to PSC.

The PMIU is responsible for:

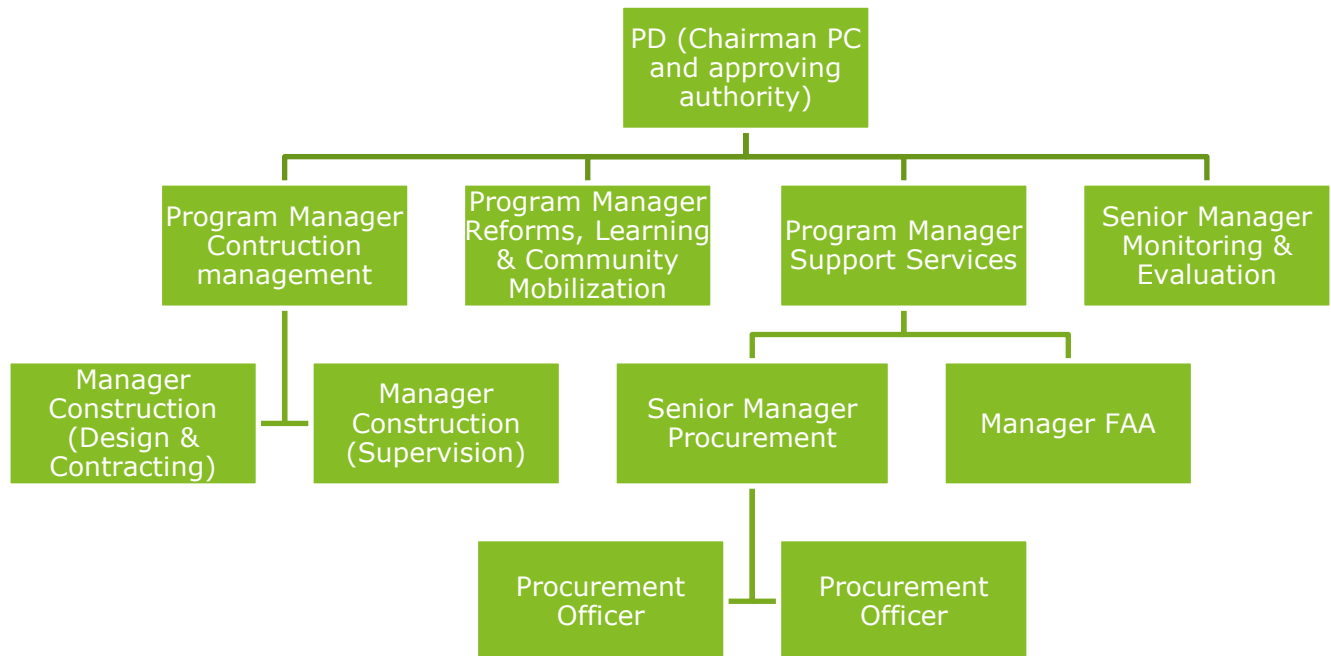
- a. Engaging with SBEP stakeholders on strategy and policy matters
- b. Identifying windows of opportunity to further develop the Program and components; managing actively the scope of the Program according to changing strategic environment.
- c. Elaborating PC-I document guiding implementation at the individual component level
- d. Appraising sub-project PC-Is within the mandate given by the Program Steering Committee
- e. Working out frame works, regulations, policies, and procedures necessary for effective management of the Program, to be approved by PSC
- f. Identifying schools for construction and/or up-gradation in accordance with agreed policies.
- g. Initiating and managing architectural design of schools and preparing procurement packages for contractors
- h. Supervising construction in terms of timeliness, cost effectiveness, delivery, and quality of works
- i. Introducing systems and procedures for Project Management Cycle as specified by USAID
- j. Procuring or facilitating the procurement of services and other inputs to the interventions at component level
- k. Approving the utilization of funds within the mandate given by the PSC
- l. Monitoring progress and outcomes of all components under its jurisdiction and undertaking specified evaluations
- m. Preparing quarterly & annual work plans and budgets as specified by the Project Monitoring & Evaluation System (PMES)
- n. Preparing monthly and quarterly progress reports as per PC-III format
- o. Developing and implementing a quality plan for identification, design, and construction of sub-projects to ensure quality of works in line with agreed upon standards
- p. Preparing a risk management framework to identify potential risks and risk response measures for active risk control
- q. Collaborating and coordinating with SBEP staff, to be hired by USAID, to implement all components of the Program in an integrated manner for optimum results
- r. Promoting a team culture within PMIU and with its stakeholders; ensuring timely staff recruitment and creating incentives for staff retention
- s. Publicizing the achievements of the Program through paper, and electronic media to ensure its visibility and to improve accountability of implementers.
- t. Undertaking any other assignments as delegated by the PSC.

B. Organogram

PMIU Organogram



C. Procurement Section at PMIU



5. Definitions

- a) **"Act"** means Sindh Public Procurement Act, 2009;
- b) **"Administrative Approval (AA)"** It is a concurrence and formal acceptance of the Administrative Department concerned to the incurring of the proposed expenditure to execute specified works at a stated amount to meet the requirements of the Administrative Department.
- c) **"Appendix to Bid"** means the appendix comprising form annexed to the Bidding document.
- d) **"Authority"** means the Sindh Public Procurement Regulatory Authority established under Section 3 of Sindh Public Procurement Act, 2009;
- e) **"Best Evaluated Bid"** means in case of Public Private Partnership projects, a bid, which attains the highest score under criteria laid down in Rule 84, read with respective bidding documents;
- f) **"Bid"** means a tender, or an offer by a person, consultant, firm, company or an organization expressing willingness to undertake a specified task at a price, in response to an invitation by a PMIU;
- g) **"Bid with Lowest Evaluated Cost"** means the bid quoting lowest cost amongst all those bids evaluated to be substantially responsive;
- h) **"Bidder"** means a person or entity submitting a bid;
- i) **"Bidding Documents"** means all documents provided to the interested bidders to facilitate them in preparation of their bids in uniform manner;

- j) **"Bidding Process"** means the procurement procedure under which sealed bids are invited, received, opened, examined and evaluated for the purpose of awarding a contract;
- k) **"Bill of Quantities (BOQ)"** means the price and completed bill of quantities forming part of the tender/bid.
- l) **"Blacklisting"** means barring a bidder, contractor, consultant or supplier from participating in any future procurement proceedings by the PMIU;
- m) **"Calendar Days"** means days including all holidays;
- n) **"Commencement Date"** means the date mentioned in the notice issued by the Engineer to start the work.
- o) **"Competent Authority"** means an officer of the PMIU empowered to exercise financial powers and approve the award of contract for procurement of goods, works or services, as the case may be;
- p) **"Completion Time"** means the time for completing the execution of work as stated in Letter of Acceptance and has satisfactorily passed any Tests prescribed by the contract.
- q) **"Conflict of Interest"** means –
 - i. where a contractor, supplier or consultant provides, or could provide, or could be perceived as providing biased professional advice to a PMIU to obtain an undue benefit for himself or those affiliated with him;
 - ii. receiving or giving any remuneration directly or indirectly in connection with the assignment except as provided in the contract;
 - iii. any engagement in consulting or other procurement activities of a contractor, consultant or service provider that conflicts with his role or relationship with the PMIU under the contract;
 - iv. where an official of the PMIU engaged in the procurement process has a financial or economic interest in the outcome of the process of procurement, in a direct or an indirect manner;
- r) **"Consultant"** means a professional who can study, design, organize, evaluate and manage projects or assess, evaluate and provide specialist advice or give technical assistance for making or drafting policies, institutional reforms and includes private entities, consulting firms, legal advisors, engineering firms, construction managers, management firms, procurement agents, inspection agents, auditors, international and multinational organizations, investment and merchant banks, universities, research institutions, government agencies, non-governmental organizations, and individuals;
- s) **"Consulting Services"** means services of an advisory and intellectual nature provided by consultants using their professional skills to study, design, organize, and manage projects, encompassing multiple activities and disciplines, including the crafting of sector policies and institutional reforms, specialist advice, legal advice and integrated solutions, change management and financial advisory services, planning and engineering studies, and architectural design services, supervision, social and environmental assessments, technical assistance, and programme implementation;
- t) **"Contract"** means an agreement enforceable by law and includes General and Special Conditions, Specifications, Drawings and Bill of Quantities;
- u) **"Contractor"** means a person, firm, company or organization that undertakes to execute works including services related thereto, other than consulting services, incidental to or required for the contract being undertaken for the works;
- v) **"Corrupt and Fraudulent Practices"** means either one or any combination of the practices given below;

- i. **"Coercive Practice"** means any impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence the actions of a party to achieve a wrongful gain or to cause a wrongful loss to another party;
 - ii. **"Collusive Practice"** means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the PMIU to establish prices at artificial, noncompetitive levels for any wrongful gain;
 - iii. **"Corrupt Practice"** means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the acts of another party for wrongful gain;
 - iv. **"Fraudulent Practice"** means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
 - v. **"Obstructive Practice"** means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract or deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements before investigators in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or acts intended to materially impede the exercise of inspection and audit rights provided for under the Rules.
- w) **"Drawings"** means all drawings, calculations and technical information of a like nature provided by the engineer to the contractor under the contract.
 - x) **"Emergency"** means natural calamities, disasters, accidents, war and breakdown of operational equipment, plant, machinery or engineering infrastructures, which may give rise to abnormal situation requiring prompt and immediate action to limit or avoid damage to person(s), property or the environment;
 - y) **"Engineer's Representative"** means a person appointed from time to time by the engineer.
 - z) **"Engineer"** means the person appointed by the PMIU to act as engineer for the purposes of the contract.
 - aa) **"Goods"** means articles and object of every kind and description including raw materials, drugs and medicines, products, equipments, machinery, spares and commodities in any form, including solid, liquid and gaseous form, and includes services identical to installation, transport, maintenance and similar obligations related to the supply of goods, if the value of these services does not exceed the value of such goods;
 - bb) **"Government"** means the Government of Sindh;
 - cc) **"Head of the Department"** means the administrative head of the department or the organization;
 - dd) **"Letter of Acceptance"** means the formal acceptance by the PMIU of the bid/tender.
 - ee) **"Lowest Evaluated Bid"** means a bid for goods, works and services having the lowest evaluated cost among the substantially responsive bids, as defined in clause (hh);
 - ff) **"Lowest Submitted Price"** means the lowest price quoted in a bid, which is otherwise not substantially responsive;

- gg) **"Mis-procurement"** means public procurement in contravention of any provision of Sindh Public Procurement Act, 2010, any rule, regulation, order or instruction made thereunder or any other law in respect thereof, or relating to, public procurement;
- hh) **"Modified Administrative Approval (MAA)"** means sanction granted when PC-I is modified due to inadequate physical or financial provisions, before the start of work or incurring of any expenditure, after issuance of administrative approval of scheme.
- ii) **"National Company or Firm"** means any enterprise, firm or company set up or incorporated in Pakistan;
- jj) **"Notice Inviting Tender"** means the notice issued by a PMIU through publication in the newspapers or through electronic means for the purpose of inviting bids, or applications for pre-qualifications, or expression of interests, which may include Tender Notice, Invitation for Bids, Notice for Pre-qualifications or Request for Expression of Interests;
- kk) **"Open Competitive Bidding"** means a fair and transparent specified procedure defined under these Rules, advertised in the prescribed manner, leading to the award of a contract whereby all interested persons, firms, companies or organizations may bid for the contract and includes both National and International Competitive Biddings;
- ll) **"Procurement Proceedings"** means all procedures relating to public procurement, starting from solicitation of bids up to award of contract;
- mm) **"Public Private Partnership"** means a contractual arrangement between the public and private sectors, built on the expertise and resources of each partner that best meets clearly defined public needs through appropriate allocation of resources, risks and rewards;
- nn) **"Public Private Partnership Unit Sindh" or "Unit"** means the entity established within the Finance Department, Government of Sindh under the Public Private Partnership institutional framework;
- oo) **"Public Procurement"** means acquisition of goods, services or construction of any works financed wholly or partly out of the public fund, including projects of Public Private Partnership, unless excluded otherwise by Government;
- pp) **"Responsive Bid"** means a bid that contains no material deviation from, or reservation to, the terms, conditions and specifications given in the bidding document. In case bids are technically non-responsive bids, financial bids are not opened and returned to the bidders.
- qq) **"Revised Administrative Approval (RAA)"** means the sanction issued, when cost of the scheme/project is not sufficient for completion of the scheme/project for reasons of physical deviations/departures or on account of rates provided therein, during the currency of the work.
- rr) **"Revised Technical Sanction (RTS)"** means the sanction issued, when the cost of execution of work exceeds the cost of originally sanctioned estimate by more than 5%.
- ss) **"Services"** means any object of procurement other than goods or works, and includes consultancy services;
- tt) **"Specification"** means the specification of the works included in the contract, any modification thereof or any addition made thereto.
- uu) **"SPP Rules"** means Sindh Public Procurement Rules 2010.
- vv) **"Subcontractor"** means any person or firm named in the contract as subcontractor of a part of works or any person to whom a part of the works has been subcontracted with the consent of the engineer.

- ww) **"Substantially Responsive Bid"** means the bid that contains no material differences or deviations from, or reservations to, the terms, conditions and specifications given in the bidding documents;
- xx) **"Supplier"** means a person, firm, company or an organization that undertakes to supply goods and services related thereto, other than consulting services, required for the contract;
- yy) **"Value for Money"** means best returns for each rupee spent in terms of quality, timeliness, reliability, after sales service, up-grade ability, price, source, and the combination of whole-life cost and quality to meet the PMIU's requirements.
- zz) **"Works"** means any construction work, including electrical and mechanical work, consisting of erection, assembly, repair, renovation, or demolition of a building or structure or part thereof, such as site preparation, excavation, installation of equipment or materials and decoration, finishing and includes incidental services such as a drilling, mapping, satellite photography, seismic investigations and similar activities, if the value of those services does not exceeds that of the works themselves;

The expressions used but not defined in these rules shall have the same meanings as are assigned to them in the Act and, if not defined there, as in the ordinary usage of language.

6. Procurement Policy and Principles

As a matter of policy all procurements in PMIU shall be regulated through the Procurement Committee. As per Rule 4, while procuring goods, works or services, the PMIU shall ensure that procurements are conducted in a fair and transparent manner and the object of procurement brings value for money to the PMIU and the procurement process is efficient and economical.

This Procurement manual provides policies and principles for the procurement activities

6.1. General Principles

A. Conflict with International and Inter-Governmental Agreements

As per Rule 5, In the event that these rules are inconsistent with, or in conflict with, any obligation or commitment of Government arising out of an international treaty or an agreement with a foreign country or countries, or any international financial institution, the provisions of such international treaty or agreement shall override the provisions of these Rules to the extent of that inconsistency or conflict as the case may be.

B. Language

As per Rule 6,

All communications and documentation related to procurements of PMIU shall be in English, Urdu or Sindhi:

Provided that notice inviting tenders, notices for pre-qualifications and request for expressions of interest shall be issued in aforementioned three languages.

In case of any dispute reference shall be made to the original documentation retained on record and decision shall be made in accordance with such original documentation.

C. Confidentiality

As per rule 53,

The PMIU shall keep all information regarding the bid evaluation confidential until the time of announcement of evaluation report in accordance with the requirements of Rule 45.

D. Bar on negotiations

As per rule 52, Save as otherwise provided there shall be no negotiations with the bidder having submitted the lowest evaluated bid or with any other bidder.

E. Discriminatory and difficult conditions

As per rule 44, save as otherwise provided, the PMIU shall not introduce any condition(s) which discriminates among bidders. In ascertaining the discriminatory nature of any condition reference shall be made to the ordinary practices of that trade, manufacturing, construction business or service to which that particular procurement is related.

F. Payments on account of contracts

As per rule 54, the PMIU shall make payments to suppliers, consultants and contractors against their invoices or running bills within the time given in the conditions of the contract.

6.2. Principles of hiring of consultants

A. Fair Selection of Consultancy Services

As per rule 61,

the selection shall be guided by the following considerations:

- a) Best quality of services available;
- b) Need for economy and efficiency;
- c) Need to give all qualified consultants an equal opportunity to compete;
- d) Encouragement of local consultants without any unfair competitive advantage;
- e) Transparency in the selection process.

B. Bar on hiring in cases of Conflict of Interests

As per rule 62,

Without limitations on the generality of the foregoing, services of such consultants shall not be hired if there is a conflict of interest, as defined in these rules.

C. Hiring of Government Officials and Academics

As per rule 63,

Government officials and civil servants may be hired as consultants only if:

- a) They are on leave of absence without pay;
- b) They are not being hired by the agency they were working for, six months prior to going on leave; and
- c) Their employment would not give rise to any conflict of interest.

D. Equal Access to Information

As per rule 64, the PMIU shall make available all information to all the bidders for consulting services on an equal opportunity basis.

E. Rights and obligations of the PMIU and consultants

As per rule 65, Rights and obligations of the PMIU and the consultants, individuals or firms, shall be governed by general and special conditions of contract signed between the PMIU and the consultant.

F. Association or Consortium between Consultants

As per rule 77,

- a) An association of consultants may take either the form of a consortium or a sub-consultancy.
- b) Under a consortium arrangement only one entity, either through the lead consultant or by forming a legal juridical person, shall be responsible to the Government for execution of the entire assignment.
- c) Under sub-consultancy, the main consultant may engage another consultant for performing part of an assignment, only if expressly provided in the contract agreement and expressly agreed to by the PMIU. The main consultant shall, however, bear all responsibility for quality of the output and in all other respects as provided in the main contract.

G. Intellectual Property Rights

As per rule 78 (1) and (2), all documents, reports, designs, research work and all deliverables prepared by the consultant shall become and remain the property of the PMIU;

As per Rule No. 78 (2), any restrictions on the future use of these documents and software by the consultant shall be specified in the conditions of the contract

H. Extent of Contract Negotiation

As per rule 79,

- The PMIU may negotiate with the highest ranked bidder regarding methodology, work plan, staffing and special conditions of the contract.
- The PMIU shall not permit substitution of key staff, unless both parties agree that undue delay in selection process makes such substitution unavoidable.
- Similarly, negotiations shall not seek changes in the rates quoted by the bidder. In case of failure of negotiations, the PMIU may invite the second ranked bidder as per the evaluation report.

I. Professional Liability of Consultants

As per rule 80,

- The consultant selected and awarded a contract shall be liable for consequence of omissions or commissions on his or their part. The extent of liability of consultant shall be incorporated in the contract, and in no case, shall be less than the remuneration, excluding out of pocket expenses, nor shall the liability exceed twice the amount of remunerations.
- The PMIU may demand insurance on part of the consultant to cover its liability as stated above, and necessary costs shall be borne by the consultant;
- The consultant shall be liable for all losses or damages suffered by the PMIU on account of any misconduct by the consultant in performing the consulting services.

7. Persons affected

Chief secretary Government of Sindh, Secretary School Education & Literacy Department
Government of Sindh, All person within PMIU and bidders of the PMIU.

8. Responsibilities

S. No.	Designation	Responsibilities / Expectations
1	Program Director	Ensure compliance to the procurement policy/procedures
2	Deputy Program Director	a) Assist PD in preparation of Rolling/Annual Procurement Plan b) Review Implementation of the plan c) Allocate adequate resources for procurements as per plan
3	Program Managers	a) Abide by the guidelines set forth in this manual and complete the codal formalities in accordance with the procedures set forth in the SPPRA Rules. b) Assist PD / DPD in the formulation and implementation of the Procurement Plan
4	Senior Manager Procurement	a) Perform such functions under the supervision of the DPD and in consultation with PM – SS
5	Procurement Section	a) Be the custodian of this Manual b) Maintain all record pertaining to the procurements

9. Constitution of Procurement Committees

9.1. Committee for Works, Goods and Support Services

As per SPPR Rule 7, The PMIU shall, with approval of its Head of the Department, constitute as many procuring committees, as it deems fit, each comprising odd number of persons and headed by a Gazetted officer not below the rank of BS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the PMIU.

Notice of Procurement Committee is provided in **Annexure – I.**

Function and responsibilities of Procurement Committee

As per Rule 8, procurement committee(s) shall be responsible for;

- a. Preparing bidding documents;
- b. Carrying out technical as well as financial evaluation of the bids;
- c. Preparing evaluation report as provided in Rule 45;
- d. Making recommendations for the award of contract to the competent authority; and
- e. Perform any other function ancillary and incidental to the above.

9.2. Focal Person

The process of procurement in the PMIU shall be dealt by the senior procurement specialist who shall be ex-officio member of the committee and perform such functions under the supervision of the DPD and in consultation with PM – SS.

9.3. Proceedings of Committee

A. Meetings

- a. The committee shall meet as many times as may be required for the purpose of preparation of bid documents including the letter of invitation (LOI), opening and evaluation of bids;
- b. Meetings of the PC may be convened by the chairman (PD), at his own or on the request of SMP whenever; there is need to initiate the process for procurement; or the review of the APP is require;
- c. The SMP, will be responsible for maintaining the record of proceedings before the committee and record the minutes thereof for the approval of committee members.

B. Proceedings

- i. The PC shall undertake the preparation of the bid documents and LOI and submit these documents to PD for approval for publication;
- ii. The PC shall undertake the process of the opening and evaluation of bids is provided in Section 11.2.5. of this Manual.
- iii. On the finalization of the process of evaluation, the committee shall submit recommendations for award of contract to the competent authority which is PD in case of PMIU.
- iv. However, the recommendations of the procurement committee shall not be binding on the PD who shall accept the recommendations after his independent due diligence.
- v. The proceedings of the PC for each procurement shall culminate at the award of the contract.
- vi. All proceedings should be recorded in a structured manner by the secretary of the meeting format of minutes provided in **Annexure – II.**

Explanations: Since the SELD has already notified the Procurement Committee for PMIU with PD as its chairman, therefore the PD continues to head the procurement committee and approve the award of the contract as well.

10. Procurement Planning

As per Rule 11(1), the PMIU shall devise a mechanism for planning in detail for all proposed procurements, determining the requirements according to the approved PC-I and within its allocated resources and prepare an **Annual Plan** for the financial year or a **Rolling Plan** for the life of the program, detailing the procurement methods applicable for specific procurements. Sample of procurement plan for Development Work and Non-Development Work is provided in **Annexure – IIIA** and **Annexure – III B**.

10.1. Fundamentals of the Procurement Planning

- a. **Rolling Plan:** Since the period of the program and its activities are predefined and approved in the PC-I, therefore the PMIU will prepare rolling plan covering the period of the program that will serve as a guideline, parameter and overall control for initiating the procurement process of the program.
- b. **Identification of need:** The Plan is based on the identification of the need of various categories of procurement required for the PMIU and the program activities under the provisions given in PC-I.
- c. **Identification of type of procurement:** At this stage, the PMIU will identify the types of procurement i.e. work, goods, or services based on the actual implementation requirement of the program.
 - i. **Works**
 - Works contracts for construction of schools and educational facilities including provision of electrification, clean drinking water and sanitation facilities.
 - Works contracts for construction, reconstruction and consolidation of surveyed and shortlisted schools damaged by 2010 floods.
 - Contract for emergency works.
 - ii. **Goods**
 - Furniture & fixtures, equipment and books.
 - Computers, printers, scanners, photocopy machines, fax machines, digital cameras, generators, security devices etc.
 - Communication equipment, internet connectivity equipment.
 - Software including software for Program management and engineering design.
 - iii. **Services**
 - a) **Consulting**
 - Long term and short term consulting services from individual consultants or consulting firms
 - b) **Other Services**
 - Internet
 - Security
 - Transport
 - Design, supervision, inspection, etc.
 - Others
 - c) **Grouping and Packing:** While grouping the items into individual contract packages following principles shall be taken into account;
 - i. **Homogeneity:**
 - compatibility of the items,
 - time of requirement/ need,
 - suppliers' capabilities and wider competition

- ii. **All planned procurements** for each financial year shall proceed as already grouped, allocated and scheduled in the Procurement Plan without any splitting or regrouping under the *Rule 12(1)*.
- d. **Method of Procurement:** As far as possible the method of procurement is given in the plan for each category.
- e. **Review and update:** The rolling plan is regularly and periodically reviewed by PMIU under *Rule-11(2)*.
- f. **Publication on website:** The plan will be posted in advance on the Authority's website as well as on websites of the PMIU and the SELD under the *Rule 12(2)*

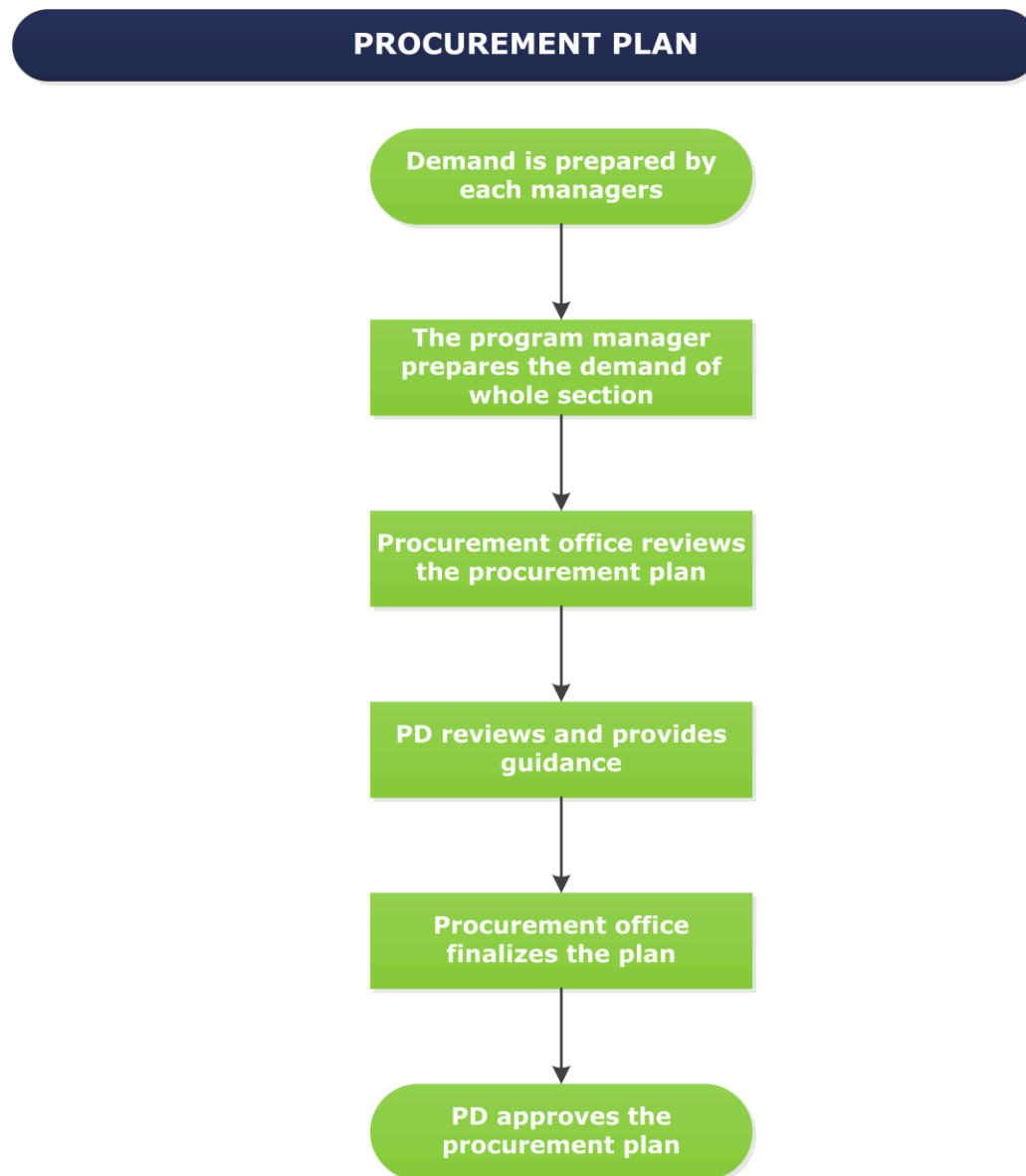
10.2. Planning Activities

The process for planning of procurement starts in May and is finalized by July each year after the receipt of final allocation figures for the budget year from the SELD as follows:

- a. The demand for procurement is primarily based on the nature of procurement of goods / services / works approved in PC-1;
- b. Demand is prepared by each managers for his office and submitted on prescribed format;
- c. The program manager prepares the demand of whole section and submit to the procurement office for consideration;
- d. The Manager Finance prepares financial plan in view the projected availability of funds;
- e. Procurement office reviews the procurement plan in the light fresh demand and prepares draft procurement plan for the next financial year;
- f. The PD reviews and provides guidance on the draft procurement plan;
- g. After receiving the final allocation for the year from the SELD, the procurement office finalizes the procurement plan for the next budget year;
- h. The PD approves the procurement plan, and directs for the project managers for implementation; and
- i. Senior Manager Procurement to make copies of the annual procurement plan available to each section of PMIU and the regional office for initiating the procurement.

S. No.	Activity	Timeline
1	AMs submit procurement demand to the PM	1st Week of May
2	PM finalizes the procurement demand of section & submits to procurement office	15th May
3	Verification by Manager Finance for funds allocation in the Annual Budget (Financial Plan)	
3	The procurement office meeting and finalization of draft procurement plan	25th May
4	PD reviews the draft procurement plan	1st Week June
5	Receipt of budget allocation from SELD for the financial year	2nd week of July
6	Procurement office finalizes procurement plan	Before 20th of July
7	PD approves the procurement plan	4th week of July

Flowchart 1



10.4. Review and Update

As per regulation 2.9 (3):

- The procurement plan prepared shall be reviewed and updated throughout the life (completion period) of the project/scheme.
- Annual financial plan needs to be updated on a regular basis throughout the year.
- Changes to an annual financial plan may be required due to:
 - a) shortage of funds,
 - b) availability of supplementary funds,
 - c) late release of funds,
 - d) delays in obtaining necessary approvals and
 - e) failure of contractors to supply/execute as contracted, necessitating rebidding.

- Procurement plans should be reviewed on a quarterly basis and adjustments made, if required.
- The PMIU shall take into account the following while reviewing and updating the plan:
 - a) estimates of time requirements,
 - availability of funds,
 - assumptions about institutional capacity,
 - b) changing priorities; and
 - c) other factors that require plan adjustments for the success of the project.
 - Such required adjustments will not invalidate the plan if made for improving the plan in the interests of the successful and timely completion of the project.

11. Procurement Procedures

PMIU shall select the method of procurement according to the amount of procurement involve:

Sr. No.	Amount of procurement	Method of Procurement	Procedure in the Manual
1	Below Rs. 25,000	Petty Cash	10.1 (VI)
2	More than 25,000 and less than Rs. 100,000	Quotations	10.1 (III)
3	More than Rs. 100,000	Bidding	
4	Equivalent to or below US \$ 10 million	National Competitive Bidding (Default Method)	
5	Equivalent to or below US \$ 10 million	International Competitive Bidding if following conditions are fulfilled: <ol style="list-style-type: none"> 1. If the PMIU is convinced that technological sophistication, technical expertise, or professional capability of the satisfactory level is not available in the country, and the best value for money cannot be obtained, if competition is restricted to the domestic companies, firms, or parties. 2. Prior approval of the Secretary School Education & Literacy Department is obtained. 	
6	Equivalent to or above US \$ 10 million	International Competitive bidding (Default Method)	
7	Equivalent to or above US \$ 10 million	National Competitive Bidding if following conditions are fulfilled: <ol style="list-style-type: none"> 1. If the PMIU is convinced that it is the most economical and timely way of procuring goods, works, or services which, by their nature, or scope are unlikely to attract foreign competition, 2. Prior approval of Secretary SELD is obtained and shall record the reasons 	

and justifications for
his decision.

Initiation of Procurement Process:

- a. User section will raise the requisition on indent / requisition form, submit to the head of the section and who will approve the indent / requisition. Sample of Indent / requisition form is provided in **Annexure – IV**.
- b. User department shall submit the indent / requisition form to the procurement section of the PMIU.
- c. Procurement Section shall follow the method given in the procurement plan after seeking budgetary approval from the finance section. The procedure to be followed for each method of procurement is given in the section 11.1 of this manual.

11.1. Methods of Procurement

According to the approved PC-I the PMIU is required to procure goods and services for the efficient, management and working of the PMIU while it has to initiate process for procurement of works and goods for the construction of schools according to objectives of the program. For this purpose the PMIU may use following methods as given in the plan:

- I. Open Competitive Bidding
 - a. International Competitive Bidding
 - b. National Competitive Bidding
 - c. Type of Envelop
 - i. Single Stage
 - a. One Envelop Procedure
 - b. Two Envelop Procedure
 - ii. Two Stage
 - iii. Two Stage – Two Envelop Bidding Procedure
- II. Procurement from Pre-Qualified Bidders
- III. Quotations
- IV. Direct Contracting
- V. Force Account
- VI. Petty Purchases
- VII. Repeat Orders

I. Opening Competitive Bidding

Open bidding process is the principal method of procurement used by the PMIU. There are two type of open bidding:

a. International Competitive Bidding [Rule 15(2)]

- i. International Competitive Bidding is open to all interested and eligible parties, firms or individuals, whether national or international;
- ii. The PMIU will opt for International Competitive Bidding as the default method of procurement for all procurements with an estimated cost equivalent to US \$ 10 million or above;
- iii. The PMIU may opt for International Competitive Bidding for procurements below the estimated cost equivalent to US \$ 10 million if it is convinced that technological sophistication, technical expertise or professional capability of the satisfactory level is not available within the country and the best value for money cannot be obtained, if competition is restricted to the domestic companies, firms or parties;
- iv. In case the PMIU plans for procurement of less than US\$ 10 million through international bidding, it may do so with prior approval of the Secretary of the SELD as Head of Department.

b. National Competitive Bidding

- i. National Competitive Bidding shall be the procedure wherein bidding is open only to interested national firms, companies or parties and international firms, companies or parties are not invited for the bidding.
- ii. National Competitive Bidding shall be the principal method of procurement with an estimated cost below US \$ 10 million or equivalent in local currency.
- iii. The PMIU may opt for National Competitive Bidding for procurements with an estimated cost equivalent to US \$ 10 million or above, where the PMIU is convinced that it is the most economical and timely way of procuring goods, works or services which, by their nature or scope are unlikely to attract foreign competition; Provided that the Head of the Department of the PMIU, while making decision to opt for the National Competitive Bidding shall record reasons and justifications for his decision.

Type of envelop (Rule 47)

- i. **Single Stage One Envelope Bidding Procedure** shall be used as the standard bidding procedure for procurement of goods, works and services of simple and routine nature and where no technical complexity or innovation is involved;
- ii. **Single Stage Two Envelope Bidding Procedure** shall be used where the bids are to be evaluated on technical and financial grounds and price is taken into account after technical evaluation;
- iii. **Two Stage Bidding Procedure** shall be adopted in large and complex contracts where technically unequal proposals are likely to be encountered or where the PMIU is aware of its options in the market but, for a given set of performance requirements, there are two or more equally acceptable technical solutions available to the PMIU; and
- iv. **Two Stage Two Envelope Bidding Procedure** shall be used for procurement where alternate technical proposals are possible, such as certain type of machinery or equipment or manufacturing plant.

II. Procurement through prequalified Bidders

As per rule 27

The PMIU, may opt for procurement through pre-qualified bidders only in the following cases and subject to the provision that such procurement will remain restricted for that specific package of procurement mentioned in the plan:

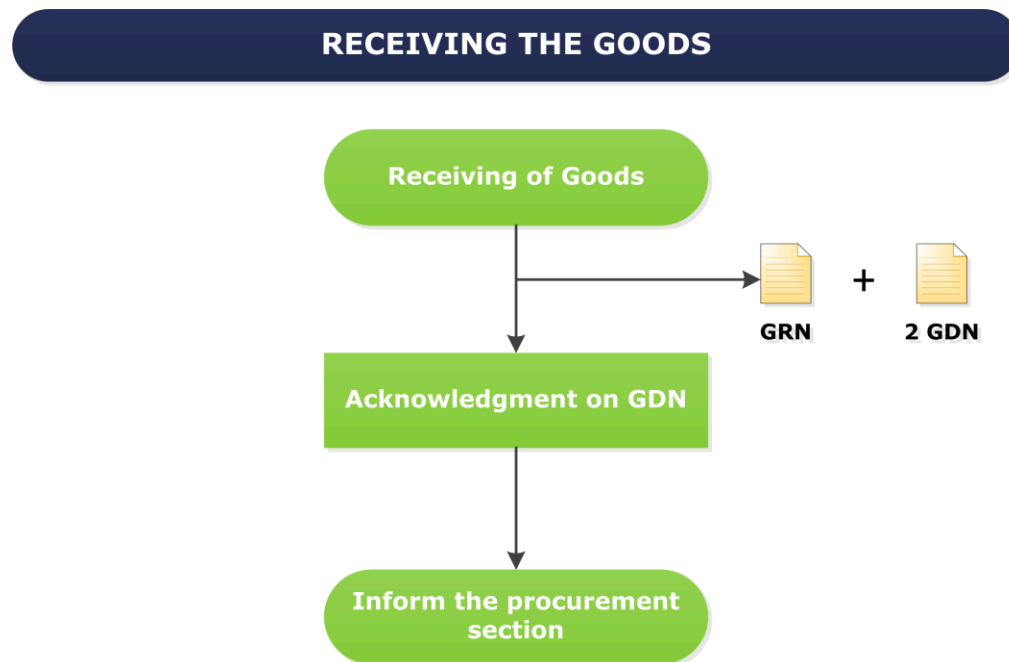
- a. in case of contracts for large and complex works and services related to, in which there are high costs of preparing detailed bids;
- b. in the contracts to be let under turnkey, design and build, or management contract;
- c. in case of expensive and technically complex equipment and works with a view to ensuring that invitations to bid are extended only to those who have adequate capabilities, competence and resources.

The detailed process for prequalification to be undertaken by the PMIU is Section 11.4. of this manual.

III. Request for Quotations

- a. Reasons:** The PMIU shall engage in this method of procurement only if the following conditions exist;
 - a. the cost of object of procurement is below the prescribed limit of one hundred thousand rupees and above the financial limit prescribed for petty purchase, as provided in clause (d);
 - b. the object of procurement has standard specifications;
 - c. the object of the procurement is purchased from the supplier offering the lowest price;
 - d. requests for quotations shall indicate the description and quantity of the goods or specifications of works, as well as desired delivery, or completion time and place. Quotations may be submitted by letter, facsimile or by electronic means;
 - e. the evaluation of quotations shall follow the same principles as applicable to open competitive bidding;
- b. Procedure to be followed:**
 - a. Procurement officer will issue a "Request for Quotation" to the vendors / suppliers / contractors in the open market; Sample format for "Request for Quotation" is provided in **Annexure – V**,
 - b. The request for quotation shall include the specification, quantity, and volume of the item is required to be procured;
 - c. After receiving at least three quotations from the market, the procurement officer shall prepare a comparative statement with cost to be incurred and submitted to the Senior Procurement Specialist for seeking approval before procurement; Sample for Comparative Statement is provided in **Annexure – VI**.
 - d. The senior procurement specialist shall submit the request for procurement with comparative and with budgetary provision to the PD being the principal accounting officer of the PMIU;
 - e. After the approval, the procurement officer will issue "Purchase Order" to the lowest vendor / supplier / contractor for supply of the item. Sample format for "Purchase Order" is provided in **Annexure – VII**.
- c. Receiving of the goods**
 - a. The Admin section shall receive the goods procured through quotations, and place them in safe custody / space designated for receiving of goods; Sample format for Goods Receiving Note is provided in **Annexure – VIIIA**.
 - b. The supplier shall bring two copies of the Goods Delivery Note / Supply Order;
 - c. The admin section shall also provide the acknowledgement on the Goods Delivery note, after verifying that nature of goods matches with Goods Delivery Note; and
 - d. inform the procurement section accordingly

Flowchart 2



d. Inspection of goods received

The DPD shall notify an internal goods inspection team, headed by PM – SS and consisting of Admin Manager and Manger of the concerned section; to perform the inspection of received goods in the manner:

- a. verify the goods supplied are according to the specifications, volume and quantity mentioned in the "Purchase Order";
- b. ensure the quality of the supplied goods;
- c. prepare "Quality Inspection Report" provided in **Annexure – VIIIB;**
- d. if items / goods found appropriate, the goods shall be entered into the inventory register by the admin section; and issue to the requisition section. Sample of Inventory Register is provided in **Annexure – IX.**
- e. In case the inspection team observe any short coming in the supplied goods, team shall inform the procurement section through the "Quality Inspection Report" for corrective action.

IV. Direct Contracting

a. Conditions for Direct Contracting

As per rule 16 (b), this method means procurement from a single source without competition and shall only be applicable under any of the following conditions

- i. Standardization (specification) of equipment or spare parts, to be compatible with the existing equipment (in use by the PMIU);

Provided that the competent authority certifies in writing the compatibility of the equipment or spare part(s) to be procured;

- ii. the required item(s) is of proprietary nature and obtainable only from one source;

Provided that the Head of the Department certifies in writing the proprietary nature of the item(s) to be procured;

- iii. the contractor responsible for a process design requires the purchase of critical items from a particular supplier as a condition of a performance guarantee;
- iv. where civil works are to be contracted and are a natural extension of an earlier or ongoing job and it can be ascertained that the engagement of the same contractor will be more economical and will ensure compatibility of results in terms of quality of work subject to clause (e) below;

- v. where a change of supplier would oblige the PMIU to acquire material having different technical specifications or characteristics and would result in incompatibility or disproportionate technical difficulties in operation and maintenance;

Provided that the competent authority certifies in writing the compatibility of the materials to be procured;

- vi. when the price of goods and works and service related thereto, is fixed by Government or any other authority, agency or body duly authorized by the Government, on its behalf;
- vii. for purchase of locally manufactured motor vehicle from local manufacturers or their authorized agents at manufacturer's price;
- viii. in cases of emergency;

Provided that the Head of the Department or any other officer not below BS-20 to whom such powers have been delegated by the Head of the Department, declares that a situation of emergency has arisen and reasons for making such a declaration shall be recorded in writing.

b. Procedure for Direct Contracting

- a. On receipt of requisition, the procurement officer will issue a "Request for Quotation" to the vendor / supplier / contractor;
- b. The request for quotation shall include the specification, quantity, and volume of the item is required to be procured;

- c. After receiving quotation from the vendor / supplier / contractor, the procurement officer shall prepare a statement with cost to be incurred and submitted to the Senior Procurement Specialist for seeking approval before procurement;
- d. The senior procurement specialist shall submit the request for procurement with budgetary provision to the PD being the principal accounting officer of the PMIU;
- e. After the approval, the procurement officer will issue "Purchase Order" to the vendor / supplier / contractor for supply of the item;

f. Receiving of the goods

- The Admin section shall receive the goods procured, and place them in safe custody / space designated for receiving of goods;
- The supplier shall bring two copies of the Goods Delivery Note / Supply Order;
- The admin section shall also provide the acknowledgement on the Goods Delivery note, after verifying that nature of goods matches with Goods Delivery Note; and
- Inform the procurement section accordingly.

g. Inspection of goods received

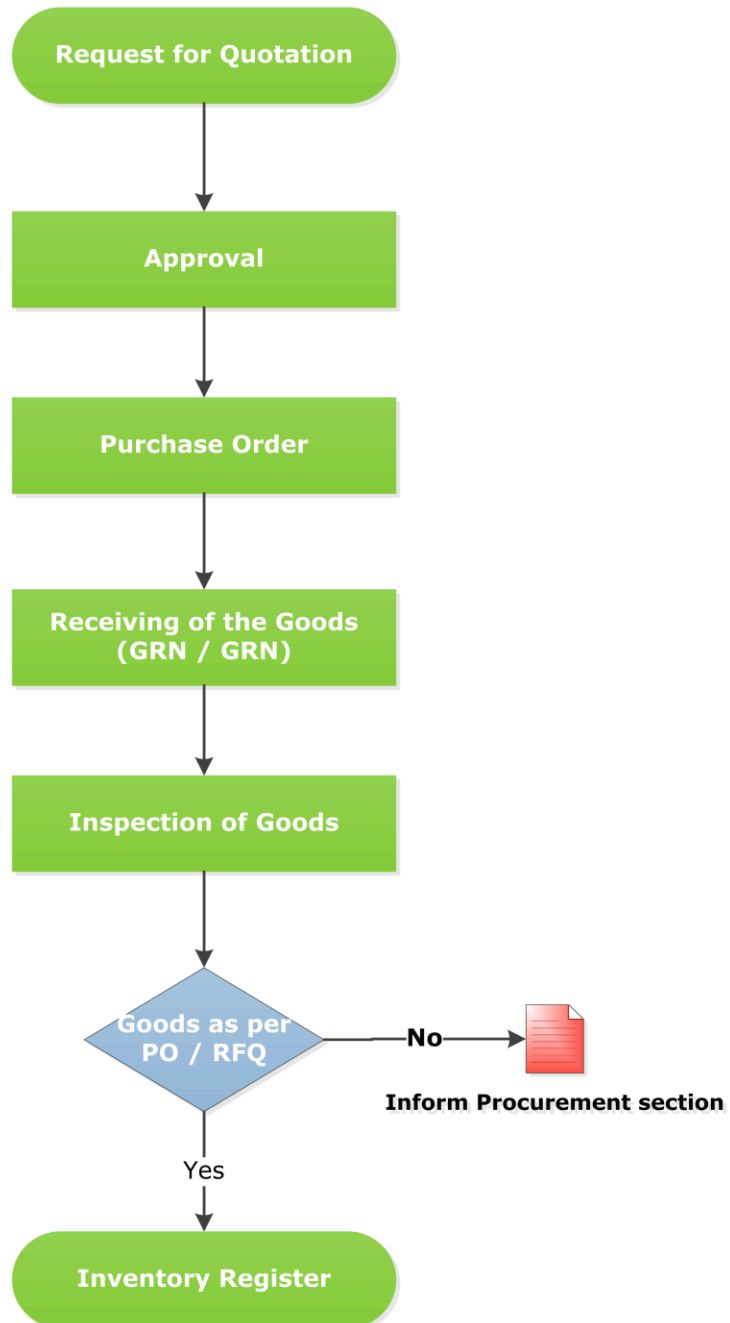
The DPD shall notify an internal goods inspection team, headed by PM – SS and consisting of Admin Manager and Manger of the concerned section; to perform the inspection of received goods in the manner:

- verify the goods supplied are according to the specifications, volume and quantity mentioned in the "Purchase Order";
- ensure the quality of the supplied goods;
- prepare "Quality Inspection Report";
- if items / goods found appropriate, the goods shall be entered into the inventory register by the admin section; and issue to the requisition section.

In case the inspection team observe any short coming in the supplied goods, team shall inform the procurement section through the "Quality Inspection Report" for corrective action.

Flowchart 3

PROCEDURES FOR DIRECT CONTRACTING



V. Force Account

Construction by the use of the PMIU's own personnel and equipment and shall only be used for the works under the following conditions;

- i. quantities of work to be done cannot be defined in advance; works are small and scattered or in remote locations for which qualified construction firm(s) is unlikely to bid at reasonable prices;
- ii. works are required to be carried out without disrupting ongoing operations;
- iii. in case of emergencies ;

Provided that the competent authority declares that a situation of emergency has arisen and reasons for making such a declaration shall be recorded in writing.

Procedure:

In normal circumstance such procurement may not be planned in advance and made part of the procurement plan of the PMIU, however, if such a situation arises where the construction management or any other section considers to adopt this method of procurement for completing some work of the nature on receiving the indent from requisitioning department the SMP shall prepare working paper for getting approval from PD and proceed with the process in consultation with requisitioning section.

VI. Petty Purchases

The PMIU may provide for petty purchases, where the object of the procurement is below the **financial limit of twenty five thousand rupees**. Such procurement shall be exempt from the requirements of bidding or quotation of prices;

Provided that the PMIU shall ensure that the procurement of petty purchases is in conformity with the principles of procurement prescribed in Section 4 of this manual.

Procedure

1. After receiving of requisition from the concerned section, where the estimated amount, is less than Rs. 25,000 the person authorized to deal with Petty Cash in the PMIU, shall procure the item according to the requisition specification and nature of the item.
2. Obtain proper invoice from the supplier after making payments and get the approval from the PD.

VII. Repeat Orders

As per rule 16(e), Procurement of additional quantities of the item(s) from the original contractor or supplier, where, after the items originally envisaged for the project or scheme have been procured through open competitive bidding, and such additional quantities of the same item(s) of goods or works are needed to meet the requirements of the project or scheme;

Provided that;

- i. the cost of additional quantities of item(s) shall not exceed 15% of the original contract amount; and

- ii. the original supplier and contractor are willing to supply goods or carry out additional work on the same prices as agreed in the original contract.
- iii. in case of goods, it shall be permissible only within the same financial year, and in case of works, during the currency of the project(s) or scheme(s).

a) Procedure in case of goods

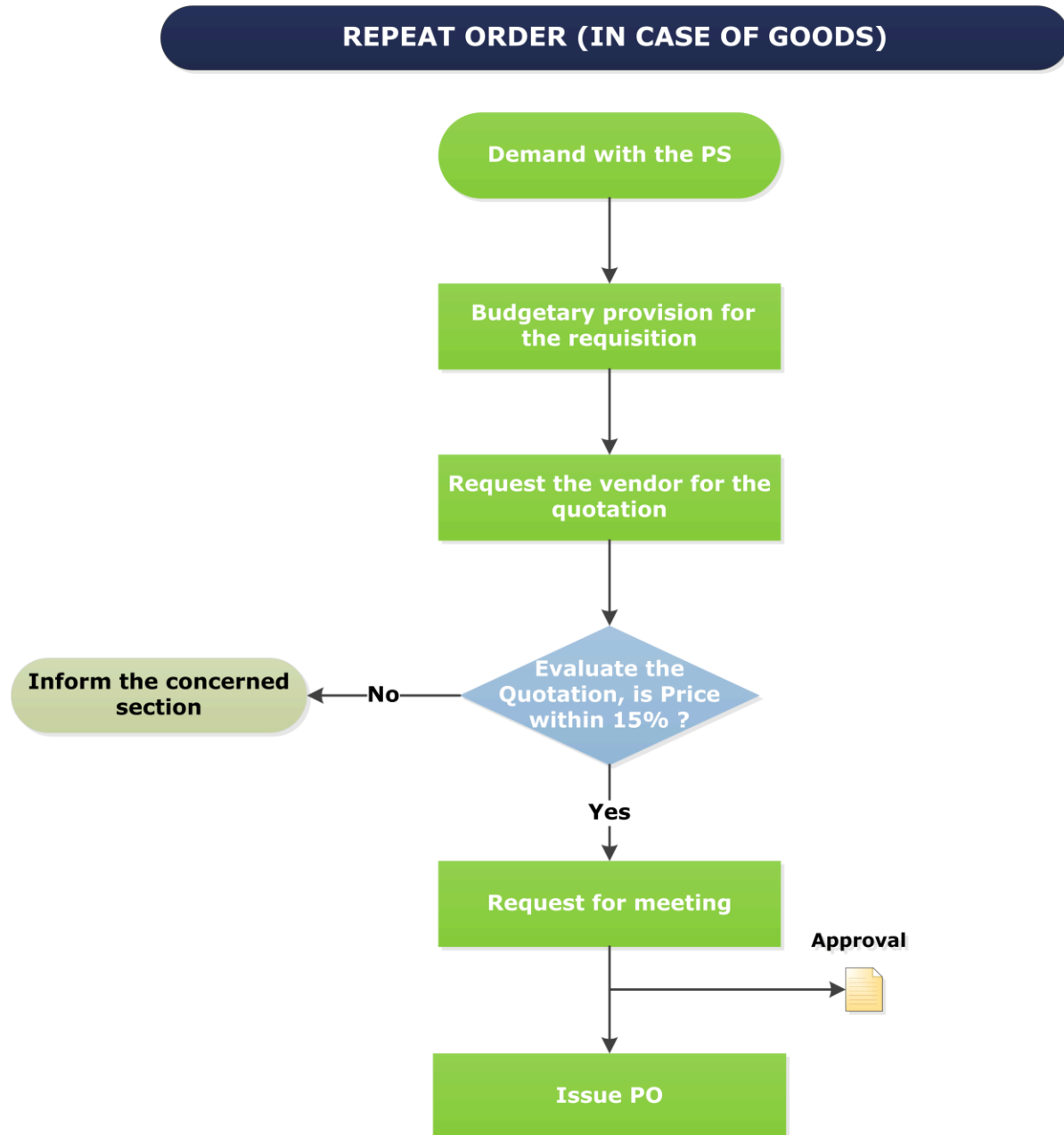
- i. The requisitioning section shall work out the exact number, volume or quantity of the additional goods of the same nature and specifications which are already under procurement or have been procured within the same financial year and place the demand with the procurement section;
- ii. The SMP, shall verify the nature and specification of the items, earlier procured during the financial year before initiating the process for the procurement through the repeat order;
- iii. The SMP, shall obtain budgetary provision from the finance section for the requisition goods. There shall be no further process in case there is no provision in the annual budget for the additional requisition;
- iv. The SMP, shall request the vendor for the quotation and the period for supply of the requisition goods;
- v. The SMP shall not proceed further for procurement through the method of "Repeat Order" in case the vendor fails to satisfy both the condition i.e. the cost of additional goods will not exceed 15% of the original cost (per unit) and the supply of the same within that financial year;
- vi. In case of failure of the vendor with both the conditions of the repeat order the SMP shall inform the concerned section accordingly;
- vii. The SMP shall proceed for procurement of additional goods if the price of such goods is within 15% of the original contract amount and the vendor is willing and able to supply the goods within the same financial year;
- viii. The SMP shall request DPD for convening the meeting of procurement committee and place the case before the committee for consideration and approval;
- ix. On approval from committee, the SMP shall issue "Purchase Order" to same vendor specifying the price (per unit) quoted and approved and delivery date.

b) Procedure in case of works

- i. The Program Manager (Construction Management) shall works out the nature of the work to be carried out in continuation of the works which are already in process and place the demand with the procurement section;
- ii. The SMP, shall verify the nature of the works, currency of the scheme before initiating the process for the procurement through the repeat order;
- iii. The SMP, shall obtain budgetary provision from the finance section for the additional works. There shall be no further process in case there is no provision in the annual budget for the additional requisition;
- iv. The SMP, shall request the vendor / contractor for quoting the cost of the additional work and tentative time of completion;
- v. The SMP shall not proceed further for procurement through the method of "Repeat Order" in case the vendor fails to satisfy both the condition i.e. the cost of additional work will not exceed 15% of the original cost of the scheme under construction;
- vi. In case of failure of the vendor with both the conditions of the repeat order the SMP shall inform the concerned section accordingly;
- vii. The SMP shall proceed for procurement of additional work if the cost of such additional work is within 15% of the original contract amount and the vendor is willing and able to complete such additional work as continuation of the contract of the same scheme ;
- viii. The SMP shall request DPD for convening the meeting of procurement committee and place the case before the committee for consideration and approval;

- ix. On approval from committee, the SMP shall issue "Work Order" to the same vendor / contractor specifying the additional cost quoted, and approved.

Flowchart 4



11.2. Procurement of works through bidding

At the beginning of the financial year, the program manager of the section requiring to procure works, that would need to initiate competitive bidding process, national or international, shall move request with details as per approved APP; works nature and design of work along with estimated cost to the PD / DPD seeking his consent, for initiating the procurement process.

After the approval of PD / DPD, the program manager shall refer the matter to the SMP for initiating the process.

SMP shall initiate the procurement process as under:

1. Preparation of Bidding Documents
2. Advertisement and Publication
3. Receiving and Recording of Bids
4. Cancellation of bidding process
5. Bids evaluation
 - a. Opening of bids
 - b. Evaluation of bids
 - c. Preparation of Comparative statement
 - d. Announce of bid evaluation report
6. Acceptance, approval and award of contract.

A. Preparation of Bidding Documents

On receiving the approval, the SMP shall initiate the process for the preparation of bidding documents including the letter of invitation for bid in the manner prescribed below during the process he shall review the following:

- i. Estimation of necessary equipment, plants, and other resources in consideration with specified completion time and nature of work to be done jointly with respective sectional head;
- ii. Specification and drawings are also to be checked for consistency with the related procurement, any ambiguity or incomplete information should be clarified with the design section / program manager construction management.
- iii. Once the bid documents including NITs are prepared shall be presented to PM - SS for obtaining approval of PD through DPD to convene the meeting of the procurement committee for preparation and approval of bid documents.

After the approval from **PC**, PM - SS will send complete bidding documents to SPPRA for hoisting on their website and shall also ensure these are available on their website for convenience of bidders and for efficient procurement process.

As per rule 21, following information has to be contained in bid documents

1. Letter of Invitation for bid, sample of letter of invitation is provided in **Annexure - X**.
2. Data sheet containing information about the assignment. Sample of Data Sheet is provided in **Annexure - XI**.
3. Instructions for preparing bids.
4. Amount and manner of payment of bid security and performance guarantee (where applicable). Explanation - 1.
5. Manner and place, date and time for submission of bidding documents.
6. Manner, place, date and time of opening of bids.
7. Method of procurement used.

8. A detailed and unambiguous evaluation criteria. Explanation – 2.
9. Terms and conditions of the contract agreement.
10. Terms of Reference and technical specifications of goods, works or services to be procured.
11. Manner in which tender price is to be assessed and computed, including information about tax liability.
12. Currency in which tender price is to be formulated and expressed.
13. Bid validity period. Explanation – 3.
14. A copy of integrity pact to be signed by the parties (where applicable). Sample of Integrity pact is provided in **Annexure – XII**.
15. Any other information which is specified in regulations as may be issued by the SPPRA from time to time.

Fee of bidding document: Rule 20(2): the PMIU will charge a fee for bidding documents, which shall not exceed the cost of preparation and printing.

Explanations:

1. Amount and manner of payment of bid security and performance guarantee (where applicable);

As per Rule 37, Bid Security,

The PMIU shall require the bidders to furnish a bid security not **below one percent** and not exceeding **five percent** of the bid price, which shall remain valid for a period of **28 days** beyond the validity period for bids, in order to provide the PMIU reasonable time to act, if the security is to be called;

Bid security shall be released to the unsuccessful bidders once the contract has been signed with the successful bidder or the validity period has expired.

As per rule 39, Performance Security

The PMIU shall, in all procurement of goods, works and services, carried out through open competitive bidding, require security in the form of pay order or demand draft or bank guarantee, an amount sufficient to protect itself in case of breach of contract by the contractor or supplier or consultant, provided that the amount shall not be more than **10% of contract price**;

The security shall be provided in an appropriate form and amount, as provided in the bidding documents;

Validity of performance security shall extend at least ninety days beyond the date of completion of contract to cover defects liability period or maintenance period subject to final acceptance by the PMIU.

As per regulation 7.12.2.

The PMIU shall in all procurement of works, carried out through open competitive bidding, require security in an amount sufficient to protect the PMIU in case of breach of contract by the contractor, provided that the amount shall not be **more than 10% of the contract price**.

Normally in contracts of works, **5%** of total bid cost is obtained as performance security and remaining part is deducted from running bills as security deposit and same must be mentioned in the Data Sheet of Bidding Document.

The successful bidder shall furnish to the PMIU a performance security in the form and the amount stipulated in the conditions of contract with a period of **14 days** after the receipt of letter of acceptance:

- i. Amount of performance security should be mentioned in the bidding document and also stated in the letter of acceptance. The amount of the security may vary, depending on the nature and magnitude of works, but in any case **shall not exceed 10%** of total bid cost stated in the letter of acceptance;
- ii. performance security shall be provided in an appropriate form; and must be obtained either in the form of Bank Guarantee from the schedule bank or as prescribed in regulations issued by the Authority;
- iii. Time Limit: Contractor should provide performance security within time mentioned in the letter of acceptance; (Normally within **14 days** after the receipt of the letter of acceptance).
- iv. Period of Validity: The period shall extend sufficiently beyond the date of completion of the works to cover the defects liability or maintenance period up to the final acceptance by the procuring agency. It depends on the nature and magnitude of the contract; however it should not be less than **90 days**, and shall be clearly stated in the bidding document.
- v. Release of Performance Security: After expiry of defect liability period and final acceptance by the PMIU; the same is released to the contractor. However it shall be reflected in terms and conditions of the contract.

Procedure

- i. After the approval of the bid, the Manager Construction Management shall issue the Letter of Acceptance to the contractor including draft contract and with request to submit the Performance Guarantee as stipulated in bidding documents along with signed copy of the contract. When requesting the contractor for submission of Performance Guarantee, he shall include the following details:
 - a. Amount of performance guarantee required in numbers and figure;
 - b. Mode of performance Guarantee;
 - c. Deadline for submission of performance guarantee; and
 - d. Package and contract details
- ii. When signed contract and performance guarantee is received, he shall check whether the performance guarantee received is complete in all regards;
- iii. Manager Construction shall handover the performance guarantee to Manager FAA for keeping in the safe custody and it shall be properly documents.

2. A detailed and unambiguous evaluation criteria

As per Rule 21-A, Evaluation Criteria

The PMIU shall formulate an appropriate evaluation criterion, listing all the relevant information against which a bid is to be evaluated and criteria of such evaluation shall form an integral part of the bidding documents. The failure to provide a clear and unambiguous evaluation criteria in the bidding documents shall amount to mis-procurement.

3. Bid Validity period

As per Rule 38,

- i. The PMIU, keeping in view nature of procurement, shall subject the bid to a validity period, which shall be specified in the bidding document and shall not be more than 90 days in case of National Competitive Bidding and 120 days in case of International Competitive Bidding;

Extension of bid validity may be allowed subject to approval by the competent authority of the PMIU, and with reasons to be recorded in writing;

Provided that if validity period has to be extended due to some slackness on the part of PMIU, the competent authority shall fix responsibility and take appropriate disciplinary action;

- ii. After obtaining such approval, the PMIU, shall request in writing all bidders to extend the bid validity period. Such a request shall be made before the date of expiry of the original bid validity period;
- iii. Such an extension shall not be for more than one third of the original period of bid validity;
- iv. In case the PMIU fails to finalize the bid evaluation within the extended time, the bids shall stand cancelled and a fresh bidding process shall be initiated;
- v. Whenever an extension of bid validity period is requested, a bidder shall have the right to refuse to grant such an extension and withdraw his bid and bid security shall be returned forthwith
- vi. Bidders who;
 - a. agree to extension of the bid validity period shall also extend validity of the bid security for the agreed extended period of the bid validity;
 - b. agree to the PMIU's request for extension of bid validity period shall neither be requested nor permitted to change the price or other conditions of their bids.

B. Advertisement and Publication of NIT

Notice Inviting Tender

As per Rule 17 (3), the PMIU may invite the bids through a letter of invitation for bids, such letter shall contain the following:

- a. name, postal address, telephone number(s), fax number, e-mail address (if available) of the PMIU;
- b. purpose and scope of the project;
- c. schedule of availability of bidding documents, submission and opening of bids, mentioning place from where bidding documents would be issued, submitted and would be opened;
- d. amount and manner of payment of tender fee and bid security;
- e. any other information that the PMIU may deem appropriate to disseminate at this stage.

i. Advertisement

As per **Rule 20**, the SMP in the PMIU will publish the NIT in the newspapers(s), website of PMIU and the Authority (for which it shall pay a fee as may be determined by the Authority) in the manner provided in the following table:

S. No.	Amount of procurement	Authority's website	Newspapers	International English newspaper or known website	Rule
1	Greater than 100,000 but less than 1,000,000	✓	×	×	17(1)
2	Greater than 1,000,000	✓	3 National newspapers	×	17(1)
3	International Competitive Bidding	✓	2 English Newspapers	✓	

- a. In case of procurement of greater than Rs. 100,000 and less than Rs. 1 million, the publication of NIT in newspaper is not mandatory, however the PMIU shall be publish the website of the authority and its own.
- b. In case of procurement of greater than Rs. 1 million, the publication of NIT is required in three national newspapers of English, Sindhi and Urdu languages. The procedure of publication shall be in conformity with the directions issued from the Information department, GoS.
- c. In case of international competitive bidding, the publication of NIT is required in 2 English language newspapers and one international English newspaper or an internationally known website relevant to the procurement.
- d. As per Rule 17 (4) and (5), the PMIU will also post all advertisements concerning procurement on its own website but it shall ensure that all information posted on the website contains all the information mentioned in NIT.

ii. Response Time

Response time is the period allowed to the bidders for the submission of their bids. This time starts from the date of the publication of the NIT in the newspapers and on the website:

As per Rule 18,

While deciding the response time for the submission of bids, the PMIU will give due consideration to the scope, magnitude and nature of procurement:

S. No.	Situation	Calendar days from the date of publication
1.	National Competitive Bidding	15
2.	International Competitive Bidding	45

As per regulation 4.8:

- a. The PMIU shall ensure that bidding documents are available to the interested bidders from the first day of publication of Notice Inviting Tender in the newspaper or hoisting on the website, as the case may be;

- b. response period is determined/calculated from the date of first publication in newspaper or hoisting on the authority's website as the case may be (keeping in view the cost of bid) up to last date of issuing documents. Response period is same.
- c. in case of large works or complex items, sufficient period be allowed which is generally between **60-120** days to enable the interested bidders to conduct investigations before submitting their bids, and, in such cases, the PMIU could convene pre-bid conferences and arrange site visits also.

iii. Amendments in bid after the publication of the NIT

As per Rule 21(2),

In case the PMIU considers that any information, that has become necessary for bidding or for bid evaluation, after the invitation to bid or issue of the bidding documents to the interested bidders, the PMIU shall provide that information to the bidders in a timely manner and on equal opportunity basis by way of modification in the bid invitation.

Such change, addition, modification or deletion shall be made in a manner similar to the original advertisement/publication.

Procedure

- i. SMP with the approval of PD shall publish such information in the manner in which the original NIT was published. Such information may include information regarding change in the time and place of submission of bids.
- ii. In case of any change, addition or modification or deletion in the eligibility or evaluation of criteria in the bidding document, the SMP will prepare the working paper and place it such proposal before the PC for consideration and approval.
- iii. After approval from the PC, the SMP shall communicate such change, modification, deletion in the bidding document for the information of the bidders in the same manner in which original NIT was published.
- iv. However, where the bidders have already been shortlisted after due process only the shortlisted bidders may be informed through courier service, registered post, email or the bidder conference.

iv. Extension of Time Period for Submission of Bids

As per Rule 22,

The PMIU may extend the deadline for submission of bids only, if one or all of the following conditions exist:

- Fewer than three bids have been submitted and procurement committee is of the unanimous view that wider competition can be ensured by extending the deadline for the submission of the bids. In such case, the bids submitted shall be returned to the Bidders un-opened;
- If the PMIU is convinced that such extraordinary circumstances have arisen owing to law and order situation or a natural calamity that the deadline should be extended.

As per regulation 4.10,

Advertisement of such extension in time shall be done in a manner similar to the original advertisement, in which case all rights and obligations of the PMIU previously subject to the original dead line will thereafter be subject to the dead line extended.

In case, corrigendum or addendum is issued, following points be taken into consideration:-

- a. notice of corrigendum or addendum is issued prior to expiry date of submission of bids or at least published within **3 days** of expiry date/opening date and hoisting on the same date;
- b. notice is to be advertised in a manner similar to the original advertisement. Affixing of corrigendum on notice board of office of the PMIU cannot a substitute to the requirement of publication in newspaper or hoisting on SPPRA website as the case may be;
- c. in case of material deviation or addendum, it is necessary to provide a minimum response period of **fifteen days** which will be counted from the date of publication/hoisting of such corrigendum or addendum;
- d. in case addendum which envisages additional items to be tendered, then it is essential to enhance the response period by **fifteen days** to be counted from date of publication or hoisting on SPPRA website addendum at least for new items.

Procedure

- i. SMP, shall inform the PD if any of the following condition has been arisen and will discuss the need for time extension in the submission of bids.
- ii. PD shall decide the time for convene the meeting for extension of time period for submission of bids,

v. Clarification of bidding documents

As per Rule 23 (1),

An interested bidder, who has obtained bidding documents, may request for clarification of contents of the bidding document in writing, and PMIU shall respond to such queries in writing within three calendar days, provided they are received at least five calendar days prior to the date of opening of bid.

Example:

S. No.	Date of Opening of Bids	Last Date for Query
1.	10 May 20XX	5 May 20XX

S. No.	Date of Query	Latest Date of Response by PMIU
1.	1 May 20XX	4 May 20XX

For the purpose of transparency and equal opportunity, any clarification by the PMIU in response to a query by any bidder shall be communicated to all parties who have obtained bidding documents.

vi. Reissuance of Tender Notice in case of modification of bidding

As per Rule 23 (2),

PMIU shall re-issue the Notice Inviting Tenders, in accordance with above rules, if it is convinced that there is a material infirmity or ambiguity in the bidding documents, which would require major modification in the contents of bidding documents.

Procedure

In such situation, where the bidding document requires, major change or clarification, the SMP will prepare the working paper and place the proposal before the PC seeking approval for reissuance of the bid. After approval from the PC, the SMP shall proceed in the same manner in which original NIT was published.

As per regulation 7.4 Re-issuance of Tenders:

The PMIU may re-issue tenders in case, the bidding process has been cancelled as provided in Rule 25, or one of the conditions exists:

- i. Such an infirmity in the bidding documents has surfaced that the procuring committee recommends to the competent authority that bids have to be invited afresh;
- ii. The case has been declared as one of mis-procurement, in pursuance of Rule 56;
Provided while re-issuing tenders, the PMIU may change the specifications and other contents of bidding documents, as deemed appropriate.

vii. Pre bid meeting for clarification and modification of bidding documents

- PC will organize pre bid meeting(s) of the potential bidders, where interested bidders are invited to voice their concerns & queries to be answered by PMIU management and the consultants. This may also help the potential bidders gain a better understanding of the work expected. All important and major aspects will be shown to or discussed with the interested bidders. This may also help PMIU in better evaluation and contact administration.
- SMP will prepare minutes of the meetings, questions raised and clarifications provided to the potential bidders.
Such pre bid meetings shall be held at least 10 clear days before the date of submission of bids, so that the bidders get enough time to decide for submission of bids.

C. Receiving and Submission of bids

As per Rule 24:

- a. The bids shall be submitted at the place on the date and time and in the manner mentioned by the PMIU, in the tender notice and bidding documents.
- b. Any bid submitted late due to any reason whatsoever, shall not be considered by the procurement committee;
- c. Bidders shall be permitted to submit the bids by registered mail, courier service or in person before the given date and time;
- d. date for opening of bids/proposals and the last date for the submission of bids shall be the same, as given in the bidding documents and in the Notice Inviting Tender/Expression of Interest;

- e. in case, the two dates are different, the date and time, given in the bidding documents shall apply.

As per regulation 7.8, Clarification of bids:

If warranted, occasionally, the PMIU, may request clarifications bidders concerning ambiguities or inconsistencies in the bid, but it shall invariably be in writing and the response to such request shall also be in writing.

No change in the price or scope of the originally offered bids shall be sought or accepted, except for the correction of the arithmetic error and to understand the bidder's intentions for a decision on its responsiveness. No circumstances shall justify meeting or conversations between the executing agency, its evaluation committee (or its consultants) and bidders during the bid evaluation process.

Procedure

- a. **SMP** will be responsible for receiving the bids from bidders and keeping the received bids under lock and key. He shall record following details regarding each bids received on the daily basis:
 - i. Name of procurement and control number for which the bid is received;
 - ii. Specify whether the submission is Original, Modification, Withdrawal or Substitution;
 - iii. Name of the Bidder;
 - iv. Whether the bid is sealed or not (specify what type of seal);
 - v. Source of delivery i.e. registered mail, courier or by hand;
 - vi. If delivered 'by hand', the name, CNIC, contact number and position of the person delivering the bid;
 - vii. Date and time on which the bid is received, if received late then specify the actual date and time;
 - viii. The person receiving the bid 'by hand' shall give proper receipt with date and time of the receiving of the bid;
 - ix. Name and signature of the person from designated Procurement Officer who received the bid.
- b. **SMP** shall ensure that sealed envelope must be directed at the address notified in the invitation to bid, bearing the following identification:
 - i. Bid for (Name of work);
 - ii. bid reference number;
 - iii. on the reverse side to the address bear the name and address of the bidder, to enable the bid to be returned unopened in case it is declared "late" or unresponsive;
 - iv. Caution "Do Not Open Before [insert time and date for bid opening]"
- c. **SMP** shall ensure that bid should always be sealed, and the envelope shall contain all of the bid documents except the drawings and specification book which shall be returned separately;
- d. **SMP** shall drop the bids in the **locked Tender Box or Cabinets** which may be used or when the tenders are in large volumes or in envelopes that are large or thick, they may be directly received by an assigned officer/official of the procuring agency. The key of the box should remain in possession of the **SMP**;
- e. **SMP** shall issue an acknowledgement of receipt starting the date and time, when the bids are sent through either courier service or by post;

- f. if the outer envelope is not sealed and marked as above, the PMIU will assume no responsibility for the misplacement or premature opening of the bid;
- g. bidders shall submit only one bid unless permitted to submit alternate bid and in case separate bidding/tender document is to be purchased.

D. Modification, withdrawal, or substitution of bids

As per Rule 43,

If any bidder wants to make any modification, withdrawal, or substitution before the date and time of submission of bids.

No bidder shall be allowed to alter or modify his bid(s) after the expiry of deadline for the receipt of the bids.

The above record shall be written "Bid Record Sheet" sample is provided at **Annexure – XIII.**

As per regulation 7.1,

Submission of Bids

Formal procedure: It is essential to define the procedure for the formal receipt of tenders, closing of tendering and safe-keeping of tenders for the transparency of the tendering process for the following reasons:-

- i. it ensures that tendering is closed at the precise date and time of the deadline, that no late tenders are accepted;
- ii. ensures that a record is kept of all tenders submitted on time, to help avoid the opening of any late tenders submitted at the opening;
- iii. it ensures that submitted tenders are kept unopened until the time for the public tender opening, to promote fair competition.

E. Cancellation of bids

As per Rule 25:

- The PMIU may cancel the bidding process at any time prior to the acceptance of a bid or proposal;
- The PMIU shall incur no liability towards the bidders, solely by cancellation of bidding process;

Intimation of the cancellation of bidding process shall be given promptly to all bidders and bid security shall be returned along with such intimation.

The PMIU shall, upon request by any of the bidders, communicate to such bidder, grounds for the cancellation of bidding process, but is not required to justify such grounds.

As per regulation 7.3, Cancellation of bidding process:

- a. The PMIU may reject all bids or proposals at any time prior to the acceptance of a bid or proposal.

Normally, a reason for cancellation of all bids or bidding process is either for following reasons:-

- i. evidence of lack of effective competition; such as non-participation by a number of potential bidders;
- ii. bids are not substantially responsive;
- iii. bid prices are substantially higher than existing budget, beyond the allowable limit of official estimated cost or allowable percentage above the schedule B / bill of quantities cost in percentage contract, provided the estimate is realistic;
- iv. bidders are unable to propose completion of the works within the stipulated time, though the stipulated time is reasonable and realistic; or
- v. evidence of professional misconduct, seriously affecting the procurement process is established.

Lack of competition shall be not determined solely on the basis of the number of bidders. Even when only one bid is submitted, the bidding process may be considered valid, if the bid was satisfactorily advertised and prices are reasonable in comparison to the market values and procurement made by PMIU in the recent past.

- b. Actions to be taken after cancellation of bidding process: If all bids are cancelled, the Procuring Agency shall review the causes justifying the cancellation and consider making revisions to the conditions of the contract, design, specifications and scope of the contract, or combinations of these, before inviting fresh tenders;
- c. procuring agency shall incur no liability, solely by virtue of cancellation/rejection of all bids towards contractors who have submitted bids or proposals;
- d. intimation of the rejection of all bids or proposals shall be given promptly to all contractors who submitted bids or proposals and the bid security shall be returned along with such intimation.

Options: When all bids are cancelled, then PMIU can opt either of following options for inviting new bids from:

- i. initially prequalified firms: OR
- ii. only those who had submitted bids in the first instance; OR
- iii. a fresh NIT / EoI will be initiated. This will be better choice if time is not constraint.

Procedure for Cancellation

The proposal for cancellation of bidding process shall be initiated by the SMP with grounds for doing so and shall be cancelled with due approval of the PD and with intimation to other members of the PC.

SMP shall communicate the grounds of such cancellation to the bidder(s), if so requested by the bidder(s).

F. Bid Evaluation

a. Bid opening procedures

The procurement committee shall open and evaluate all bids received in the manner prescribed in the Notice Inviting Tenders or bidding document and record the bid opening process including the method of procurement on the Bid Record Sheet.

All bids shall be opened publicly in the presence of all the bidders, or their representatives, who may choose to be present in person at the time and place announced in the invitation to bid.

The bid opening is not delayed on the plea of absence of bidders or their representatives, as their presence is optional.

As per Rule 41 and regulation 7.5,

The procurement committee of the PMIU shall be opening the bids as per the following procedures:

- i. The date for opening of bids and the last date for the submission of bids shall be the same, as given in the bidding documents and in the Notice Inviting Tender;
- ii. Subject to provisions of Rule 18, in case, the two dates are different, the date and time, given in the bidding documents shall apply;
- iii. The bids shall be opened within one hour of the deadline for submission of bids;
- iv. All bids shall be opened publicly in the presence of all the bidders, or their representatives, who may choose to be present in person, at the time and place announced in the invitation to bid;
- v. The tender box shall be opened and all tenders removed and counted;
- vi. The chairman of the procurement committee shall read aloud the name of the bidder and total amount of each bid, and of any alternative bids if they have been permitted, shall be read aloud and recorded when opened;
 - a. Reading out at the time of opening of the bid shall be in following manner:

Firstly; withdrawal letters submitted by a bidder shall be read first, and it will be recorded in minutes, and bids submitted by the bidders shall be returned unopened;

Secondly; substituted or modified bids shall be read out and the bids submitted earlier shall be returned to them unopened; both the original tender and modification should be stamped on key pages and signed or initialed by the chairperson of PC and by all members of the PC;

Thirdly; original bids submitted by the bidders, shall be opened and read out.

Following items shall be readout in the bid opening meeting:

- Name of the bidder,
 - Letter of authorization to sign the bid,
 - Total bid amount,
 - Any modifications,
 - Alternative bids,
 - Discount,
 - Details of bid security,
 - Unit rates in the BOQ,
- vii. All envelopes should be counted, each tender envelop should be identified by giving a **serial number divided by total number of tenders received**. When 5 bids are received then bids will be identified by marking them in following manner,; 1/5, 2/5, 3/5, 4/5, 5/5;
 - viii. Bid opening sheet (BOS) is prepared containing the information relating to bids announced at the opening;

- ix. Corrections or deletions in unit rates or amount in BOQ and recorded in the Bid Opening Record sheet.

Procedure for corrections

Regulation 7.6 (c)

Bids determined to be substantially responsive shall be checked by the procurement committee for arithmetical errors and any such error is read out to all participants and corrected by the PC in the manner given below:

- When there is a discrepancy between the unit price entered against an item in the bill of quantities and the total amount then the total amount shall be amended accordingly;
 - When discrepancy is the misplacement / absence of a decimal place in the unit rate, the unit rate shall be amended on the basis of the total amount which shall be taken as correct as entered;
 - When there is a discrepancy in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected;
 - 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 the notes above; and
 - PC shall notify all bidders in writing, about all any arithmetic corrections made at the time of the opening of the bid and request to agree to such corrections.
- x. All bidders present in the bid opening meeting shall sign an attendance sheet;
- xi. Following bids shall not be opened and returned after recording the reasons doing so:
- a. Bids which are submitted after the time prescribed in NIT; and
 - b. Bids not considered due to procedural flaw(s).
- xii. The chairman procurement committee shall encircle the rates and all the members of procurement committee shall sign each and every page of financial proposal and the Bid Record Sheet;
- xiii. The procurement committee shall issue the minutes of the opening of the tenders and shall also mention over writing or cutting as recorded in the bid record sheet, if any;
- xiv. At the time of opening of the bid the PC may ask the bidders for clarifications needed for the clarity for the purpose of evaluation the bids but shall not permit any bidder to change the substance or price of the bid;
- xv. The members of PC shall sign an attendance sheet evidencing their attendance;
- xvi. The PC after the bid opening meeting shall initiate the process for bid evaluation and preparation of Comparative statement.

Bid Opening Checklist to be included in the working papers of bid opening proceedings

S. No.	Items	Name of Bidders		
		Firm A	Firm B	Firm C
1	Is envelope sealed?	Yes/No		
2	Required Amount of Bid security			
3	Required Bid validity period			
4	Authority of signing Alternate bid if any Withdrawal,			
5	Alternate bid if any			
6	Withdrawal,			
7	Substitution or Modification if any			
8	Any discounts (if any)			
9	Price Read out			
10	Form of tender signed or not			
11	Other documents attached(PEC valid Registration in required discipline and category			
12	Any other detail			

b. Bid Evaluation

The PC in the PMIU shall evaluate all responsive bids in accordance with the evaluation criteria and other terms and conditions mentioned in the bidding documents.

The PC shall apply following principles at the time of bid evaluation:

i. Single Bid

As per Rule 48,

Even when only one bid is submitted, the bidding process may be considered valid, if the bid was advertised in accordance with rules, and the complete procedure was adopted. However, in this situation the quoted prices are compared with the prices or rates of the last awarded similar contract or market prices.

Provided that the PC may consider to review that the comparison of similar contract or market prices may not be workable in case of consulting services.

- ii. For the purpose of comparison of bids quoted in different currencies, price shall be converted into a single currency specified in the bidding documents. The rate of exchange shall be the selling rate prevailing seven working days before the date of opening of the bids specified in the bidding documents, as notified by the State Bank of Pakistan;
- iii. A bid once opened in accordance with the prescribed procedure shall be subject to only those rules, regulations and policies that are in force at the time of issuance of notice for invitation of bids;

- iv. At the time of the evaluation of the bid the procurement committee may ask the bidders for clarifications needed in the evaluation the bids but shall not permit any bidder to change the substance or price of the bid;

Procedure for bid evaluation

The PMIU may use any of the following bidding procedure for ensuring transparency, quality and cost effectiveness.

Bid evaluation procedure depends on the method of bidding is selected and detailed procedures for bid evaluation for each method.

However, guidelines and further explanation for bid evaluation is given in the regulation 7.6 which shall be used for better understanding given under:

c. Stages of evaluation

The three important stages of bid evaluation are listed as follows:

Preliminary screening:

- a. eliminate tenders who fail to comply with the basic requirements of the Bidding Document and
- b. bidders who do not meet mandatory eligibility requirements;

Detailed evaluation: to determine whether tenders are substantially responsive to the commercial and technical requirements stated in the bidding document and to eliminate tenders which are not responsive; and

Financial evaluation: to compare the costs of responsive tenders and determine which is the lowest priced tender.

The successful tender will be the lowest priced tender, which is substantially responsive to requirements of the bidding document. But in case of Single Stage One Envelope Procedure, Post qualification procedure is used to determine Eligible and responsive bidder The above stages of evaluation are very use full in case of Single Stage Two Envelope Procedure

Procedure

All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the NIT and the bidding documents. Tender/Bid with any condition or where the conditions mentioned in the NIT and the bidding documents have been allured or omitted will not be entertained, and will be declared non-responsive and shall stand rejected;

Purpose of bid evaluation is to determine the cost of each responsive/technically qualified bid in a manner that permits a comparison on the basis of their evaluated cost;

Bid Evaluation for Works shall be strictly in monetary terms, however if time is a critical factor, the value of early completion may be taken into account according to the criteria presented in the bidding documents. Bonus marks for early completion may be awarded, if mentioned in the evaluation criteria. In such cases, provisions for commensurate penalties for noncompliance must be included in the conditions of contract.

Correction of Arithmetical checking: Bids determined to be substantially responsive shall be checked by the PMIU for arithmetical errors and any such errors will be rectified as follows:-

- i. where there is a discrepancy between the extended amount entered against an item in the bill of quantities and the amount obtained by multiplying the unit rate and the quantity, then the latter amount shall prevail and the extended amount entered in the bill of quantities shall be amended accordingly;
- ii. if discrepancy is the misplacement of a decimal place in the unit rate, the unit rate shall be amended and the extended amount entered as aforesaid shall be taken as correct;
- iii. if there is a discrepancy in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and
- iv. 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 the notes above.
- v. Bidders shall be notified in writing of any arithmetic corrections made and requested to agree to the corrections in writing.

For the purposes of comparison of bids quoted in different currencies, the price shall be converted into a single currency specified in the bidding documents. The rate of exchange shall be the selling rate as notified by the State Bank of Pakistan prevailing seven working days before the date of opening of the bids or the date of opening, specified in the bidding documents.

If the bidder does not accept the Corrected Amount of Bid, his bid will be rejected and his Bid Security forfeited.

Bid once opened in accordance with the prescribed procedure shall be subject to only those rules, regulations and policies that are in force at the time of issue of notice for invitation of bids.

There shall be no consideration during the bid evaluation of any information contained in a bid submission that was not requested in the bidding document.

Correction for Provisional Sums: Bids may contain provisional sums set by the Procuring Agency for contingencies or for nominated subcontractors if allowed, etc. As these sums are the same for all bids, they should be subtracted from the read out prices to allow for a proper comparison of bids in subsequent steps. However, those provisional sums set aside for day work etc, where priced competitively, should not be included in the deductions.

Completeness of Bid: Unless the bidding documents have specifically allowed, bids not offering all of the required items should ordinarily be considered non-responsive. However, under works contracts, a rate or price shall be entered against each item in the priced Bill of Quantities, whether quantities are stated or not. The cost of items against which contractor will have failed to enter rate or price shall be deemed to be covered by other rates and prices entered in the preamble of Bill of Quantities. No separate payment will be made for those items.

Substantial Responsiveness: Responsiveness of the bidder and bid is to be determined by the Eligibility and the fact that bid has no Major deviations as mentioned below:

Eligibility:

- The bidder is of valid license holder from the PEC and fall within the category and discipline allowed to participate;
- The bidder is registered with tax authorities.

- The bidder is not black listed by any Procuring Agency.
- In case of electrical works, the bidder is in possession of electrical license from the Electrical Inspector of Sindh.

Deviations:

a. Major (Material):

Major deviations to the commercial requirements and technical specifications are a basis for the rejection of bids. As a general rule, major deviations are those that if accepted, would not fulfill the purposes for which the bid is requested, or would prevent a fair comparison or affect the ranking of the bids that are compliant with the bidding documents. Major deviations include:-

- i. stipulating price adjustment when fixed price bids were called for;
- ii. failing to respond to specifications;
- iii. failing to comply with Mile-stones/critical dates including completion date provided in Bidding Documents including completion date;
- iv. subcontracting contrary to the Conditions of Contract specified in Bidding Documents;
- v. refusing to bear important responsibilities and liabilities allocated in the Bidding Documents, such as performance guarantees and insurance coverage;
- vi. taking exception to critical provisions such as applicable law, taxes and duties and dispute resolution procedures.
- vii. bid security is of not required amount and source.
- viii. bid validity is less than specified period.
- ix. bid is submitted for incomplete Scope of Work.
- x. bid indicates that material to be supplied does not meet the eligibility requirements or it is materially and substantially different from the Conditions/Specifications of Bidding Documents.
- xi. the bidder refuses to accept the arithmetic corrections.

b. Minor Deviations

Bids that offer deviations acceptable to the PMIU and which can be assigned a monetary value may be considered substantially responsive the issue of fairness. This monetary value would however be added as an adjustment for evaluation purposes only during the detailed evaluation process.

i. Single Stage – One Envelope Procedure

a. Eligibility Criteria: Notice Inviting Tenders and bidding documents of this method shall contain the following eligibility criteria;

- relevant experience;
- turn-over of at least last three years;
- registration with Federal Board of Revenue (FBR), for Income Tax, Sales Tax in case of procurement goods, registration with Sindh Revenue Board, in case of procurement of Works and services and registration with Pakistan Engineering Council (where applicable);
- any other factor deemed to be relevant by the PMIU subject to provision of Rule 44;

b. Procedure for opening

- i. each bid shall comprise one single envelope containing one financial proposal and required information mentioned at clause (a) above;
 - a. PC shall evaluate all eligible financial proposals in the manner prescribed in the bidding documents;
 - b. bid found to be the lowest evaluated or best evaluated shall be accepted / recommended for award of contract.

ii. Single stage – two envelope procedure

- a. Bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;
- b. envelopes shall be marked as "FINANCIAL PROPOSAL" and "TECHNICAL PROPOSAL" in bold and legible letters to avoid confusion;
- c. initially, only the envelope marked "TECHNICAL PROPOSAL" shall be opened;
- d. envelope marked as "FINANCIAL PROPOSAL" shall be retained in the custody of the PMIU without being opened;
- e. PC shall evaluate the technical proposal in a manner prescribed in advance, without reference to the price and reject any proposal which does not conform to the specified requirements
- f. no amendments in the technical proposal shall be permitted during the technical evaluation;
- g. financial proposal of bids found technically non-responsive shall be returned un-opened to the respective bidders; and
- h. bid found to be the lowest evaluated or best evaluated shall be accepted / recommended for the award of contract.

iii. Two Stage Bidding Procedure

First Stage

- i. bidders are invited to submit, according to the required specifications, a technical proposal without price, which shall be subject to technical as well as commercial clarifications and adjustments;
- ii. technical proposal shall be evaluated in accordance with the specified evaluation criteria and may be discussed with all the bidders together regarding any technical features that may require technical as well as commercial clarifications and adjustments;
- iii. after such discussions, all the bidders shall be permitted to revise their respective technical proposals to meet the requirements of the PMIU;
- iv. The PC may revise, delete, modify or add any aspect of the technical requirements or evaluation criteria, or it may add new requirements or criteria not inconsistent with these rules;

Provided that such revisions, deletions, modifications or additions are communicated to all the bidders equally at the time of invitation to submit final bids, and that sufficient time is allowed to the bidders to prepare their revised bids;

Provided further that such allowance of time shall not be less than fifteen days (15days) in the case of National Competitive Bidding and forty-five days (45days) in the case of International Competitive Bidding;

- v. The bidders not willing to conform their respective bids to the PMIU's technical requirements may be allowed to withdraw from the bidding without imposition of any penalty.

Second Stage

- i. bidders shall be allowed to amend their technical proposals in order to ensure conformance to the same technical standards;
- ii. bidders submit the revised technical proposals along with financial proposals;
- iii. the financial proposals of only those bidders whose original or revised technical proposals are found to be conforming to the agreed technical standards and requirements, shall be opened at a time, date and venue announced and communicated to the bidders in advance;
- iv. the revised technical proposals and the financial proposals shall be evaluated in the manner prescribed above. The bid found to be the lowest evaluated bid shall be accepted;

Provided that in setting the date for the submission of the revised technical proposal and financial proposal the PC shall allow sufficient time to the bidders to incorporate the agreed upon changes in the technical proposal and prepare their financial proposals accordingly.

iv. Two stage – Two Envelope Bidding Procedure

First Stage

- i. bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;
- ii. envelopes shall be marked as "FINANCIAL PROPOSAL" and "TECHNICAL PROPOSAL" in bold and legible letters to avoid confusion;
- iii. initially, only the envelope marked "TECHNICALPROPOSAL" shall be opened;
- iv. envelope marked as "FINANCIAL PROPOSAL" shall be retained in the custody of the PMIU without being opened;
- v. technical proposal shall be discussed with all the bidders or their representatives present together with reference to the PMIU's technical requirements;
- vi. the bidders willing to meet the requirements of the PMIU shall be allowed to revise their technical proposals following these discussions;
- vii. bidders not willing to conform their technical proposal to the revised requirements of the PMIU shall be allowed to withdraw their respective bids without forfeiture of their bid security;

Second Stage

- i. bidders who are willing to conform to the revised technical specifications and whose bids have not already been rejected shall submit a revised technical proposal and supplementary financial proposal, according to the revised technical requirement;
- ii. revised technical proposal along with the original financial proposal and supplementary financial proposal shall be opened at a date, time and venue announced in advance by the PMIU;

Provided that in setting the date for the submission of the revised technical proposal and supplementary financial proposal the PMIU shall allow sufficient time to the bidders to incorporate the agreed upon changes in the technical proposal and to prepare the required supplementary financial proposal; and

The PMIU shall evaluate the whole proposal in accordance with the evaluation criteria and the bid found to be the lowest evaluated bid shall be accepted.

G. Preparation of comparative Statement

After having completed the evaluation process, the procurement committee shall prepare a comparative statement showing the ranking of all responsive bidders, with score achieved.

i. Comparative Statement of Technical Evaluation

PC shall award numbers for the technical aspects of the proposals and prepare a comparative statement showing ranking of all technically qualified bidders.

Name of Procuring Agency:				
Name of Work:		Marks obtained by firms.		
Evaluation Criteria*	*Marks assigned	Firm A	Firm B	Firm C
Experience in similar works (marks for one project =...)				
Experience in similar geographical conditions (- marks for one project = ---)				
Annual Turnover (not less than bid cost).				

ii. Financial Comparative Statement

PC shall award numbers for the financial aspects of the proposals and prepare a comparative statement showing ranking of all bidders. Following sample can be used:

S. No	Firm/Bidder's Name	Final Tender Cost	Comparison with Engineering Estimate	Remarks and Recommendations	Ranking
1	Firm A				
2	Firm B				

S. No	Firm/Bidder's Name	Final Tender Cost	Comparison with Engineering Estimate	Remarks and Recommendations	Ranking
3	Firm C				

H. Announcement of Evaluation Report

As per rule 45,

PC shall announce the results of bid evaluation in the form of a report containing the details of all received bids, as recorded in the bid record sheet, giving reasons for acceptance or rejection of bids. The report shall be hoisted on website of the Authority and that of the PMIU and intimated to all the bidders at least 3 (three) days prior to the award of contract.

As per regulation 7.9,

The evaluation report should include the at least the following information:

- i. results of the preliminary screening with the list of rejected bidders and a brief statement of why the bid was rejected;
- ii. results of the detailed technical and commercial evaluation;
- iii. list of any tenders which were rejected as non-responsive and the reasons for the rejection;
- iv. details of any non-material deviations, errors or omissions accepted, clarified or corrected and, where relevant, the way in which deviations or omissions have been quantified and taken into account in the financial evaluation;
- v. price of each tender as read out at the bid opening;
- vi. evaluated price of each tender, following any correction or adjustments to the price and the conversion to a single currency (if required);
- vii. ranking of the tenders, according to their evaluated price;
- viii. stating the tender which has the lowest evaluated price and is therefore recommended for approval to competent authority; and
- ix. results of pre-qualification/technical assessment also be provided separately if any.

The Bid Evaluation Report in the standard form prepared and duly signed by all members of evaluation committee is to be hoisted on website of the authority and that of procuring agency if its website exists and intimated to all bidders at least seven days prior to the award of contract.

Sample of "Bid Evaluation Report" is provided in **Annexure – XIV**.

I. Acceptance of bids and award of contract of procurement contracts

As per rule 49,

The technically responsive bidder with the lowest evaluated cost, but not necessarily the lowest submitted price, shall be awarded the procurement contract, within the original or extended period of bid validity.

As per regulation no. 7.12 Award of contract:

The contents of the contract document will depend on the model contract included in the bidding document. The contents of a contract and the order of precedence are normally listed

in the contract form or special conditions of contract. As guidance only, contract documents normally consist of the following:

- i. the contract form or agreement;
- ii. the contract award notice/letter of acceptance;
- iii. the bidder's bid and any modifications to the bid;
- iv. the general conditions of contract;
- v. the special conditions of contract;
- vi. the description of works, comprising specifications, terms of reference, drawings, bill of quantities, activity schedule and/or any other similar document.

The award of the contract must be made within the original or extended period of bid validity.

Procedure for executing the contract:

As per regulation 7.12.1 Letter of acceptance:

It is normally a contractually binding notice, which results in the entry into force of a contract and provides a rapid means of forming a contract, rather than waiting while the complete contract document is prepared. Thus the contract comes into force at once, meaning thereby that the delivery or mobilization periods start sooner and overall contract completion is achieved sooner;

- I. On receipt of approval, prior to the expiration of the original/extended validity period of the bids and expiry of seven days after publication/ announcement of the bid/tender evaluation report;

SMP shall send an acceptance notice i.e. "Letter of Acceptance" along with the draft agreement, of the tender/bid signed by the PD for the acceptance of the tender to the successful bidder. Sample of "Letter of Acceptance" is provided in **Annexure - XV**.

Letter of acceptance shall include following:-

- i. the name and address of the PMIU;
 - ii. the name and address of the contractor/firm;
 - iii. the reference number of the procurement (if any);
 - iv. a brief description of the works procured;
 - v. the date and reference number of the bidder's tender (if any);
 - vi. the currency and Contract Price, which, the PMIU will pay to the contractor in consideration of the execution and completion of work within completion period as prescribed in the contract;
 - vii. a request that the contractor confirm receipt of the Notice of Acceptance and confirm that it is proceeding with contract performance;
 - viii. Instructions on any immediate actions required from the contractor e.g. provision of a performance security & signing of the agreement.
- II. The SMP shall contact the contractor requiring the performance guarantee, once the letter of acceptance is received (along with the draft agreement) by the contractor, and signed copy of the agreement of contract within the time mentioned in the letter of acceptance.

The PMIU is required to keep evidence of dispatch, such as proof of posting, fax confirmation slip etc. and confirmation of receipt of the letter of acceptance is received by the bidder.

The necessary funds must also be committed in writing from authority competent to release the funds prior to issue of the letter of acceptance if funds are not released.

11.3. Procurement of goods through bidding

At the beginning of the financial year, the program manager of the section requiring to procure goods, that would need to initiate competitive bidding process, national or international, shall move request with details as per approved APP; in case of goods, item description, specification, quantity along with estimated cost to the PD / DPD seeking his consent, for initiating the procurement process.

After the approval of PD / DPD, the program manager shall refer the matter to the SMP for initiating the process.

SMP shall initiate the procurement process as under:

1. Preparation of Bidding Documents
2. Advertisement and Publication
3. Receiving and Recording of Bids
4. Cancellation of bidding process
5. Bids evaluation
 - a. Opening of bids
 - b. Evaluation of bids
 - c. Preparation of Comparative statement
6. Cancellation of bidding process
7. Approval and award of contract

A. Preparation of Bidding Documents

On receiving the approval, the SMP shall initiate the process for the preparation of bidding documents including the letter of invitation for bid in the manner prescribed in 10.2.2. of this manual and during the process he shall review the following:

- i. Estimation of necessary equipment, plants, and other resources in consideration with specified completion time and nature of work to be done jointly with respective sectional head;
- ii. Specification and drawings are also to be checked for consistency with the related procurement, any ambiguity or incomplete information should be clarified with the design section / program manager construction management.
- iii. Once the bid documents including NITs are prepared shall be presented to PM - SS for obtaining approval of PD through DPD to convene the meeting of the procurement committee for preparation and approval of bid documents.

Bidding Documents

After the approval from PD, PM – SS will send complete bidding documents to SPPRA for hoisting on their website and shall also ensure these are available on their website for convenience of bidders and for efficient procurement process.

As per rule 21, following information has to be contained in bid documents

1. Letter of Invitation for bid
2. Data sheet containing information about the assignment.
3. Instructions for preparing bids.
4. Amount and manner of payment of bid security and performance guarantee (where applicable). Explanation – 1.
5. Manner and place, date and time for submission of bidding documents.
6. Manner, place, date and time of opening of bids.
7. Method of procurement used.

8. A detailed and unambiguous evaluation criteria. Explanation – 2.
9. Terms and conditions of the contract agreement.
10. Terms of Reference and technical specifications of goods, works or services to be procured.
11. Manner in which tender price is to be assessed and computed, including information about tax liability.
12. Currency in which tender price is to be formulated and expressed.
13. Bid validity period. Explanation – 3.
14. A copy of integrity pact to be signed by the parties (where applicable).
15. Any other information which is specified in regulations as may be issued by the SPPRA from time to time.

Fee of bidding document: Rule 20(2): the PMIU will charge a fee for bidding documents, which shall not exceed the cost of preparation and printing.

Explanations:

1. Amount and manner of payment of bid security and performance guarantee (where applicable);

As per Rule 37, Bid Security,

The PMIU shall require the bidders to furnish a bid security not **below one percent** and not exceeding **five percent** of the bid price, which shall remain valid for a period of **28 days** beyond the validity period for bids, in order to provide the PMIU reasonable time to act, if the security is to be called;

Bid security shall be released to the unsuccessful bidders once the contract has been signed with the successful bidder or the validity period has expired.

As per rule 39, Performance Security

The PMIU shall, in all procurement of goods, works and services, carried out through open competitive bidding, require security in the form of pay order or demand draft or bank guarantee, an amount sufficient to protect itself in case of breach of contract by the contractor or supplier or consultant, provided that the amount shall not be more than **10% of contract price**;

The security shall be provided in an appropriate form and amount, as provided in the bidding documents;

Validity of performance security shall extend at least ninety days beyond the date of completion of contract to cover defects liability period or maintenance period subject to final acceptance by the PMIU.

2. A detailed and unambiguous evaluation criteria:

As per Rule 21-A, Evaluation Criteria

The PMIU shall formulate an appropriate evaluation criterion, listing all the relevant information against which a bid is to be evaluated and criteria of such evaluation shall form an integral part of the bidding documents. The failure to provide a clear and unambiguous evaluation criteria in the bidding documents shall amount to mis-procurement.

3. Bid Validity period

As per Rule 38,

- i. The PMIU, keeping in view nature of procurement, shall subject the bid to a validity period, which shall be specified in the bidding document and shall not be more than 90 days in case of National Competitive Bidding and 120 days in case of International Competitive Bidding;

Extension of bid validity may be allowed subject to approval by the competent authority of the PMIU, and with reasons to be recorded in writing;

Provided that if validity period has to be extended due to some slackness on the part of PMIU, the competent authority shall fix responsibility and take appropriate disciplinary action;
- ii. After obtaining such approval, the PMIU, shall request in writing all bidders to extend the bid validity period. Such a request shall be made before the date of expiry of the original bid validity period;
- iii. Such an extension shall not be for more than one third of the original period of bid validity;
- iv. In case the PMIU fails to finalize the bid evaluation within the extended time, the bids shall stand cancelled and a fresh bidding process shall be initiated;
- v. Whenever an extension of bid validity period is requested, a bidder shall have the right to refuse to grant such an extension and withdraw his bid and bid security shall be returned forthwith
- vi. Bidders who;
 - a. agree to extension of the bid validity period shall also extend validity of the bid security for the agreed extended period of the bid validity;
 - b. agree to the PMIU's request for extension of bid validity period shall neither be requested nor permitted to change the price or other conditions of their bids.

B. Advertisement and Publication of NIT

Notice Inviting Tender

As per Rule 17 (3), the PMIU may invite the bids through a letter of invitation for bids, such letter shall contain the following:

- a. name, postal address, telephone number(s), fax number, e-mail address (if available) of the PMIU;
- b. purpose and scope of the project;
- c. schedule of availability of bidding documents, submission and opening of bids, mentioning place from where bidding documents would be issued, submitted and would be opened;
- d. amount and manner of payment of tender fee and bid security;
- e. any other information that the PMIU may deem appropriate to disseminate at this stage.

i. Advertisement

As per **Rule 20**, the SMP in the PMIU will publish the NIT in the newspapers(s), website of PMIU and the Authority (for which it shall pay a fee as may be determined by the Authority) in the manner provided in the following table:

S. No.	Amount of procurement	Authority's website	Newspapers	International English newspaper or known website	Rule
1	Greater than 100,000 but less than 1,000,000	✓	×	×	17(1)
2	Greater than 1,000,000	✓	3 National newspapers	×	17(1)
3	International Competitive Bidding	✓	2 English Newspapers	✓	

- In case of procurement of greater than Rs. 100,000 and less than Rs. 1 million, the publication of NIT in newspaper is not mandatory, however the PMIU shall be publish the website of the authority and its own.
- In case of procurement of greater than Rs. 1 million, the publication of NIT is required in three national newspapers of English, Sindhi and Urdu languages. The procedure of publication shall be in conformity with the directions issued from the Information department, GoS.
- In case of international competitive bidding, the publication of NIT is required in 2 English language newspapers and one international English newspaper or an internationally known website relevant to the procurement.
- As per Rule 17 (4) and (5), the PMIU will also post all advertisements concerning procurement on its own website but it shall ensure that all information posted on the website contains all the information mentioned in NIT.

ii. Response Time

Response time is the period allowed to the bidders for the submission of their bids. This time starts from the date of the publication of the NIT in the newspapers and on the website:

As per Rule 18,

While deciding the response time for the submission of bids, the PMIU will give due consideration to the scope, magnitude and nature of procurement:

S. No.	Situation	Calendar days from the date of publication
ii.	National Competitive Bidding	15
iii.	International Competitive Bidding	45

iii. Amendments in bid after the publication of the NIT

As per Rule 21(2),

In case the PMIU considers that any information, that has become necessary for bidding or for bid evaluation, after the invitation to bid or issue of the bidding documents to the interested bidders, the PMIU shall provide that information to the bidders in a timely manner and on equal opportunity basis by way of modification in the bid invitation.

Such change, addition, modification or deletion shall be made in a manner similar to the original advertisement/publication.

Procedure

- i. SMP with the approval of PD shall publish such information in the manner in which the original NIT was published. Such information may include information regarding change in the time and place of submission of bids.
- ii. In case of any change, addition or modification or deletion in the eligibility or evaluation of criteria in the bidding document, the SMP will prepare the working paper and place it such proposal before the PC for consideration and approval.
- iii. After approval from the PC, the SMP shall communicate such change, modification, deletion in the bidding document for the information of the bidders in the same manner in which original NIT was published.
- iv. However, where the bidders have already been shortlisted after due process only the shortlisted bidders may be informed through courier service, registered post, email or the bidder conference.

iv. Extension of Time Period for Submission of Bids

As per Rule 22,

The PMIU may extend the deadline for submission of bids only, if one or all of the following conditions exist:

Fewer than three bids have been submitted and procurement committee is of the unanimous view that wider competition can be ensured by extending the deadline for the submission of the bids. In such case, the bids submitted shall be returned to the Bidders un-opened;

If the PMIU is convinced that such extraordinary circumstances have arisen owing to law and order situation or a natural calamity that the deadline should be extended.

Procedure

1. SMP, shall inform the PD if any of the following condition has been arisen and will discuss the need for time extension in the submission of bids.
2. PD shall decide the time for convene the meeting for extension of time period for submission of bids,

v. Clarification of bidding documents

As per Rule 23 (1),

An interested bidder, who has obtained bidding documents, may request for clarification of contents of the bidding document in writing, and PMIU shall respond to such queries in writing within three calendar days, provided they are received at least five calendar days prior to the date of opening of bid.

Example:

S. No.	Date of Opening of Bids	Last Date for Query
2.	10 May 20XX	5 May 20XX

S. No.	Date of Query	Latest Date of Response by PMIU
2.	1 May 20XX	4 May 20XX

For the purpose of transparency and equal opportunity, any clarification by the PMIU in response to a query by any bidder shall be communicated to all parties who have obtained bidding documents.

Detail procedure to be followed is provided in Section 11.2.2.

i. Reissuance of Tender Notice in case of modification of bidding

As per Rule 23 (2), PMIU shall re-issue the Notice Inviting Tenders, in accordance with above rules, if it is convinced that there is a material infirmity or ambiguity in the bidding documents, which would require major modification in the contents of bidding documents.

Procedure

In such situation, where the bidding document requires, major change or clarification, the SMP will prepare the working paper and place the proposal before the PC seeking approval for reissuance of the bid. After approval from the PC, the SMP shall proceed in the same manner in which original NIT was published.

ii. Pre bid meeting for clarification and modification of bidding documents

- PC will organize pre bid meeting(s) of the potential bidders, where interested bidders are invited to voice their concerns & queries to be answered by PMIU management and the consultants. This may also help the potential bidders gain a better understanding of the work expected. All important and major aspects will be shown to or discussed with the interested bidders. This may also help PMIU in better evaluation and contact administration.
- SMP will prepare minutes of the meetings, questions raised and clarifications provided to the potential bidders.

Such pre bid meetings shall be held at least 10 clear days before the date of submission of bids, so that the bidders get enough time to decide for submission of bids.

C. Receiving and Submission of bids

As per Rule 24:

- The bids shall be submitted at the place on the date and time and in the manner mentioned by the PMIU, in the tender notice and bidding documents.
- Any bid submitted late due to any reason whatsoever, shall not be considered by the procurement committee;
- Bidders shall be permitted to submit the bids by registered mail, courier service or in person before the given date and time.

Procedure

The SMP will be responsible for receiving the bids from bidders and keeping the received bids under lock and key. He shall record following details regarding each bids received on the daily basis:

1. Name of procurement and control number for which the bid is received;
2. Specify whether the submission is Original, Modification, Withdrawal or Substitution;
3. Name of the Bidder;
4. Whether the bid is sealed or not (specify what type of seal);
5. Source of delivery i.e. registered mail, courier or by hand;
6. If delivered 'by hand', the name, CNIC, contact number and position of the person delivering the bid;
7. Date and time on which the bid is received, if received late then specify the actual date and time;
8. The person receiving the bid 'by hand' shall give proper receipt with date and time of the receiving of the bid;
9. Name and signature of the person from designated Procurement Officer who received the bid.

As per rule 43,

If any bidder wants to make any modification, withdrawal, or substitution before the date and time of submission of bids.

No bidder shall be allowed to alter or modify his bid(s) after the expiry of deadline for the receipt of the bids.

The above record shall be written "Record Sheet".

D. Cancellation of bids

As per Rule 25:

- The PMIU may cancel the bidding process at any time prior to the acceptance of a bid or proposal;
- The PMIU shall incur no liability towards the bidders, solely by cancellation of bidding process;

Intimation of the cancellation of bidding process shall be given promptly to all bidders and bid security shall be returned along with such intimation.

The PMIU shall, upon request by any of the bidders, communicate to such bidder, grounds for the cancellation of bidding process, but is not required to justify such grounds.

Procedure

- i. The proposal for cancellation of bidding process shall be initiated by the SMP with grounds for doing so and shall be cancelled with due approval of the PD and with intimation to other members of the PC.
- ii. SMP shall communicate the grounds of such cancellation to the bidder(s), if so requested by the bidder(s).

E. Bid Evaluation

The procurement committee shall open and evaluate all bids received in the manner prescribed in the Notice Inviting Tenders or bidding document and record the bid opening process including the method of procurement on the Bid Record Sheet.

a. Bid Opening Procedures

As per Rule 41,

The procurement committee of the PMIU shall be opening the bids as per the following procedures:

- i. The date for opening of bids and the last date for the submission of bids shall be the same, as given in the bidding documents and in the Notice Inviting Tender;
- ii. Subject to provisions of Rule 18, in case, the two dates are different, the date and time, given in the bidding documents shall apply;
- iii. The bids shall be opened within one hour of the deadline for submission of bids;
- iv. All bids shall be opened publicly in the presence of all the bidders, or their representatives, who may choose to be present in person, at the time and place announced in the invitation to bid;
- v. The chairman of the procurement committee shall read aloud the name of the bidder and total amount of each bid, and of any alternative bids if they have been permitted, shall be read aloud and recorded when opened;
 - a. Reading out at the time of opening of the bid shall be in following manner:

Firstly; withdrawal letters submitted by a bidder shall be read first, and it will be recorded in minutes, and bids submitted by the bidders shall be returned unopened;

Secondly; substituted or modified bids shall be read out and the bids submitted earlier shall be returned to them unopened;

Thirdly; original bids submitted by the bidders, shall be opened and read out.
 - b. Following items shall be readout in the bid opening meeting:
 - Name of the bidder,
 - Letter of authorization to sign the bid,
 - Total bid amount,
 - Any modifications,
 - Alternative bids,
 - Discount,
 - Details of bid security,
 - Unit rates in the BOQ,
- vi. Corrections or deletions in unit rates or amount in BOQ and recorded in the Bid Opening Record sheet.
- vii.

b. Bid Evaluation

The procurement committee in the PMIU shall evaluate all responsive bids in accordance with the evaluation criteria and other terms and conditions mentioned in the bidding documents. The procurement committee shall apply following principles at the time of bid evaluation:

- i. **Single Bid:** According to Rule 48: Even when only one bid is submitted, the bidding process may be considered valid, if the bid was advertised in accordance with rules, and the complete procedure was adopted. However, in this situation the quoted prices are compared with the prices or rates of the last awarded similar contract or market prices.

Provided that the PC may consider to review that the comparison of similar contract or market prices may not be workable in case of consulting services.

- ii. For the purpose of comparison of bids quoted in different currencies, price shall be converted into a single currency specified in the bidding documents. The rate of exchange shall be the selling rate prevailing seven working days before the date of opening of the bids specified in the bidding documents, as notified by the State Bank of Pakistan;
- iii. A bid once opened in accordance with the prescribed procedure shall be subject to only those rules, regulations and policies that are in force at the time of issuance of notice for invitation of bids;
- iv. At the time of the evaluation of the bid the procurement committee may ask the bidders for clarifications needed in the evaluation the bids but shall not permit any bidder to change the substance or price of the bid;

c. Procedure for bid evaluation

The PMIU may use any of the following bidding procedure for ensuring transparency, quality and cost effectiveness.

i. Single Stage – One Envelope Procedure

Eligibility Criteria: Notice Inviting Tenders and bidding documents of this method shall contain the following eligibility criteria;

- i. relevant experience;
- ii. turn-over of at least last three years;
- iii. registration with Federal Board of Revenue (FBR), for Income Tax, Sales Tax in case of procurement goods, registration with Sindh Revenue Board, in case of procurement of Works and services and registration with Pakistan Engineering Council (where applicable);
- iv. any other factor deemed to be relevant by the PMIU subject to provision of Rule 44;

Procedure for opening

- i. each bid shall comprise one single envelope containing one financial proposal and required information mentioned at clause (a) above;
- ii. PC shall evaluate all eligible financial proposals in the manner prescribed in the bidding documents;
- iii. bid found to be the lowest evaluated or best evaluated shall be accepted recommended for award of contract

ii. Single stage – two envelope procedure

- i. Bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;
- ii. envelopes shall be marked as "FINANCIAL PROPOSAL" and "TECHNICAL PROPOSAL" in bold and legible letters to avoid confusion;
- iii. initially, only the envelope marked "TECHNICAL PROPOSAL" shall be opened;

- iv. envelope marked as "FINANCIAL PROPOSAL" shall be retained in the custody of the PMIU without being opened;
- v. PC shall evaluate the technical proposal in a manner prescribed in advance, without reference to the price and reject any proposal which does not conform to the specified requirements
- vi. no amendments in the technical proposal shall be permitted during the technical evaluation;
- vii. financial proposal of bids found technically non-responsive shall be returned unopened to the respective bidders; and
- viii. bid found to be the lowest evaluated or best evaluated shall be accepted / recommended for the award of contract.

iii. Two Stage Bidding Procedure

First Stage

- i. bidders are invited to submit, according to the required specifications, a technical proposal without price, which shall be subject to technical as well as commercial clarifications and adjustments;
- ii. technical proposal shall be evaluated in accordance with the specified evaluation criteria and may be discussed with all the bidders together regarding any technical features that may require technical as well as commercial clarifications and adjustments;
- iii. after such discussions, all the bidders shall be permitted to revise their respective technical proposals to meet the requirements of the PMIU;
- iv. The PC may revise, delete, modify or add any aspect of the technical requirements or evaluation criteria, or it may add new requirements or criteria not inconsistent with these rules;

Provided that such revisions, deletions, modifications or additions are communicated to all the bidders equally at the time of invitation to submit final bids, and that sufficient time is allowed to the bidders to prepare their revised bids;

Provided further that such allowance of time shall not be less than fifteen days (15days) in the case of National Competitive Bidding and forty-five days (45days) in the case of International Competitive Bidding;

- v. The bidders not willing to conform their respective bids to the PMIU's technical requirements may be allowed to withdraw from the bidding without imposition of any penalty.

Second Stage

- i. bidders shall be allowed to amend their technical proposals in order to ensure conformance to the same technical standards;
- ii. bidders submit the revised technical proposals along with financial proposals;
- iii. the financial proposals of only those bidders whose original or revised technical proposals are found to be conforming to the agreed technical standards and requirements, shall be opened at
- iv. a time, date and venue announced and communicated to the bidders in advance;
- v. the revised technical proposals and the financial proposals shall be evaluated in the manner prescribed above. The bid found to be the lowest evaluated bid shall be accepted;

Provided that in setting the date for the submission of the revised technical proposal and financial proposal the PC shall allow sufficient time to the bidders to

incorporate the agreed upon changes in the technical proposal and prepare their financial proposals accordingly.

iv. Two stage – Two Envelope Bidding Procedure

First Stage

- i. bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;
- ii. envelopes shall be marked as "FINANCIAL PROPOSAL" and "TECHNICAL PROPOSAL" in bold and legible letters to avoid confusion;
- iii. initially, only the envelope marked "TECHNICALPROPOSAL" shall be opened;
- iv. envelope marked as "FINANCIAL PROPOSAL" shall be retained in the custody of the PMIU without being opened;
- v. technical proposal shall be discussed with all the bidders or their representatives present together with reference to the PMIU's technical requirements;
- vi. the bidders willing to meet the requirements of the PMIU shall be allowed to revise their technical proposals following these discussions;
- vii. bidders not willing to conform their technical proposal to the revised requirements of the PMIU shall be allowed to withdraw their respective bids without forfeiture of their bid security;

Second Stage

- i. bidders who are willing to conform to the revised technical specifications and whose bids have not already been rejected shall submit a revised technical proposal and supplementary;
- ii. financial proposal, according to the revised technical requirement;
- iii. revised technical proposal along with the original financial proposal and supplementary financial proposal shall be opened at a date, time and venue announced in advance by the PMIU;

Provided that in setting the date for the submission of the revised technical proposal and supplementary financial proposal the PMIU shall allow sufficient time to the bidders to incorporate the agreed upon changes in the technical proposal and to prepare the required supplementary financial proposal; and

The PMIU shall evaluate the whole proposal in accordance with the evaluation criteria and the bid found to be the lowest evaluated bid shall be accepted.

d. Preparation of comparative Statement

After having completed the evaluation process, the procurement committee shall prepare a comparative statement showing the ranking of all responsive bidders, with score achieved.

i. Comparative Statement of Technical Evaluation

PC shall award numbers for the technical aspects of the proposals and prepare a comparative statement showing ranking of all technically qualified bidders.

ii. Financial Comparative Statement

PC shall award numbers for the financial aspects of the proposals and prepare a comparative statement showing ranking of all bidders.

e. Announcement of Evaluation Report

As per rule 45,

PC shall announce the results of bid evaluation in the form of a report containing the details of all received bids, as recorded in the bid record sheet, giving reasons for acceptance or rejection of bids. The report shall be hoisted on website of the Authority and that of the PMIU and intimated to all the bidders at least 3 (three) days prior to the award of contract.

F. Acceptance of bids and award of contract of procurement contracts

i. Award of Contract

As per rule 49,

The technically responsive bidder with the lowest evaluated cost, but not necessarily the lowest submitted price, shall be awarded the procurement contract, within the original or extended period of bid validity.

ii. Publication of the Award of Contract

As per rule 50,

Within seven days of the award of contract, the PMIU shall publish on the website of the Authority and on its own website, if such a website exists, the results of the bidding process, identifying the bid through procurement identifying number, if any, and the following information:

1. Evaluation Report;
2. Form of Contract and Letter of Award;
3. Bill of Quantities or Schedule of Requirement

iii. Debriefing

As per rule 51,

A bidder may ask the PC for reasons for non-acceptance of his bid and may request for a debriefing meeting and the procurement committee and give him the reasons for non-acceptance of his bid, either in writing or by holding a debriefing meeting with such a bidder at the cost of the bidder.

iv. Entry into Force of the Procurement Contract

As per rule 55,

A procurement contract shall come into force when the PMIU signs a contract, the date on which the signatures of both the PMIU and the successful bidder are affixed to the written contract. Such affixing of signatures shall take place within the time prescribed in the bidding documents.

Provided that where coming into force of a contract is contingent upon fulfillment of a certain condition(s), the contract shall take effect from the date whereon such fulfillment takes place.

11.4. Pre-qualification

The PMIU may consider shortlisting the contractors, suppliers, vendors, consultants or service providers under the provisions of SPPRA rules for various procurements to perform the functions to achieve objectives as provided in the approved PC-I. The need and nature of such pre-qualifications shall be provided in the rolling procurement plan (RPP) of the PMIU. SMP shall be responsible for undertaking the process for pre-qualifications strictly in accordance with the RPP through the procurement committee. Since the process for pre-qualification is only in cases of highly technical nature therefore the procurement committee shall review the requirement and process.

A. Pre-qualification in case of procurement of goods

a. Situations

As per rule 27(1), the PMIU, may engage in pre-qualification of bidders in the following cases:

- i. in case of contracts for large and complex works and services related to, in which there are high costs of preparing detailed bids;
- ii. in the contracts to be let under turnkey, design and build, or management contract;
- iii. in case of expensive and technically complex equipment and works with a view to ensuring that invitations to bid are extended only to those who have adequate capabilities, competence and resources.
- iv. In case of drugs and services of complex nature.

b. Basis of prequalification

As per rule 27 (2), Pre-qualification of bidders shall be based entirely upon the capability, competence and resources of the bidders relevant to performance in the particular assignment, taking into account the following:

- i. experience and past performance on similar assignments;
- ii. capabilities with respect to construction or manufacturing facilities,
- iii. financial capability;
- iv. capabilities with respect to personnel, equipment, and plant;
- v. appropriate managerial capability; and
- vi. any other factor that is relevant to the capability, competence and resources required for accomplishment of the assignment;

Provided that pre-qualification may be carried out only for specific procurement contract and shall be applicable only to that particular assignment.

c. Eligibility

As per Rule 29, all interested bidders, national or international, firms and individuals, shall be allowed to bid for any project where international competitive bidding is adopted;

- a. Competition may be restricted only in the following cases;
 - i. as a matter of law or official regulations, commercial relations are prohibited with the bidder's country by the federal government; or
 - ii. a firm is blacklisted or debarred by the PMIU, and the matter has been reported to the Authority, subject to Rule 35.
- b. Government owned enterprises or institutions may participate only if they can establish that they are;
 - i. legally and financially autonomous; and

- ii. operate under commercial law;

Provided that where government owned universities or research centers in the country are of a unique and exceptional nature, and their participation is critical to project implementation, they may be allowed to participate; and

- c. For the purposes of Part II of the Rules, bidders shall include all those contractors or suppliers and providers of services related thereto or consultants that are registered or incorporated in Pakistan, irrespective of the nationality of their owners and of their professional staff;
- d. There shall be no enlistment or registration of contractors, suppliers and consultants by any the PMIU, and bidding shall not be restricted in any manner, except as otherwise provided in these Rules;

Provided that registration with professional institutions in respective fields shall apply as required by the law.

d. Procedure of Pre-qualification

As per rule 28, to prequalify for bidding on a specific contract or package:

- a. invitation to prequalify on specific contract or package shall be advertised and notified as per Rules of advertisement and notification described above; Sample of **"Notice for Pre-qualification"** is provided in **Annexure – XVI**.
- b. the PMIU shall provide a set of pre-qualification documents containing scope of contract, a clear set of requirements for qualification and evaluation criteria to any supplier or contractor, subject to payment of price, if any, which shall not exceed the limit, as prescribed in Rule 20(2), and shall indicate the time and place where the documents can be obtained.

Alternatively, if the PMIU does not wish to issue pre-qualification documents, it shall include the scope of work and a clear set of requirements for pre-qualification and the evaluation criteria in the notice for pre-qualification;

- c. all applicants found capable of carrying out the assignments in accordance with the approved prequalification criteria shall be prequalified and invited to submit bids;
- d. verification of the information provided by the shortlisted applicants in the submissions for prequalification may be made. In case the information is found to be wrong or incorrect in any material way or the applicant is found to be lacking in the capability or resources to successfully perform the contract, the application shall not be pre-qualified;
- e. the PMIU shall promptly notify each and every applicant, whether or not it has been pre-qualified; and also make available to any person directly involved in the pre-qualification process, upon request, the names of all suppliers or contractors who have been pre-qualified.
- f. the PMIU shall, on written request of the applicant(s) communicate to the applicant(s) the reasons for not pre-qualifying them, though it shall not be obliged to justify these reasons.
- g. only suppliers or contractors, who have been pre-qualified shall be entitled to participate further in the procurement proceedings.

As per Rule 28(2), The PMIU, shall mention, in the pre-qualification documents;

- a. all information required for pre-qualification, pertaining to the factors mentioned at Section 11.4.1(B) of this section above;
- b. instructions for preparation and submission of the pre-qualification documents;

- c. evaluation criteria;
- d. list of documentary evidence required from the applicants to demonstrate their respective qualifications;
- e. any other information that the PMIU deems necessary for pre-qualification.

e. Procedure for disqualification of contractor, vendors, or consultants

As per rule 30,

- a. The PMIU shall disqualify a supplier, consultant or contractor, whether already pre-qualified or not, if it finds at any time, that the information submitted by him concerning his qualification and professional, technical, financial, legal or managerial competence as supplier, consultant or contractor, was false and materially inaccurate or incomplete; or
- b. At any stage has indulged in corrupt and fraudulent practices as defined Section 7(v) of this manual;
- c. A supplier, contractor or consultant being aggrieved by the decision of the PMIU regarding disqualification may seek relief through the mechanism of grievance redressal, mentioned in 11.6. section of this manual.

B. Pre-qualification of contractors / suppliers in case of procurement of works

As per Regulation 2.13, Pre-qualification of contractors / bidders

Pre-qualification is an assessment made by the PMIU of the appropriate level of experience and capacity of firms expressing interest in undertaking a particular contract, prior to issuance of the invitations to bid. This is achieved through the publication of a pre-qualification notice, the receipt of submissions and the evaluation of submissions against pre-defined criteria, but its use is not mandatory under the Rules.

A decision on whether or not to use pre-qualification may be made at the procurement planning stage.

Aim of pre-qualification

The basic aim of the pre-qualification is to eliminate unrealistic, unqualified or disreputable contractors that are not suitably qualified to perform the contract. Pre-qualification may not be considered as a substitution of enlistment/or registration with departments, which has been prohibited in Rule 29(4). Pre-qualification is made on tender to tender basis and is valid for such project/scheme only.

Prequalification is the basic tool to:

- i. encourage realistic bids by the bidders because they know that they are competing against qualified bidders who have cleared the minimum competence criteria;
- ii. assess the interest of the prospective bidders in the bidding process;
- iii. make any adjustments/modifications in the bidding documents if their lack of interest by the prospective bidders;
- iv. reduce the effort and so the time in evaluation of bids from un-qualified bidders;
- v. help the interested bidders to evaluate and take stock of their capability;
- vi. consequently to form joint ventures with other firms;
- vii. reduce the problems associated with low priced bids from bidders of doubtful capability and;

- viii. help the prospective bidders who are insufficiently qualified and where the preparation of detailed tenders can be costly which may discourage competition if the interested bidders feel that they are competing against a large number of bidders.

a. Case where pre-qualification of Suppliers and Contractors

The PMIU, may engage in pre-qualification of bidders in the following cases:

- a) in case of contracts for large and complex works and services related to, in which there are high costs of preparing detailed bids;
- b) in the contracts to be let under turnkey, design and build, or management contract;
- c) in case of expensive and technically complex equipment and works with a view to ensuring that invitations to bid are extended only to those who have adequate capabilities, competence and resources;
- d) In case of drugs and services of complex nature.

b. Basis for prequalification

As per rule 27 (2),

The pre-qualification of bidders shall be based entirely upon the capability, competence and resources of the bidders relevant to performance in the particular assignment, taking into account the following:

- a) experience and past performance on similar assignments;
- b) capabilities with respect to construction or manufacturing facilities,
- c) financial capability;
- d) capabilities with respect to personnel, equipment, and plant;
- e) appropriate managerial capability; and
- f) any other factor that is relevant to the capability, competence and resources required for accomplishment of the assignment;

Provided that pre-qualification may be carried out only for specific procurement contract and shall be applicable only to that particular assignment.

c. Evaluation Criteria

As per Regulation 2.16,

Evaluation Criteria

The information / documents required shall include but not limited to following:

- 1. Evaluation criteria based on quantification** (In this method marks are assigned for each sub-criteria as mentioned in NITs & minimum threshold or percentage of marks required is to be mentioned for qualification)

i. Experience and past performance

Successful experience as prime contractor in the execution of at least one to three projects within the last five years:

- a. of similar nature and complexity comparable to the proposed contract(s);
- b. in similar site/geographical condition;

ii. Personnel Capabilities

Requirement will vary from project to project. However, following factors should be given due consideration:

- a. For Key Positions
 - Academic qualification
 - BE / B.Sc. Engineering or equivalent qualification approved by PEC.
 - Experience
 - 2 or more similar projects
 - 5 to 10 years
 - b. For other Engineering Positions
 - Academic qualification
 - BE/B.Sc. Engineering or equivalent qualification approved by PEC.
 - Experience
 - 1 or more similar projects - 3 to 5 years
 - c. For other Positions
- PMIU shall assess and specify the experience & qualification requirements for other positions.

iii. Registration / Enlistment:

The contractors of engineering works shall be registered with PEC as per table given below, however, any unregistered contractors can perform the works, upto 2.5 million only.

Constructor's Category	Limit of construction cost of the project up to (million rupees)
C-A	No Limit
C-B	2,000
C-1	1,000
C-2	500
C-3	250
C-4	100
C-5	30
C-6	15
Unregistered	2.5

iv. Equipment Capability

The PMIU should specify critical equipment required for the project. High value equipment maybe available with contractor on ownership basis, lease or hire. However the same shall be subject to achievement of project targets without abnormal failures.

v. Financial

Documentary evidence of financial position, e.g.: a bank statement or audited accounts of the last two to three years. Annual turnover for construction be either equal or twice the estimated cost of project.

vi. Other information.

Litigation history and arbitration with government departments and their outcome. Black listing (if any).

Provided that:

- i. Pre-qualification may be carried out for specific procurement / package / scheme / contract or project and will not be applicable for other schemes/contracts.

The qualification of the contractors will cease with completion of such project/scheme.

- ii. Applicants meeting the eligibility and minimum requirements mentioned in Para 2.16 besides other factors shall be considered for pre-qualification.
- iii. No compromise shall be made on key personnel, academic qualification and experience. History of excessive contract arbitrations and litigation resulting in decision against the applicant can be considered sufficient grounds for disqualification.

2. Evaluation criteria based on Yes / No or Pass / Fail

In this system is made on knockout basis, thus if bidder fails to obtain yes or pass in any sub criteria then he / it shall not be prequalified. **(Refer Annexure D for better understanding).**

d. Eligibility

As per Rule 29,

All interested bidders, national or international, firms and individuals, shall be allowed to bid for any project where international competitive bidding is adopted;

- a. Competition may be restricted only in the following cases;
 - i. as a matter of law or official regulations, commercial relations are prohibited with the bidder's country by the federal government; or
 - ii. a firm is blacklisted or debarred by the PMIU, and the matter has been reported to the Authority, subject to Rule 35.
- b. Government owned enterprises or institutions may participate only if they can establish that they are;
 - i. legally and financially autonomous; and
 - ii. operate under commercial law;

Provided that where government owned universities or research centers in the country are of a unique and exceptional nature, and their participation is critical to project implementation, they may be allowed to participate; and

- c. For the purposes of Part II (procurement of goods and works) of the Rules, bidders shall include all those contractors or suppliers and providers of services related thereto or consultants that are registered or incorporated in Pakistan, irrespective of the

nationality of their owners and of their professional staff;

- d. There shall be no enlistment or registration of contractors, suppliers and consultants by any the PMIU, and bidding shall not be restricted in any manner, except as otherwise provided in these Rules;

Provided that registration with professional institutions in respective fields shall apply as required by the law.

e. Procedure for Prequalification

I. Steps for pre-qualification,

As per regulation 2.16 and rule 28:

i. Prequalification Notice:

The PMIU will prepare in line with instructions mentioned under the heading —**Methods of Advertisement” (Rule 17)** and advertised with mandatory requirements for qualification.

ii. Pre-qualification documents.

The PMIU shall **either** mention the required details including **Evaluation Criteria** in the **Prequalification Notice** or provide a set of **Prequalification documents** including the data sheet, the qualification criteria and a description of the type of works to which the pre-qualification applies at a cost not exceeding the cost of printing and preparation, containing the following details, but not limited to:-

- a) Instructions to applicants for preparation and submission of the pre-qualification documents;
- b) Designation, address, Telephone and Fax No: of PMIU;
- c) Date, Time and Place of obtaining and submissions of Applications are clearly mentioned;
- d) Scope of Contract;
- e) Source of funding;
- f) Short listing criteria;
- g) Cost of Documents;
- h) List of Documents required from contractors such as:-

S. No.	Category	Form
1.	Company Name	Form I: Application on the letter pad of the firm/contractor. Form II: General Information about individual firm and each partner in case of a joint venture.
2.	Financial	Form III: Annual Turnover Data for last three years /financial stability; Form IV:

S. No.	Category	Form
		Summary of Current Contracts Commitments & Works in Progress. Form V: Financial Turn-over for last three years.
3.	Experience and Past Performance	Form VI: Experience in Contracts of Similar Nature. Form VII: Experience in Contracts of Similar Site/Geographical Condition. Form VIII: Performance Certificates of Projects completed.
4.	Personal capabilities	Form IX: Personnel/Staff Proposed for the Project. Form X: Experience Summary of Key Personnel of the Project.
5.	Equipment Capability	Form XI: Equipment available with the contractor for the Project.
6.	Any other information.	Form XII: Undertaking regarding Litigations and Black listing

- iii. **applicants** found capable of performing the work satisfactorily in accordance with the evaluation criteria set forth in the notices or bidding document shall be prequalified and shall be invited to submit bids; the PMIU shall prepare the "Evaluation Report for Pre-qualification", sample report is provided in **Annexure – XVII.**
- iv. **Conditional Pre-qualification:** an applicant may be conditionally pre-qualified if the application has minor flaws or deficiencies in meeting one or more requirements that can be easily redressed before the deadline for submission of bid with the prior approval of the procurement committee;
- v. in such cases the participation of the applicant in the bids shall be conditional on its meeting the requirements imposed on it in the "conditional pre-qualification"
- vi. verification of the information provided in the submission for pre-qualification shall be made also at the time of award of contract, and award may be denied to a bidder that is judged to lack the capability or resources to successfully perform the contract;

- vii. the PMIU shall promptly notify each and every applicant or firm submitting an application for pre-qualification, regarding its status of pre-qualification;
- viii. the PMIU shall make available to any applicant directly involved in the prequalification process, upon request, the names of all suppliers or contractors who have been pre-qualified;
- ix. the PMIU shall provide on the request of applicant(s), the reasons for not prequalifying them, but it shall not be obliged to justify these reasons;
- x. the PMIU can cancel the pre-qualification process at any stage;
- xi. in the case of rejection of all applications or due to poor response, PMIU shall take the following action:-

If, after review, the contents of the advertisement are not found satisfactory, the PMIU shall re-advertise the revised invitation;

A copy of the approved pre-qualification document shall be retained on the procurement file.

The procurement file shall also contain record of:

- i. the interested bidders to whom the pre-qualification document was issued;
- ii. the interested bidders submitting applications;
- iii. the evaluation of applications; and
- iv. the list of pre-qualified bidders.

II. Verification of the Contractors Qualifications.

As per regulation 2.17, the PMIIU, at any stage of the procurement proceedings, having credible reasons for or prima facie evidence of any defect in contractor's capacities, may require the contractor(s) to provide information concerning its/his qualification and professional, technical, financial, legal or managerial competence whether already pre-qualified or not.

In case of already pre-qualified contractor, PMIU may ask him to provide additional or update information which may include the following:

- i. financial predictions for the current year and the following two years, including the effect of known commitments;
- ii. work commitments since prequalification;
- iii. current litigation information; and
- iv. availability of critical equipment.

f. Disqualification of Suppliers, Contractors and Consultants

As per Rule 30 and regulation 2.18:

The PMIU shall disqualify a supplier, consultant or contractor, whether already pre-qualified or not, if it finds at any time:

- i. that the information submitted by him concerning his qualification and professional, technical, financial, legal or managerial competence as supplier, consultant or contractor, was false and materially inaccurate or incomplete; or and in such case the grounds for disqualification shall be clearly mentioned in the Evaluation report,
- ii. At any stage has indulged in corrupt and fraudulent practices;

However, in case of incomplete information, the PMIU shall afford the opportunity to the applicant to furnish the required information before making any decision regarding disqualification. The grounds for disqualification shall be clearly mentioned either in the evaluation report or in the disqualification order.

A supplier, contractor or consultant being aggrieved by the decision of the PMIU regarding disqualification may seek relief through the mechanism of grievance redressal, given 11.6. section of this manual.

11.5. Procurement of Consultancy services

A. Selection Committee

As per rule 67,

The PMIU shall constitute a Consultant Selection Committee for the selection of consultant(s), which shall be headed by the PD and consist of following as members;

- i. nominee of the Planning & Development Department not below the rank of BS-18;
- ii. nominee of the Finance Department not below the rank of BS-18;
- iii. a representative of the PMIU not below the rank of BS-18 to act as member cum secretary;
- iv. one technical member from the concerned departments for consultation having adequate experience in the relevant field not below the rank of BS-18 or equivalent;

Example:

Consulting Field	Concerned Department
Civil works, Engineering designs, Works and services	Works & Services
Public Private Partnership Advocacy, Community mobilization	Social Welfare and Community Development

- v. co-opted member(s) – The Consultants Selection Committee, with the approval of its Chairperson, can co-opt up to two members, having adequate technical knowledge and experience in the relevant field, for providing technical input to the committee provided that such members:
 - shall have no voting rights,
 - shall have no conflict of interest in the procurement process.

B. Proceedings of Selection Committee

As per Rule 68,

Quorum: The chairman and two principal representatives from Finance and the Planning and Development Departments shall form the mandatory quorum for conducting the business of the committee.

As per Rule 71, the Consultants Selection Committee shall perform the following functions:

- i. Approval of Request For Proposal and Request For Expression of Interest before issuance;
- ii. Short listing of consultants, responding to the Request for Expression of Interest, where applicable, in accordance with the criteria mentioned in Request for Expression of Interest;
- iii. Evaluation of technical and financial proposals, according to the selection method and evaluation criteria, mentioned in the Request for Proposal;
- iv. Finalization of recommendation based on evaluation as mentioned at sub-para (iii) above.
- v. All decision of the consultants Selections Committee shall be made by simple majority.

C. Methods of selection of Consultants

As per rule 72, the selection system shall be determined by the PMIU prior to issuance of the Request for Proposals from interested consultants. A The PMIU may adopt one of the following methods for selection of consultants, keeping in view nature of the assignment:

i. Least Cost Selection Method

- a. The PMIU shall adopt this method for assignments of standard or routine nature where well-established practices and standards are already available;
- b. Under this method, financial proposals of only technically qualified firms shall be opened.
- c. The firm with the lowest quoted cost or bid shall be selected.
- d. The PMIU may adopt any other method as deemed fit with reason to be recorded in writing by the competent authority.

ii. Quality Based Selection Method

- a. The PMIU shall use this method only in case of highly specialized, innovative and complex assignments, where quality is the only factor taken into consideration.
- b. In Quality Based Selection method the technical proposal which attains the highest score according to the criteria mentioned in the bidding documents shall be selected without any consideration for cost.
- c. The selected firm shall be asked to submit its financial proposal and invited to negotiate the financial proposal and the contract.

iii. Quality and Cost Based Selection Method –

The PMIU shall use this method only where;

- a. the Terms of Reference are well-defined and Quality is of prime consideration, while cost is a secondary consideration;
- b. the firm which attains the highest combined weighted technical and financial score according to the criteria mentioned in the bidding documents shall be selected.

iv. Direct Selection Method –

The PMIU shall use this method only if all or any of the following conditions exists:

- a. for tasks which are natural continuation of previous assignment and where continuity of technical services is required;
- b. for assignments worth less than rupees one hundred thousand;
- c. in cases of emergency;
- d. where only one consultant is qualified or has experience of exceptional worth.

v. Fixed Budget

The PMIU shall use this method used only when all of the following conditions exist:

- a. In the case:
 - i. assignment is simple;
 - ii. can be precisely defined;
 - iii. budget is fixed;
- b. the Request for Proposal shall indicate the available budget. Proposals that exceed the indicated budget shall be rejected;
- c. the ranking shall be based only on evaluation of technical proposals of the qualified bidders.

vi. Design Contest

The PMIU shall use this method only for projects and sub-projects where aesthetic component is of prime consideration. The PMIU shall invite consultants to submit a financial proposal and present a plan or design for the project based on a concept or criteria provided by it. The financial proposal of the top-ranked consultant shall only be opened.

vii. Consultant's Qualifications Selection Method –

- a. The PMIU shall use this method only for small consultancies for which the cost of a full-fledged selection process would not be justified.
- b. Consulting firm is selected at the stage of Expression of Interest on the basis of criteria mentioned in the Request for Expression of Interest.
- c. The selected firm is asked to submit a technical and financial proposal, in single envelope, and then invited to negotiate the contract.

viii. Selection Process of Individual Consultants

- a. The PMIU shall adopt this method only if all or any of the following conditions exist:
 - i. the scope of work is such that teams of personnel are not required;
 - ii. no additional professional support is required;
 - iii. the experience and qualifications of the individual are the paramount requirement.
- b. Individual consultants may not be required to submit proposals, and may be selected on the basis of the evaluation of their curriculum vitae. Interviews may be set up for selection under this method.

D. Steps in Selection Process

As per rule 66,

Depending on the selection method adopted, the PMIU shall undertake the following steps for procurement of consulting services, individuals or firms, but not limited to:

- a. Pre-procurement Activities
 - i. Preparation of the Terms of Reference of the assignment;
 - ii. Preparation of the cost estimate or budget of the assignment;
- b. Procurement Activities
 - i. Public advertisement of Request for Expressions of Interest; Sample of Request for Expression is provided in **Annexure – XVIII**.
 - ii. Short-listing of consultants;
 - iii. Preparation and issuance of the Request for Proposal to the shortlisted consultants; Sample of Request for Proposal is provided in **Annexure – XIX**.
 - iv. Preparation and submission of proposals by consultants;
 - v. Evaluation of technical proposals as per criteria given in the Request for Proposal;
 - vi. Opening and evaluation of financial proposals as per criteria given in the Request for Proposal;
 - vii. Contract negotiations, as provided in the selection method;
 - viii. Award and signing of the contract between the PMIU and the consultant.

Requirement	Least Cost	Quality Based	Quality and cost	Direct Selection Method	Fixed Budget Cost	Design Contest	Consultants' Qualification	Individual Consultant
Public advertisement of Request for Expressions of Interest	✓	✓	✓	×	×	✓	✓	×
Short-listing of consultants	✓	✓	✓	×	✓	✓	✓	×
Preparation and issuance of the Request for Proposal to the shortlisted consultants	✓	✓	✓	✓	✓	✓	✓	×
Preparation and submission of proposals by consultants	✓	✓	✓	✓	✓	✓	✓	×
Evaluation of technical proposals as per criteria given in the Request for Proposal	✓	✓	✓	✓	✓	✓	✓	×
Opening and evaluation of financial proposals as per criteria given in the Request for Proposal	✓	✓	✓	✓	✓	✓	✓	×
Contract negotiations, as provided in the selection method	✓	✓	✓	✓	✓	✓	✓	✓*
Award and signing of the contract between the PMIU and the consultant	✓	✓	✓	✓	✓	✓	✓	✓

*selection after interview on the basis CV only.

E. Pre-Procurement Activities

a. Preparation of TORs

The section requiring services shall send request to the HR section with details of the services required i.e. qualification, experience, duration of service required. The HR section shall prepare the detailed TORs in consultation with requisitioning section for the required services which shall be part of Request for Proposal document or Request for Expression of Interest. if required, a person or firm specialized in the area of assignment may be engaged by the PD to prepare the TOR.

The TOR normally comprises the following sections:

- i. Program background
- ii. Objectives of the assignment
- iii. Overall Scope of services required
- iv. Capacity-building program or training, if any
- v. List of reports, schedule of deliveries, and period of performance
- vi. Data, local services, personnel, and facilities to be provided by the program.
- vii. Institutional and organization arrangements.

If transfer of knowledge or training is an objective, it should be specifically outlined along with details of number of staff to be trained, and so forth, to enable consultants to estimate the required resources.

TOR shall list the services and surveys necessary to carry out the assignment and the expected outputs (for example, reports, data, maps, surveys).

The responsibilities of PMIU or facilities that will be provided by the PMIU should be clearly stated in the TOR.

Sample of Terms for Reference for Consultant is provided in **Annexure – XX**.

b. Preparation of the cost estimate or budget of the assignment

- i. A thorough and realistic cost estimates to be prepared for each procurement based on the TORs and period of engagement.
- ii. Previous completed similar assignment may be taken as example for the estimation purpose such as the need for:
 - I. professional staff,
 - II. support staff,
 - III. logistical support, and
 - IV. physical inputs (for example, vehicles, laboratory equipment).
 - i. The cost shall be divided into two categories during estimation:
 - a) fee or remuneration; and
 - b) Reimbursable or out of pocket expenses.
 - ii. In general, the cost estimate is directly proportional to the TOR for service. For a general idea about calculating the cost estimate the following breakdown needs to be done to find out the total cost.

Sample for Preparation of cost estimate or budget of the assignment is provided in **Annexure – XXI**.

F. Procurement Activities

i. Public Advertisement of request for Expression of Interest

- a. As per Rule 73, Request for Expressions of Interest shall be advertised or announced by the PMIU in accordance with the Section 11.3.2. of the manual.
- b. As per Rule 73(1): Request for Expression of Interest shall contain the following information:
 - name and address of the PMIU;
 - appropriate description of the assignment providing scope of the intellectual and professional services required;
 - deadline and place of the submission of Request for Expression of Interests;
 - criteria for short listing;
 - any other information that the PMIU may deem appropriate to disseminate at this stage.

ii. **Shortlisting**

As per Rule 74 (1), the PMIU shall short list the applicants according to a pre-determined criteria mentioned in the Request for Expression of Interest.

As per Rule 74 (2), the PMIU while engaged in short listing of consultants shall take into consideration the following factors:

- i. Qualification;
- ii. Experience;
- iii. Financial capability; and
- iv. Any other factor that the PMIU may deem relevant not inconsistent with these Rules.

Sample for format for short listing is provided in **Annexure – XXII**.

iii. **Issuance of request for proposal**

As per Rule 75 (1), the PMIU shall use Request for Proposal for seeking proposals from the shortlisted consultants, which shall include the following:

- a. **Letter of Invitation** - It shall mention the name and address of the PMIU and shall also state the intention of the PMIU to enter into a contract for provision of consulting services and contain names of all the short listed firms;
- b. **Instruction to Consultants** - The instructions to consultants shall contain all necessary information that would help them prepare responsive proposals and shall bring as much transparency as possible to the selection system;
- c. **Terms of Reference** - It shall define the objectives, goals and scope of the assignment unambiguously and list the deliverables, services and surveys necessary to carry out the assignment and expected outputs. Terms of Reference are to be read along with the conditions mentioned in the Form of Contract;
- d. **Form of Contract** - Form of contract is a draft contract agreement which includes all general and special conditions of contract;
- e. **Evaluation Criteria** - Except as otherwise provided, the evaluation of proposals shall be carried out giving due consideration to quality and cost;
- f. **Types of Contract** - The PMIU may use one of the following types of contract:
 - i. lump sum contract shall be used mainly for assignments in which the contents, duration of the services and the required output are unambiguously defined;
 - ii. time based contract shall be used when it is difficult to define the scope and the length of services;
 - iii. hourly or daily rates contract shall be used for small projects, especially when the assignment is for less than a month; and
 - iv. any other contract, based on combination of the above types of contracts, including out of pocket expenses, where required.
- g. **Special provisions** - The PMIU may specify any other requirement related to the assignment or contract, where required.

As per Rule No. 75 (2), the PMIU shall invite the interested consultants to submit their technical and financial proposals in separate sealed envelopes.

The PMIU shall give deadline for submission of proposals. Consultants shall be given adequate time in which to prepare their proposals which shall not be less than 15 days for National Competitive Bidding and 45 days for International Competitive Bidding.

iv. Preparation and submission of proposals

v. Evaluation of technical proposals

As per Rule 76: Criteria for Evaluation of Quality of Consulting Services Evaluation criteria shall include, but shall not be limited to the following;

- a. Specialization: Consultants' specialized skills and access to particular technologies related to the assignment;
- b. Experience: Experience: Consultants' experience and past performance on similar contracts or assignments and in similar geographical conditions;
- c. Financial Capability: Financial capability of the consulting firms may be evaluated with a view to ensuring that they can complete the assigned task in a timely manner;
- d. Understanding of the Assignment: Consultant's understanding of the assignment is a very important consideration for evaluation;
- e. Proposed Methodology. Methodology proposed by the consultants shall be evaluated for its innovativeness and soundness;
- f. Quality Management: Availability of a well-established Quality Management system may be taken into account for large and complex assignments.

Sample of Evaluation Criteria Report is provided in **Annexure – XXIII.**

vi. Opening and evaluation of financial proposals

Once the Technical Evaluation is approved financial proposal will be opened in public where the program needs to invite all the consultants who scored more than the minimum required threshold. The opening date shall be defined by allowing sufficient time for the consultants to attend the opening. At the same time other remaining consultants shall be also needed to be informed that their proposals did not meet the minimum qualifying mark and their financial proposals will be returned unopened after the signature of the contract.

The name of the consultant, the technical scores, and the proposed prices shall be read aloud and recorded when the financial proposals are opened.

Sample of Comparative Statement of Financial Proposal is provided in **Annexure – XXIV.**

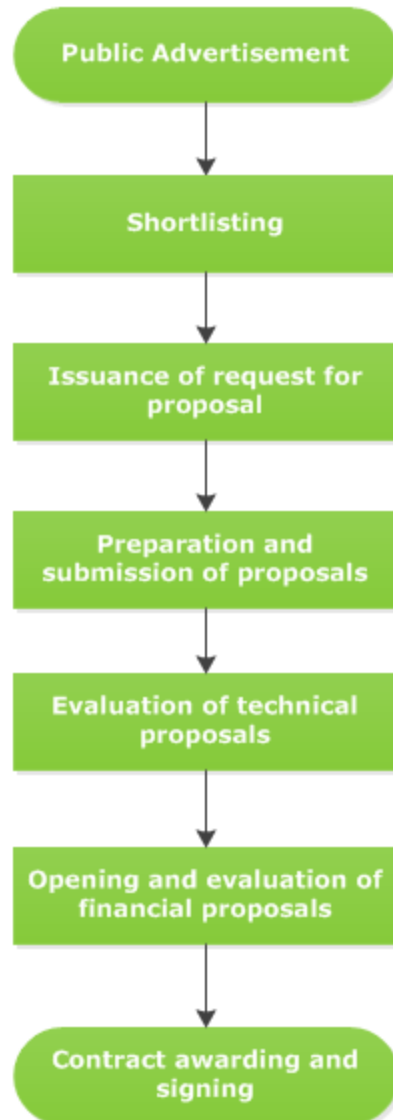
vii. Contract negotiation

PMIU may enter into negotiation with the consultant.

viii. Contract awarding and signing

Flowchart 5

PROCUREMENT ACTIVITIES



11.6. Redressal of Grievances and Settlement of Disputes

A. Constitution of committee

The PMIU shall constitute a committee for redressal of grievances, if any received during the process of the procurement under Rule 31.

Such Committee shall comprise of members in odd number with appropriate powers and authorizations, to address the complaints of bidders that may occur during the procurement proceedings.

B. The Composition of Committee

The committee shall be headed by the Program Director being head of the PMIU and shall include the following;

- (a) District Accounts Officer, or his representative, in case of the local governments or provincial line departments at district level, or a representative of the Accountant General, Sindh in case of Government departments at the provincial level;
- (b) an independent professional from the relevant field concerning the procurement process in question, to be nominated by the head of the PMIU.,

Notification of "Complaint Redressal Committee" is provided in **Annexure – XXV**.

C. Complaint

Any bidder being aggrieved by any act or decision of the PMIU after the issuance of notice inviting tender may lodge a written complaint.

D. Proceedings & Decisions

Upon receiving the complaint from any bidder the complaint redressal committee may take any of the following actions, if satisfied with contents of the complaint;

- prohibit the procurement committee from acting or deciding in a manner, inconsistent with the rules and regulations;
 - annul in whole or in part, any unauthorized act or decision of the procurement committee; and
 - recommend to the Head of Department that the case be declared a mis-procurement if material violation of Act, Rules, Regulations, orders, instructions or any other law relating to public procurement, has been established;
 - reverse any decision of the procurement committee or substitute the decision of the procurement committee, wholly or partly, with the decision of the CRC.
- a. After due examination of the complaint, the committee shall announce its decision within seven days of the receipt of the complaint.
 - b. The PMIU shall announce its decision within seven days and intimate the same to bidder and Authority within three working days.
 - c. In case of failure of the committee to decide the complaint within seven days, the complaint shall stand transferred to the Review Committee which shall dispose of the complaint in accordance with the procedure laid down in the rule 32t;
 - d. The CRC shall not make any decision to award the contract itself;
 - e. The PMIU shall award the contract after the decision of the complaint redressal committee;
 - f. Mere fact of lodging of a complaint shall not warrant suspension of the procurement proceedings by the PMIU unless so directed by the Committee.

E. Appeal

As per Rule 32, a bidder not satisfied with decision of the procuring agency's complaint redressal committee may lodge an appeal to the Review Committee provided that he has not withdrawn the bid security, if any, deposited by him who shall refer the matter to a review panel as per Rule ;

i. Filing of Appeal

A bidder may file an appeal to the Review Committee provided;

- that the bidder has exhausted his complaint to the complaint redressal committee; and
- that he has not withdrawn the bid security deposited by him during the procurement process.

ii. Documentation

The bidder must submit the following documents to the Review Committee:

- a. a letter stating his wish to appeal to the Review Panel and the nature of complaint;
- b. a copy of the complaint earlier submitted to the complaint redressal committee of the Department and all supporting documents in a sealed envelope; and
- c. Copy of the decision of Procuring Agency / Complaint Redressal Committee.

iii. Review Committee Constitution, Proceedings and Time Limitation

Review Committee shall comprise the following:

- a. Managing Director; who the chairperson of the Board
- b. Director General Audit Sindh or his nominee not below the rank of BS-19;
- c. two private members represented on the SPPRA Board; selected by the board for a period not exceeding 2 years.
- d. an independent professional having expertise of relevant field concerning the procurement in question. He / she shall be nominated by the Managing Director for each reference and paid remuneration for attending the meeting of Review Committee at a rate prescribed by the Authority from time to time.

Proceedings:

- Upon receipt of an appeal, the Chairperson shall convene a Review Committee within seven working days;
- It shall be mandatory for the appellant and the head of PMIU or his nominee not below the rank of BS-19 to appear before the Review Committee as and when called and produce the documents if required.
- The Review Committee shall hear the parties and announce its decision within ten working days of submission of appeal.

iv. Actions of Review Panel

The Review Panel may take any of the following actions:

- a. Recommends dismissal of an appeal being frivolous, in which case the bidder may lose the bid security deposited with the procuring agency;
- b. reject the reference, stating its reason;
- c. state the rules or principles that govern the subject matter of the complaint;
- d. point out the infirmities and breach of rules and regulations by the PMIU;

- e. annul in whole or in part of a non-compliant act or decision of PMIU, other than any act or decision bringing the procurement contract into force;
- f. if the PMIU is in breach of its obligations under the Act, Rules or Regulations, orders the payment of compensation by the officer(s) responsible for mis-procurement for cost incurred by the bidder on preparation of bid,
- g. direct that the procurement proceedings may be terminated, in case the procurement contract has not been signed.
- h. Declare the case to be one of mis-procurement if material violation of Act, Rules, Regulations, orders, instructions or any other law relating to public procurement, has been established.

v. Decision of Review Committee

- a. On completion of the proceedings as provided above, the Decision of the Review Committee shall be final and binding upon the procuring agency.
- b. After the decision has been announced, the appeal and the decision thereof shall be hoisted by the Authority on its website.

11.7. Arbitration

After coming into force of the procurement contracts, disputes between the parties to the contract shall be settled through arbitration. Every contract executed by the PMIU shall have specific class for the purpose of arbitration in case of any dispute between the parties which are not mentioned otherwise in the contract.

The PMIU shall provide for a method of arbitration in the procurement contract, not inconsistent with the laws for the time being in force in Pakistan.

12. Annexures

Annexure – I: Notice of Procurement Committee

 **GOVERNMENT OF SINDH**
EDUCATION & LITERACY DEPARTMENT
Karachi, dated, the 7th January, 2015

NOTIFICATION

NO.SO/G-IIDE&L/SBEP/2014: In suppression of this Department's Notification of even number, dated 22nd August 2013, the Procurement Committee for Sindh Basic Education Program is hereby re-constituted as under:

1. Program Director	Chairman
2. Additional Secretary (GA/C), E&L Department.	Member
3. Director, (Road Planning, Designing & Asset Management), Road Sector Development Directorate of W&S Department.	Member
4. Representative of M/s Halcrow.	Co-opted member (non-voting)

Terms of Reference as outlined in SPP Rule 8, Procurement Committee (s) shall be responsible for;


1. Preparing bidding documents;
2. Carrying out technical as well as financial evaluation of the bids;
3. Preparing Bid Evaluation report as provided in Rule 45;
4. Making recommendations for the award of contract to the competent authority; and
5. Perform any other function ancillary and incidental to the above.

-DR. FAZLULLAH PECHUHO-
SECRETARY TO GOVT. OF SINDH

NO.SO/G-IIDE&L/SBEP/2014: Karachi, dated, the 7th January, 2015

Copy forwarded for information and necessary action to:-

1. The Secretary, Works & Services Department, Government of Sindh.
2. The Managing Director, SPPRA, Government of Sindh.
3. The Member of the Committee (all).
4. PS to Secretary, Education & Literacy Department, Govt. of Sindh Karachi.
5. Office order file.
6. Official website.

**SINDH EDUCATION &
LITERACY DEPARTMENT**



(Syed Qasim Akbar Nimal)
Section Officer (G-III)

Annexure – II: Sample of Minutes

Sindh Basic Education Program
Program Management and Implementation Unit



1. Meeting Details

Date:

Time:

Participants:

S. no.	Name	Signature

2. Meeting Notes

#	Note



Sindh Basic Education Program

Program Management and Implementation Unit

S. N o / A D P	Name of Scheme & Estimate	Allocated Funds	Cost of ongoing works (Expenditure already)	Funds earmarked for ongoing	Cost of New works (components)	Funds for New	Nature of Procurement	Method of Procurement	Anticipated / Actual Date of Advertisement	Anticipated / Actual	Anticipated / Actual Date of Completion
A	B	C	D	E	F	G	H	I	J	K	L
1.											
2.											
3.											

Annexure – III B: Format of Procurement plan for Non-Development work



Sindh Basic Education Program
Program Management and Implementation Unit

S. #	Fund Head & Sub head	Name of work and break up	Allocated Funds and break up for	Items to be executed	Method of Procurement	Anticipated /Actual Date of Advertisement	Anticipated /Actual Date of Start	Anticipated /Actual Date of Completion	Remarks
a	A	B	C	D	E	F	G	H	I
1.									
2.									
3.									

Annexure – IV: Sample of Indent / Requisition Form

Sindh Basic Education Program
Program Management and Implementation Unit



Indent/ Requisition Form

Indent No: _____

Date: _____

Indenter's Designation &Address, Telephone, Fax Numbers.

S No	Detail description of item(s)	Quantity required	Head of Account & Budget Allocation
1			
2			
3			

Date by which goods / services are required: _____

Name & Designation of the requisitioner: _____

Signature: _____

Acknowledged by:

Approved by:

Senior Manager Procurement

Program Director

Annexure – V: Sample format for Request for Quotation

Sindh Basic Education Program
Program Management and Implementation Unit



REQUEST FOR QUOTATION

Description:

[description of the PMIU and any other details]

Item #	Description	Qty

Program Director
Sindh Basic Education Program
School Education & Literacy Department
Government of Sindh

Annexure – VI: Sample format for Comparative Statement

Sindh Basic Education Program
Program Management and Implementation Unit



S. No.	Firm/Bidder's Name	Final Tender Cost	Comparison with Engineering Estimate	Remarks and Recommendations	Ranking
1	Firm A				
2	Firm B				
3	Firm C				

Signature of authorization:_____

Annexure – VII: Sample format for Purchase Order

Sindh Basic Education Program
Program Management and Implementation Unit



Date: _____

PO Number: _____

Vendor

[Company Name]

[Contact or Department]

[Street address]

[City, st. ZIP]

Phone: _____

Item #	Description	Qty	Unit Price	Total

Comments / or special Instruction

Subtotal

Shipping

Other

Total

Annexure – VIII A: Sample of Good Receiving Note

Sindh Basic Education Program
Program Management and Implementation Unit



Goods Receiving Note

<u>Item #</u>	<u>Description</u>	<u>Qty</u>	<u>As per P.O</u>	<u>As Received</u>

Signature of the Admin Officer:_____

Signature of the User Department:_____

Signature of Quality Inspector:

Annexure – VIIIIB: Sample of Quality Inspection Report

Sindh Basic Education Program
Program Management and Implementation Unit



Quality Inspection Report

Item #	Description	Quantity received	Remarks

Signature of Quality Inspector: _____

Annexure – IX: Sample of Inventory Register

Sindh Basic Education Program
Program Management and Implementation Unit



Inventory Register

S. No	Item Description	Item Identification Number	Contract Number & Date	Date of Receiving the store	Warranty	Issued to Name & Designation	Date of receiving	Signature
1								
2								
3								
4								

Annexure – X: Sample of Letter of Invitation

Notice Inviting Tender for Single Stage One Envelope Procedure

Sindh Basic Education Program (SBEP) Government of Sindh *has* received funds from *Province/Federal/Loan/Grant /Self* for the Project/Scheme cited above with Scope, Estimated Cost and duration of project are as under:-

- (i) **Scope:** *((Insert the scope).*
- (ii) **Estimate Cost:** *(Insert the Cost).*
- (iii) **Scheme/Project Period:** *(Insert the Period).*
- (iv) **Bid Security: 2% of the Bid value**

Program Management & Implementation Unit of SBEP is inviting bids from interested firms, suppliers, contractors and service providers to for the above mentioned scope of work. The bidding documents shall be issued from (Insert Date & Time) and must be submitted on the address mentioned herein below on or before *(Insert Time) on (Insert Date).*

3. Eligibility.

Valid Registration with Pakistan Engineering Council and Tax Authorities of Pakistan

4. Required Documents: Bid must include following details/documents:-

(A) Profile of Firm:

- (i) Name, address, telephone, fax numbers and e-mail address of firm;
- (ii) Ownership and Organizational Structure of the firm.
- (iii) Year of Establishment.

(B) Experience and past performance.

- (i) Firm / Contractor having experience of 7 similar assignments with cost, under-taken in the past 5 years;
- (ii) Having 3 assignments of similar site/geographical condition

Performance certificates of assignments /projects completion are to be attached.

(C) Financial.

- (i) Documentary evidence of financial position, e.g., a bank statement or audited accounts of the last three years.
- (ii) Annual turnover of the last three years not below 10 millions/ years.
- (iii) Income tax return for the last three years.

(E) information.

- (i) Details of disputes/litigation or arbitration with client(s) if any
- (ii) Affidavit that firm has never been blacklisted, debarred from any Government organization.

5. Evaluation Criteria:

- (i) Applications with required documents attached shall be evaluated on Pass or Fail/Yes or No basis (check list); any firm having one, 'No' shall be declared non responsive. The contract shall be awarded to lowest among the responsive bidder.

- (ii) Applications of black listed firms shall not be considered;
 - (iii) PMIU –SBEP shall disqualify the applicant if, at any stage, it finds that the information submitted for qualification was either significantly inaccurate or incomplete.
6. Interested firms should address their inquiries and submit their bid to the following: -
- Address :
- Telephone No :
- E-mail Address :
- Fax No. :
7. PMIU may reject all or any bid subject to the relevant provisions of Sindh Public Procurement Rules 2010.

**Program Director
PMIU-SBEP**

Annexure – XI: Sample of Data Sheet

Sindh Basic Education Program
Program Management and Implementation Unit



Method of procurement	Tick
1. Single Stage - One Envelop	
2. Single Stage - Two Envelops	
3. Two Stage - One Envelop	
4. Two Stage - Two Envelops	

Date & Time of Opening of Bids:

[illegible]

Signatures of All member of PC:

S. No.	Name of the member	Signature

Annexure – XII: Sample of Integrity Pact

Integrity Pact

DECLARATION OF FEES, COMMISSION AND BROKERAGE ETC.

PAYABLE BY THE SUPPLIERS/CONTRACTORS/CONSULTANTS.

Contract Number: _____ Dated: _____

Contract Value: _____

Contract Title: _____

_____[Name of Supplier/Contractor/Consultant]_____ hereby declares that it has not obtained or induced the procurement of any contract, right, interest, privilege or other obligation or benefit from Government of Sindh (GoS) or any administrative subdivision or agency thereof or any other entity owned or controlled by it (GoS) through any corrupt business practice.

Without limiting the generality of the foregoing, [Name of Supplier/Contractor/Consultant]_____

represents and warrants that it has fully declared the brokerage, commission, fees etc. paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit, in whatsoever form, from PMIU-SBEP, except that which has been expressly declared pursuant hereto.

[Name of Supplier/Contractor/Consultant] _____ certifies that it has made and will make full

disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with PMIU-SBEP and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

[Name of Supplier/Contractor/Consultant] accepts full responsibility and strict liability for

making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other right and remedies available to PMIU-SBEP under any law, contract or other instrument, be voidable at the option of PMIU-SBEP.

Notwithstanding any rights and remedies exercised by PMIU-SBEP in this regard, [Name of Supplier/Contractor/Consultant] agrees to indemnify PMIU-SBEP for any loss or damage

incurred by it on account of its corrupt business practices and further pay compensation to PMIU-SBEP in an amount equivalent to ten times the sum of any commission, gratification,

bribe, finder's fee or kickback given by [Name of Supplier/Contractor/Consultant] as aforesaid

for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit, in whatsoever form, from PMIU-SBEP.

Program Director
PM U-SBEP

[Supplier /Contractor/Consultant]

Annexure – XIII: Sample of Bid Record Sheet

Sindh Basic Education Program
Program Management and Implementation Unit



Date & Time of Opening of Bids:

Method of procurement	Tick
1. Single Stage - One Envelop	
2. Single Stage - Two Envelops	
3. Two Stage - One Envelop	
4. Two Stage - Two Envelops	

[illegible]

Signatures of All member of PC:

S. No.	Name of the member	Signature

Annexure – XIV: Sample of Bid Evaluation Report**Bid Evaluation Report**

Name of Procuring Agency: _____

Tender Reference No: _____

Tender Description/Name of work/item: _____

Method of Procurement: _____

Tender Published: _____

Print & Electronic Media (SPPRA ID No. & News papers names with dates)

Total Bid documents Sold; _____

Total Bids Received: _____

Technical Bid Opening date: (if applicable) _____ (Provide details in separate form)

No. of Bid technically qualified (if applicable): _____

Bid(s) Rejected: _____

Financial Bid Opening date: _____

6. Bid Evaluation Report:

S. #	Name of Firm or Bidder	Cost Offer by the Bidder	Ranking Terms of Cost	Compression with Estimated Cost	Reasons For Acceptance/ or Rejection	Remarks
0	1	2	3	4	5	6
1						
2						
3						
4						

Signatures of the Members of the Committee. _____

Annexure – XV: Sample of “Letter of Acceptance”

Letter of Acceptance

[on letterhead paper of the Procuring agency]

..... *date*

To _____: *name and address of the Contractor*

..... Subject _____: *Notification of Award Contract*

No.

This is to notify you that your Bid dated for execution of the
.name of the contract and identification number, as given in the Contract Data. [at the percentage ----

- above/below/ par on the items of Schedule of Rates (CSR) in case of B-I agreement]. for the Accepted Contract Amount of the equivalent ofamount in numbers and words and name of currency , as corrected and modified in accordance with the Instructions to Bidders is hereby accepted by our Agency.

You are requested to furnish the Performance Security within 28 days in accordance with the Conditions of Contract, using for that purpose the **Performance Security Form** included in bidding document and **sign the contract agreement** attached herewith within stipulated time mentioned above.

Authorized Signature: _____

Name and Title of Signatory: _____

Name of Agency: _____

Annexure – XVI: Sample of Notice for Pre-qualification

Sample Pre-qualification Notice



1. Program Management and implementation Unit (PMIU) of Sindh Basic Education Program(SBEP) has received funds from **Province/Loan/Grant for the Project/Scheme with Scope, Estimated Cost and duration of project are as under:-**

- (i) Scope: ((Insert the scope).
- (ii) estimated cost

2. Eligibility:

Valid Registration with Pakistan Engineering Council or any other relevant professional body (as applicable) in relevant category and discipline is mandatory (PM Construction must mention relevant category, discipline and professional body) and with tax Authorities.

3. Dead line of Submissions:

Applications are invited from interested firms for pre-qualification. The application along with following documents must reach at the address mentioned below on or before (Insert Time) and (Insert Date). Bidding Documents shall be issued only to the pre-qualified supplier.b

4. Required Documents:

It must include following details/documents:-

(A) Profile of Firm:

- (i) Name, address, telephone, fax numbers and e-mail address of firm;
- (ii) Organizational Structure and year of establishment of the firm

(B) Qualification & Experience of technical

staff. Academic qualification -

Minimum qualification be mentioned by the Sr. Procurement Specialist. For additional qualification, additional weightage shall be given by separately (Marks 10 for basic qualification, 3 for Masters or technical/ professional course or post graduate (as the case may be) and 5 for PhD) Procurement Committee may adjust the weightage as per its requirement. 30 Marks.

Experience –

Number of similar assignments/equipments with length of experience be mentioned (preferably at least number of assignments with over all experience of ____ years).
20 Marks.

(Brief CVs of key personnel be attached)

(C) Financial

- (i) Documentary evidence of financial position, bank Statement or audited accounts of the last (mention number) years.
- (ii) Annual turnover of the last (mention number) years.
Income tax return, General sales tax for the last (mention number) years

(Minimum annual turnover be mentioned)

15 Marks

(D) Any other information:

- (i) Details of disputes/litigation or arbitration with client(s).
- (ii) Affidavit that firm has never been blacklisted.

(E) PMIU may add or delete any information/document if desired.

5. Evaluation Criteria:

Applications with required documents attached shall be evaluated as per prescribed method (Sr. Procurement Specialist shall decide the score) the score obtaining 70 to 80% of above score shall be declared pre qualified.

- (i) Applications of black listed firms shall not be considered;
- (ii) Procurement Committee shall disqualify the applicant if, at any stage, it finds that the information submitted for pre-qualification was inaccurate or dubious/tempered.

6. Interested firms shall address their queries and submit their applications to the following

Address:-

Name :

Address :

Telephone No : _____

E-mail Address : _____

Fax No. : _____

7. PMIU may reject all or any bid subject to the relevant provisions of Public Procurement Rules, 2010.

**Program Director
Sindh Basic Education Program
School Education & Literacy Department
Government of Sindh**

Annexure – XVII: Sample Evaluation Report of Pre-qualification.

Sindh Basic Education Program
Program Management and Implementation Unit



Description of the Evaluation criteria in tabular form with respect to the nature of the assignment.

Signature of the member of Procurement Committee

S. No.	Name of the member	Signature

Annexure – XVIII: Sample of Request for Expression of Interest.

Sindh Basic Education Program
Program Management and Implementation Unit



EXPRESSION OF INTEREST

Description of the Organization and the nature of assignment, and terms and conditions.

Submission:

Description of submission of Expression of interest.

**Program Director
Sindh Basic Education Program
School Education & Literacy Department
Government of Sindh**

Sindh Basic Education Program
Program Management and Implementation Unit



REQUEST FOR PROPOSAL

The Assignment

Description

Brief Scope of Work

Description

Eligibility: Registration with Sindh Revenue Board

Bid Security: (%of the Contract Amount)

Bid Validity Period: (Date to be Mentioned)

Response Time: (Date and time to be mentioned)

Pre Bid Meeting: (Address at which the meeting is to be held, Date and time to be mentioned)

Bid Submission Deadline: (date and time of the bid submission)

Bid Opening (date and time of the bid opening)

Bid Submission & Opening Address:

Bidding Documents

Bidding Documents: The RFP document shall be available to download (free of cost) on the SPPRA and PMIU website.

For further information:

[Name, address and phone of the contact person]

Annexure – XX: Sample of Terms of Reference for Consultant

Sindh Basic Education Program
Program Management and Implementation Unit



[Terms of reference to be decided by the PMIU]

Annexure – XXI: Sample for Preparation of cost estimate or budget of the assignment.

Sindh Basic Education Program
Program Management and Implementation Unit



COST ESTIMATE OR BUDGET

S. NO.	LEVEL OF EXPERTISE	RATE / HOUR / DAY	TOTAL HOURS / DAYS	TOTAL AMOUNT

Signature of the member of Procurement Committee

S. No.	Name of the member	Signature

Annexure – XXII: Sample format for shortlisting

Sindh Basic Education Program
Program Management and Implementation Unit



SCORE SHEET FOR SHORTLISTING OF CONTRACTORS

S#	Name of the contractor	[criteria]	[criteria]	[criteria]	[criteria]	[criteria]	[criteria]	Total
Score		15	10	25	25	10	100	
1								
2								
3								

Signature of the member of Procurement Committee

S. No.	Name of the member	Signature

Annexure – XXIII: Sample of Evaluation Criteria Report

Sindh Basic Education Program
Program Management and Implementation Unit



Evaluation Criteria for Single Stage one envelope procedure

S. No.	Name of Firm / Contract Date Establishment	P.O. Number & Amount 2 %	Having experience of 7 similar assignments in the past 5 years;	Having 3 assignments of similar site/ geographical condition	Bank statement or audit accounts of the last three years.	Annual turnover of the last three years no the low 10 million/years	Bid Price	Ranking	Remarks

Note: anyone 'NO' shall consider bid non responsive.

Award Criteria: lowest amount responsive bidder.

Procurement Committee

Signatures

1. _____

2. _____

3. _____


Annexure – XXIV: Sample of Comparative Statement of Financial Proposal

Sindh Basic Education Program
Program Management and Implementation Unit



S. No	Firm/Bidder's Name	Final Tender Cost	Comparison with Engineering Estimate	Remarks and Recommendations	Ranking
1	Firm A				
2	Firm B				
3	Firm C				

Annexure – XXV: Notification of Complaint Redressal Committee



REFORM SUPPORT UNIT
EDUCATION & LITERACY DEPARTMENT
GOVERNMENT OF SINDH
NO: SBEP/USAID/PD/2013
Karachi dated: 11th Jan, 2013

NOTIFICATION


No. SBEP/USAID/PD/2013: With the approval of the Competent Authority, and in light of rule 31 of SPPR 2010 following Complaint Redressal Committee (CRC) notified for a complaint about procurement of Goods and civil Works and consultancy Services of Sindh Basic Education Program (SBEP) with immediate effect.

1. Special Secretary E & L Department	Chairman
2. Representative of Accountant General Sindh	Member
3. A nominee of USAID as independent Expert	Member

SECRETARY
EDUCATION & LITERACY DEPARTMENT
No. SBEP/USAID/PD/2013 Karachi, 11th January, 2013

A copy for information & necessary action to:-

1. Senior Minister, Education and Literacy Department, Government of Sindh, Karachi
2. Additional Chief Secretary (Dev.), P&D Department, Government of Sindh, Karachi
3. Secretary to Governor of Sindh
4. Secretary to Chief Minister Sindh
5. Secretary, Education & Literacy Department, Government of Sindh and Chairman, Program Steering Committee, Karachi
6. Members, Program Steering Committee, Sindh Basic Education Program
7. Project Director, Sindh Basic Education Program, Education & Literacy Department, Government of Sindh, Karachi
8. Chief Program Manager, Reform Support Unit, Education & Literacy Department, Government of Sindh, Karachi
9. Deputy Secretary (Staff) to Chief Secretary Sindh
10. P.S to Chief Secretary Sindh
11. P.S to Secretary (Services), SGA&CD, Government of Sindh, Karachi
12. Master File.


DEPUTY SECRETARY (GENERAL)
EDUCATION & LITERACY DEPARTMENT

13. Checklists

13.1. SPPRA Checklist

Public procurement is the acquisition, whether under formal contract or not, of works, supplies and services by public bodies. It ranges from the purchase of routine supplies or services to formal tendering and placing contract for large infrastructural projects by a wide and diverse range of contracting authorities.

This checklist includes the steps required in a normal procurement cycle, from identifying and specifying a need to awarding a contract. The checklist aims to provide a general reminder list to those required to undertake a procurement process. The checklist would be read in conjunction with the Procurement Law / Rules. The checklist would require the following steps to be taken in the procurement process:

1. Identifying the need – is the purchase necessary?
2. Writing the specification
3. Estimating cost
4. Securing approvals and funding
5. Determining the best procurement strategy
6. Deciding on the tendering procedure that should be followed
7. Preparing Notice Inviting Tender (NIT)
8. Allowing sufficient time for submission of tenders
9. Issuing tender documents, supporting documents and clarifications without delay
10. Receipting and opening tenders
11. Evaluation of tenders
12. Awarding the contract
13. Managing the contract

A. Identifying the need – Is the purchase necessary?

Before starting any procurement process, it is important to establish whether it is essential to purchase.

1.1	Establish whether there is a clear business need for the product or service. The procurement should be essential for the conduct of normal business or to improve performance.	<input type="checkbox"/>
1.2	Ensure that the Procurement addresses future phases of the service or purchase of goods that may be required.	<input type="checkbox"/>

B. WRITING THE SPECIFICATION

Once the need for, and what is needed from, a supplier or service provider has been established, the specification of requirements needs to be developed.

2.1	Base the specifications on the needs identified in the demand.	<input type="checkbox"/>
2.2	Ensure that the specifications are clear, comprehensive generic and not discriminatory (use generic technical specification and avoid proprietary brand names).	<input type="checkbox"/>
2.3	Ensure that the specifications present the optimum combination of whole-life-costs and/or price to meet your requirements.	<input type="checkbox"/>

C. ESTIMATING COST

A realistic estimate of all phases of the service or product is essential as this will influence the procurement procedure to be followed and is important for budgeting purposes.

3.1	Prepare a realistic estimate of all phases of the service or product.	<input type="checkbox"/>
3.2	Establish whether funds are available to meet the purchase?	<input type="checkbox"/>
3.3	Determine whether the estimate is over the procurement threshold.	<input type="checkbox"/>

D. SECURING APPROVALS AND FUNDING

Once a realistic estimate of cost is available the Competent Authority should be requested to approve the expenditure.

4.1	Ensure that all necessary approvals are sought in adequate time.	<input type="checkbox"/>
-----	--	--------------------------

E. DETERMINING THE BEST PROCUREMENT STRATEGY

Adopt a procurement strategy that will minimise casual or 'once-off' purchases and promote best value.

F. DECIDING ON THE TENDERING PROCEDURE THAT SHOULD BE FOLLOWED

Following an appropriate competitive tendering procedure will avoid violation of provision of the procurement Law / Rules. The type of competitive process to be followed can vary depending on the size and characteristics of the contract to be awarded.

G. PREPARING Notice Inviting Tender (NIT)

7.1	The detail procurement procedures and methods are provided under Rules 15, 16 and 46 of the Sindh Public Procurement Rules 2010.	<input type="checkbox"/>
7.2	The procuring entities are required to conduct an appropriate procurement procedure.	<input type="checkbox"/>
7.3	Ensure that the NIT is clear and comprehensive. Clarity and completeness at this stage will help eliminate the need for clarifications later.	<input type="checkbox"/>
7.4	Set out all the criteria that will be applied in the award process, together with the relative weightings of each. This is a vital part of the process. These	<input type="checkbox"/>

	criteria will form the basis against which tenders will be comparatively evaluated and are the key to an objective, transparent award procedure.	
7.5	Specify any special conditions of tender.	<input type="checkbox"/>

H. ALLOWING SUFFICIENT TIME FOR SUBMISSION OF TENDERS

Allow suppliers an adequate period for the preparation of tenders.

8.1	Take account of the complexity of the contract when fixing the timescale for submitting responses.	<input type="checkbox"/>
8.2	Allow suppliers sufficient time for submitting the necessary information and preparing the tenders (taking into account holiday periods and tender publication time etc.	<input type="checkbox"/>

I. ISSUING TENDER DOCUMENTS, SUPPORTING DOCUMENTS AND CLARIFICATIONS WITHOUT DELAY

Responses to requests for information, requests for tender documents and other supporting documentation (if not made available electronically) must be issued without delay.

9.1	Issue tender documents and responses to requests for additional information in good time	<input type="checkbox"/>
9.2	Ensure that additional information supplied to one party, in response to a request, is supplied to all interested parties if it could be significant in the context of preparing a tender.	<input type="checkbox"/>

J. RECEIPTING AND OPENING TENDERS

The procuring entity should ensure that proper procedures are in place for opening tenders.

10.1	Return late tenders unopened to the tenderer and record their existence and time of arrival.	<input type="checkbox"/>
10.2	Open all tenders (received on time) together as soon as possible after the designated latest time and date set for receipt of tenders.	<input type="checkbox"/>
10.3	Arrange for the opening of tenders to take place in the presence of at least two officials of the contracting authority who would sign each tender paper mentioning the date as well.	<input type="checkbox"/>
10.4	Ensure that a clear and formal independently vouched report of the tenders received is produced.	<input type="checkbox"/>

K. EVALUATING TENDERS

The evaluation and award process must be demonstrably objective and transparent and based solely on the criteria published in the RFT or in tender document.

11.1	Arrange for the evaluation of tenders to be carried out by a suitably competent evaluation team / committee.	<input type="checkbox"/>
11.2	Evaluate price including taxes.	<input type="checkbox"/>

L. AWARDING THE CONTRACT

The contract should be awarded to the supplier or service provider that is best able to fulfil procuring entity requirements (selected in accordance with the evaluation criteria), whose bid is within budget and in all other respects complies with the RFT, approval requirements, public procurement law.

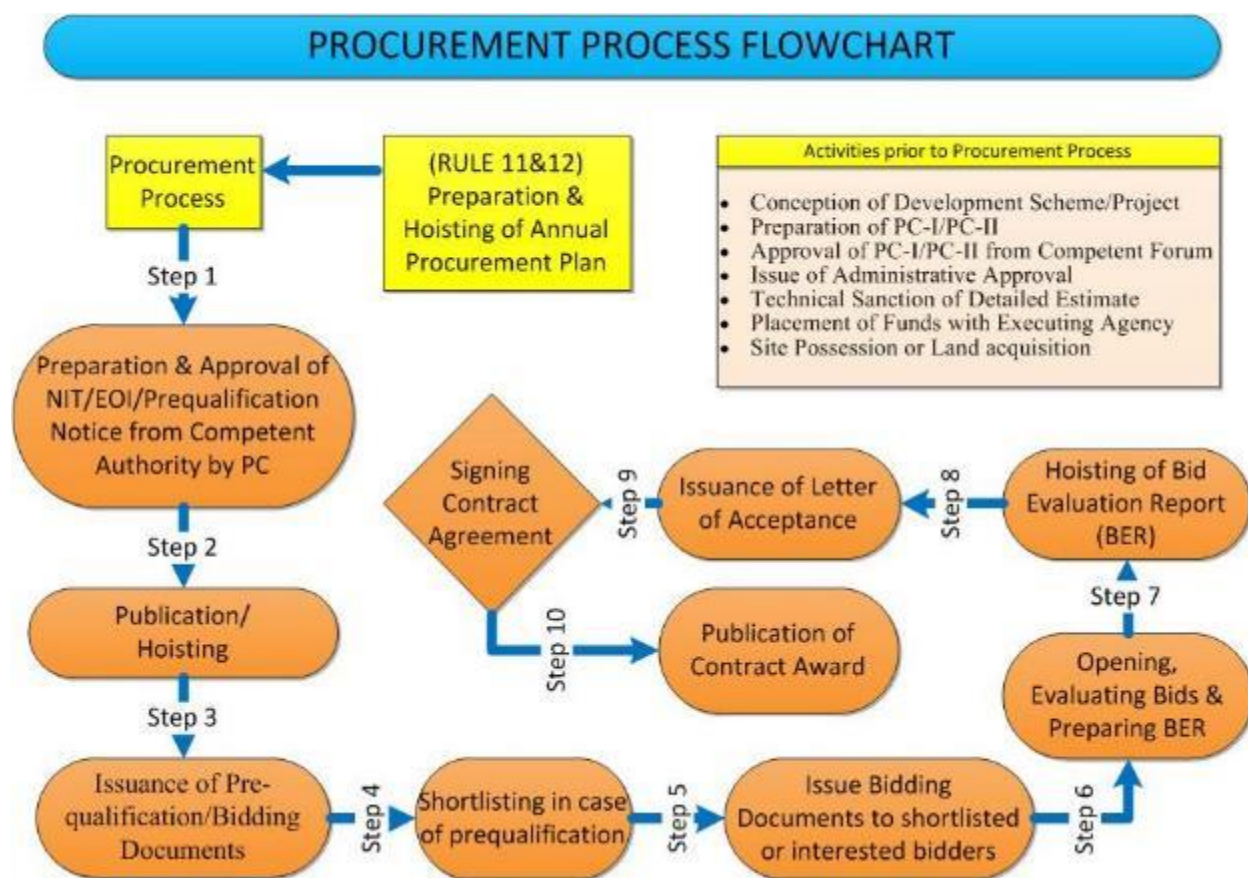
12.1	Record in the contract document(s) all terms and special conditions that apply.	<input type="checkbox"/>
12.2	Ensure that the contract specifies clearly the roles and responsibilities of both the client and the supplier/service provider – what needs to be done, by whom and how much it will cost.	<input type="checkbox"/>

M. MANAGING THE CONTRACT

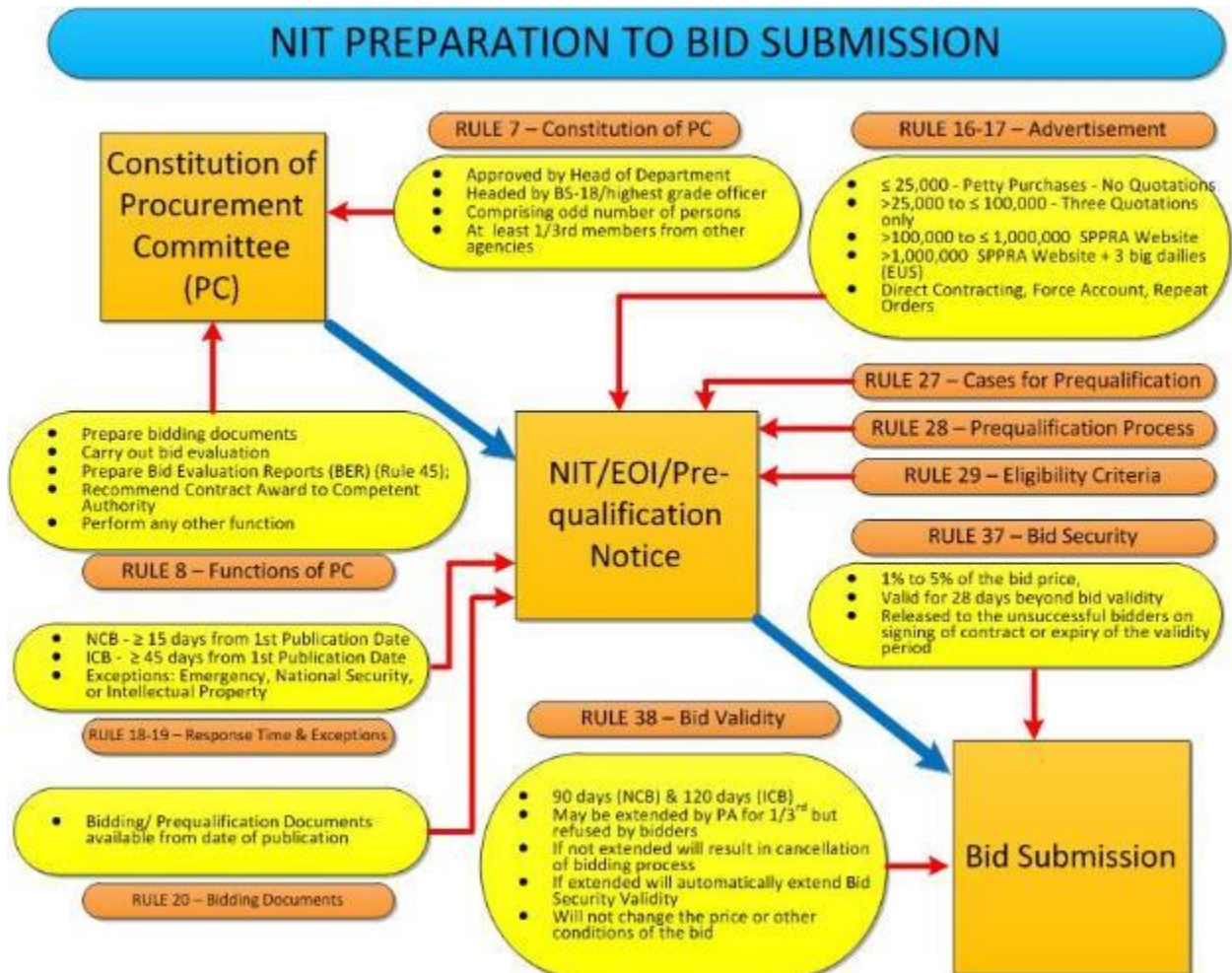
The management stage of a contract is where value for money, (VFM) gained during the preceding stages, is realised. A contract needs to be effectively managed by the user, not just left to the supplier. Proactive involvement in the management of the contract is essential to maximise VFM.

13.1	Have a programme of checking work/goods against the specification.	<input type="checkbox"/>
13.2	Ensure that there are procedures for identifying inadequacies/poor performance and for remedial action.	<input type="checkbox"/>
13.3	Maintain a record of supplier performance.	<input type="checkbox"/>
13.4	At the conclusion of the contract, review the whole procurement process, not just the supplier's performance but also the effectiveness of the earlier stages. This review process can provide information for future procurements – in respect of developing and specifying needs, supplier selection and contract management.	<input type="checkbox"/>

13.2. Procurement Process



A. NIT preparation to bid submission



Checklist – Preliminary considerations and NIT

Advertisement Number and Date							
Types of Procurement	Goods		Works		Services		Consulting Services

S. No.	Particulars	SPP Rule	Date and sign off
1.	Annual Procurement Plan is sent to SPPRA and Hoisted	11	
1.1.	If yes, the instant NIT are covered under APP	11	
2.	Notification of Procurement Committee is received	7	
2.1.	PC comprises odd number of members.	7	
2.2.	PC comprises at least on third members from agencies / Department other than PA.	7	
3.	Notification of consultant Selection Committee is received	67	
3.1.	CSC is as per Rule 67	67	
4.	Notification of Complaint Redressal Committee is received	31	
4.1.	CRC comprises of odd number of persons	31	
4.2.	CRC is headed by head of PA or an official one rank senior to head of PC.	31	
4.3.	CRC comprises DAO or representative of AG Sindh	31	
4.4.	CRC comprises of independent professional	31	
5.	Method of procurement: International Competitive Bidding (ICB) or National Competitive Bidding (NCB)	15	
6.	Estimated cost (up to 1 million, above 1 million, Not mentioned)	17 (1)	
6.1		English Urdu Sindhi	17 (1A)

S. No.	Particulars	SPP Rule	Date and sign off
	If above 1 M, the advertisement is published in newspaper		
7.	Ensure that NIT contains		
7.1.	Name of Procuring Agency	17(3)(a)	
7.2	Address Tel. Number Fax Email Address	17(3)(a)	
7.3	Purpose and Scope of Procurement	17(3)(b)	
7.4	First date of issuance of BDs	17(3)(c)	
7.5	Last date of issuance of BDs	17(3)(c)	
7.6	Response time is as per Rule (15 days for NCB / 45 days for ICB)	18	
7.7	Date of submission is mentioned.	17(3)(c)	
7.8	Time of submission is mentioned.	17(3)(c)	
7.9	Date of opening is mentioned	17(3)(c)	
7.10	Time of opening is mentioned	17(3)(c)	
7.11	Date of Submission and opening of bid s is same.	41(3)	
7.12	Time between submission and opening of bids is within one hour.	41(3)	
7.13	Tender Fee.	17(3)(d)	
8.	Documents required with NIT		
8.1	Notice Inviting Tender	17	
8.2	Notification of procurement Committee	7	
8.3	Notification of complaint Redressal Committee	31	
8.4	Bidding Documents/ Soft Copy/ USB/CD	21(4)	
8.5	Annual Procurement Plan	11, 12	
8.6	Cheque/ Pay Order No.		

S. No.	Particulars	SPP Rule	Date and sign off
8.7	Method of Receiving		
8.8	Notice Inviting Tender		

Checklist – Bid Evaluation Report

TENDER REF: _____

Document required with Bid Evaluation Reports : (Rule – 45)	Check
1. Original Bid Evaluation Report sent	<input type="checkbox"/>
2. On standard format	<input type="checkbox"/>
3. Signed by all the members of procurement Committee.	<input type="checkbox"/>
4. Name and designation of All the members of procurement Committee.	<input type="checkbox"/>
5. Original comparative statement (if	<input type="checkbox"/>
6. Minutes of Bid opening meeting	<input type="checkbox"/>
7. Bidder's qualification/ technical Evaluation Report/ Prequalification Report.	<input type="checkbox"/>
8. Attendance Sheet	<input type="checkbox"/>
9. Method of sending to SPPRA	<input type="checkbox"/> Hand <input type="checkbox"/> Courier

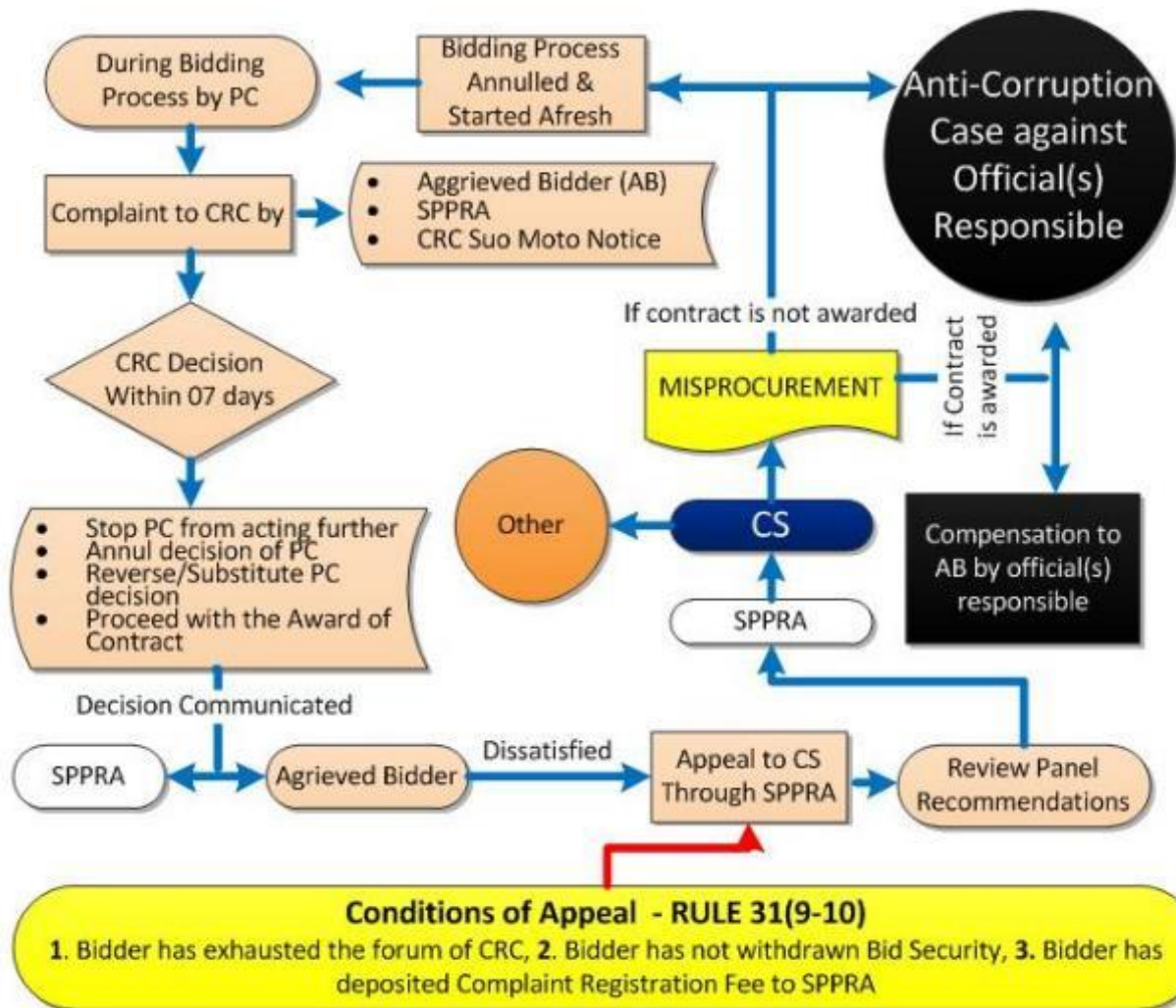
B. Checklists – EOI / PRE-QUALIFICATION SUBMISSION

TENDER REF: _____

EOI / Pre-Qualification	Check
1. Notice of EOI / Pre – Qualification.	<input type="checkbox"/>
2. Notification of procurement Committee	<input type="checkbox"/>
3. Notification of consultant selection Committee	<input type="checkbox"/>
4. Notification of Complaint Redressal Committee	<input type="checkbox"/>
5. Annual Procurement Plan	<input type="checkbox"/>
6. Pre-qualification/ Shortlisting Documents/ RFP Documents	<input type="checkbox"/>
7. Cheque/ Pay Order No.	<input type="checkbox"/>
8. Method of sending to SPPRA	<input type="checkbox"/> Hand <input type="checkbox"/> Courier

C. COMPLAINT REDRESSAL MECHANISM

COMPLAINT REDRESSAL MECHANISM (RULE 31 & 32)



D. CHECKLIST – CONTRACT EVALUATION REPORT

TENDER REF: _____

Documents required with Contract Evaluation Report: (Rule – 50)		Check
1. Contract evaluation form duly Signed		<input type="checkbox"/>
2. Letter of Award/ Work Order		<input type="checkbox"/>
3. Form of Contract/ Agreement		<input type="checkbox"/>
4. Bill of Quantities/ schedule of requirements		<input type="checkbox"/>
5. Integrity pact (where applicable.)		<input type="checkbox"/>
6. Method of sending to SPPRA		<input type="checkbox"/> Hand <input type="checkbox"/> Courier

S. No.	Particulars	SPP Rule	Date and sign off
1.	Date of Receipts of contract documents		
2.	Date of hosting of BER on SPPRA website		
3.	Date of Award of Contract (Agreement)		
4.	Contract awarded three days after hosting of BER on Authority's website	45	
5.	Contract documents were received within seven days of award of contract	50	
6.	Contract documents of all items have been received		
7.	All the documents mentioned in Rule – 50 have been furnished (LOA, CEF, BOQ .Agreement)		
8.	Integrity pact (If Applicable) is provided.	89	

S. No.	Particulars	SPP Rule	Date and sign off
9.	Contract is awarded to the lowest bidder at the same price as mentioned in the BER.		

14. Mandatory references

a. Legal framework

- i. Laws
- ii. Rules

Title / Reference	Relevant reference in the manual
Rule 4	6
Rule 5	6.1.1.
Rule 6	6.1.2.
Rule 53	6.1.3.
Rule 52	6.1.4.
Rule 44	6.1., 11.2, 11.3
Rule 54	6.1.6.
Rule 61	6.2.1.
Rule 62	6.2.2.
Rule 63	6.2.3.
Rule 64	6.2.4.
Rule 65	6.2.5.
Rule 77	6.2.6.
Rule 78 (1) (2)	6.2.7.
Rule 79	6.2.8.
Rule 80	6.2.9.
Rule 84	5
Rule 7,8	7.1
Rule 45	11.2.8
Rule 11 (1)	10
Rule 12 (1)	10.1
Rule 12 (2)	10.1
Rule 15 (2)	11.1
Rule 47	11.1
Rule 27	11.1
Rule 16 (b)	11.1

Title / Reference	Relevant reference in the manual
Rule 16 (e)	11.1
Rule 17 (3)	11.2
Rule 21	11.2
Rule 20 (2)	11.2
Rule 20	11.2
Rule 17 (4) (5)	11.2
Rule 18	11.2
Rule 21(2)	11.2
Rule 22	11.2
Rule 23(1)	11.2
Rule 23(2)	11.2
Rule 24	11.2
Rule 43	11.2
Rule 25	11.2
Rule 41	11.2
Rule 48	11.2.
Rule 45	11.2.
Rule 49	11.2.
Rule 21	11.2.
Rule 20 (2)	11.2.
Rule 20	11.2.
Rule 18	11.2.
Rule 21(2)	11.2.
Rule 22	11.2.
Rule 23 (1)	11.2.
Rule 23 (2)	11.2.
Rule 24	11.2.
Rule 25	11.2.
Rule 48	11.2.
Rule 44	5.1.5
Rule 45	11.2.8

Title / Reference	Relevant reference in the manual
Rule 49	11.2.
Rule 50	11.3. F
Rule 51	11.3.
Rule 55	11.3.
Rule 27(1)	11.4.
Rule 27(2)	11.4.
Rule 29	11.4.
Rule 28	11.4.
Rule 28 (2)	11.4.
Rule 30	11.4.
Rule 29(4)	11.4.
Rule 27 (2)	11.4.
Rule 29	11.4.
Rule 17	11.3.
Rule 30	11.4.
Rule 67	11.5.
Rule 68 , 71	11.5.
Rule 72	11.5.
Rule 66	11.5.
Rule 73 & 73 (i)	11.5.
Rule 74 (i) &(ii)	11.5.
Rule 75(1)	11.5.
Rule 76	11.5.
Rule 31	11.6.
Rule 32	11.6.
Rule 25	11.2.

iii. Regulations

Title / Reference	Relevant reference in the manual
Regulation 2.9 (3)	10.4

Regulation 4.8.	11.2.
Regulation 4.10.	11.2
Regulation 7.4	11.2 (B)
Regulation 7.8	11.2
Regulation 7.1	11.2
Regulation 7.3.	11.2
Regulation 7.5.	11.2
Regulation 7.6. (c)	11.2
Regulation 7.9	11.2
Regulation 7.12	11.2
Regulation 7.12.1	11.2
Regulation 7.6. (c)	11.2
Regulation 2.13	11.2
Regulation 2.16.	11.2
Regulation 2.16.	11.2
Regulation 2.17.	11.2
Regulation 2.18.	11.2

iv. Policy guidelines

v. Manual

None.

b. Administrative instructions

i. Circulars

Area	Subject	Authority / Department	Reference number and date	Relevant reference in the manual

ii. Notifications

Area	Subject	Authority / Department	Reference number and date	Relevant reference in the manual

15. Effective Date

The manual shall come effective from the date of notification issued by PMIU in pursuance of approval of PSC.